



REQUEST FOR PROPOSAL
For
Operations & Management
Of

_____ **Toll Plaza on** _____

Issued by: _____ **Date:** _____

Received by: _____ **Date:** _____

Endorsed by: _____ **Date:** _____

Section I - Preamble

- Letter of Invitation with necessary information for the Operation and Management Contractors including Data Sheet and specimen forms for submission of Financial Proposals.

Section II Scope of Services

Section III General Conditions of Contract Agreement

SECTION-I

- **Preamble**
- **LOI**
- **Forms for Financial Proposal**

Preamble

1. National Highway Authority (NHA) intends to offer operations and management (O&M) contract of 26 Toll Plazas on National Highway Network to private entrepreneurs for a time period of **One (01) year** and extendable for a further period of one (01) year with 10% increased installment based upon satisfactory performance through competitive bidding. O & M Contract for running such facilities is comparatively a new concept and NHA is encouraging to build a new team of operators to run the facilities as per international practice.
2. NHA's purpose is to develop and establish a program that meets the following objectives: (1) Efficient toll collection operation, (2) Sound financial accounting of revenues and assets, (3) Responsive, courteous customer (patron) service and (4) Service the best interests of the people of Pakistan and the National Highway Authority (NHA), Using these objectives as guiding principles, the Management Contractor (MC) is encouraged to provide a plan for Toll Collection Operations and Management at the said location.
3. Presently about **Eighty Four (84)** Toll Plazas are in operation throughout the National Highway Network in the country. The Toll Plaza mentioned in this RFP is functioning satisfactorily and hence it is intended to delegate operations and management of this location to the private sector for further operations.
4. The Scope of Services is briefly as follows:
 - I. Toll Operations on manual basis/Electronic Toll & Traffic Management (ETTM) basis when installed.
 - II. Management of Toll Plazas & Toll Operating Contractor (TOC).
 - III. Maintenance and management of toll collection facilities (details provided in the RFP).
 - IV. Provision of security services.
 - V. Maintenance of all civil, electrical, mechanical and electronic installations.
 - VI. Keeping all facilities, assets and resources in the best healthy manner and to operate as per NHA Standards.
 - VII. Any other operation ancillary thereto, for the purposes of carrying out work in accordance with the stipulations of the RFP.



NATIONAL HIGHWAY AUTHORITY

(Operations Wing)

27-Mauve Area, G-9/1

ISLAMABAD

2009

No. 6 (114)/NHA/GM (Ops)/2009/

To

Subject: **LETTER OF INVITATION (LOI)**

- 1.1 You are hereby invited to submit financial proposal for Operation, Management & Maintenance services required for the assignment named in the attached LOI Data Sheet (referred to as “Data Sheet” hereafter) and annexed with this letter. Your proposal could form the basis for future negotiations and ultimately a Contract between your firm and the Client named in the Data Sheet.
- 1.2 A brief description of the assignment and its objectives are given in the Data Sheet. Details are provided in the Scope of Services & O&M Contract.
- 1.3 To obtain first-hand information on the assignment you shall attend pre-proposal conferences & if needed negotiate the contract leading to signing of the same at your expense. At no stage NHA shall be liable to incur or reimburse any costs related to any such activities **even if** the contract award does not materialize. You must fully inform yourself of local conditions and take them into account in preparing your proposal.
- 1.4 National Highway Authority, the Employer will supervise award and execution of the O&M Contract for this project.
- 1.5 Please note that:
 - i. The cost of preparing the proposal and of negotiating the Contract, including attendance of pre-proposal conference, are not reimbursable as a direct cost of the assignment, and
 - ii. The Client is not bound to accept any of the proposals submitted and reserves the right to reject one or all proposals without assigning any reasons.
- 1.6 We wish to remind you that in order to avoid conflicts of interest:
 - i. Any firm providing goods, works, or services with which you are affiliated or associated is not eligible to participate in bidding for any goods, works, or services (other than the services and any continuation thereof) resulting from or associated with the project of which this assignment forms a part; and

- ii. Any previous or ongoing participation in relation with the project by your firm, its professional staff, its affiliates or associates under a Contract may result in rejection of your proposal. You should clarify your situation in that respect with the Client before preparing the proposal.

2. DOCUMENTS

- 2.1 To prepare a proposal, please use the Forms as enclosed for Financial proposal.
- 2.2 MCs requiring a clarification of the Documents must notify the Client, in writing, not later than seven (7) days before the proposal submission date.
- 2.3 At any time before the submission of proposals, the Client may, for any reason, whether at its own initiative or in response to a clarification requested by an invited consulting firm, modify the Documents by Addendum. The Addendum shall be sent in writing or by cable, telex or telefax to all invited firms/operators. The Client may at its discretion extend the deadlines for the submission of proposals.

3. PREPARATION OF PROPOSAL

- 3.1 **Financial Proposal Forms** (1B to 6B attached – All columns to be filled in as it may otherwise make it liable for rejection).
- 3.2 The PPRA Rules will be kept in view in opening and evaluating the proposal by opening of Financial Proposal to assess overall response to the Terms of Reference (TOR).

4. Provision to be Kept in view

- 4.1. All lanes at Plazas to be manned/kept operational 24 hours a day, 7 days a week and 365 days a year & in the case of any stoppage/close a fine as per Article-III of Agreement will be imposed.
- 4.2. The “Fog Lights” shall be provided where not already provided for foggy weather to avoid accidents. Also standby arrangements shall be provided for main electric failure.
- 4.3. A “complaint register”, be kept at each plaza to record user’s complaint, if any. Information for this register to be displayed at appropriate place.
- 4.4. All public facilities, equipment and resources shall be kept in operational condition at all time during the entire period of Contract.

5. Earnest Money (Bid Security)

- 5.1 The proposal shall be accompanied by an earnest money (Bid security) amounting to 2% of total net (annual) Bid Cost with the validity of 180 days from the date of submission of proposal.
- 5.2. The earnest money shall be denominated in the currency of the Bid and shall be in the form of a bank draft/pay order.
- 5.3. Any proposal not accompanied by the required earnest money, or accompanied by an earnest money in an amount less than that required, will be rejected as non -responsive.
- 5.4. The earnest money of all participating firms will be discharged/returned as promptly as possible after successful firm has signed the Agreement and has provided the required performance & Financial Payment Bond in favour of NHA.

5.5. The earnest money shall be forfeited:

- if a firm withdraw its proposal during the period of its validity: or
- in case of the successful firm , if it fails within the specified time to :
 - i. Furnish the necessary performance & financial Payment Bond:
 - ii. Sign the Agreement; or
 - iii. In case of default.

6. SUBMISSION / OPENING OF PROPOSAL

The following procedure shall be followed:

“Each bid shall comprise of one bigger single envelop containing one original and two copies in separate smaller envelops”.

7. NEGOTIATION

- a) In case your proposal is ranked No. 1 with highest guaranteed revenue bid, you may be invited to negotiate your bid without delay, if deemed necessary. The representatives conducting negotiations on your behalf must have written authority to negotiate all terms and to conclude a binding agreement.
- b) Should the negotiations prove unsatisfactory, negotiations with the ranked No. 2 with highest guaranteed revenue bid may be invited and so on, to pursue the negotiations till finalization of the award of the contract.
- c) The details of negotiation shall be part of contract agreement and shall be in lieu with contents of RFP.

8. AWARD OF CONTRACT

8.1 The Contract shall be awarded after successful negotiations with the selected MC's after approval of the Competent Authority. Upon successful completion of negotiations/initialing of the draft Contract, the Client shall promptly inform the other MCs that their proposals have not been selected.

8.2 The selected MC is expected to commence the assignment on the date and at the location specified in the Data Sheet in RFP.

9. CONFIRMATION OF RECEIPT

- 9.1 Please inform the Client by telex/facsimile courier or any other means:
- i. That you received the Letter of Invitation
 - ii. Whether you will submit a proposal
 - iii. If you plan to submit a proposal, when and how you will transmit it.

(SABIR HASAN)
General Manager (Operations)

DATA SHEET

LOI

- 1.1 The name of the Assignment is:
Operations & Management of 26 Toll Plazas on National Highway Network
- 1.2 The name of the Client is:
National Highway Authority.
- 1.3 Phasing of the Assignment (if any):
- 1.4 Pre-Proposal Conference: Yes, on **27-07-2009 at 1130 hours** in NHA Auditorium.
- 1.5 The Documents are: {Scope of Services/Background information, Draft Form of Contract (O&M Contract), Sample Formats/Appendices etc.};
As per Cover Page 1.
- 2.1 **The number of copies of the Proposal required is:**
One Original & Two copies.
- 3.1 **The address for seeking clarification and writing on the proposal is:**
General Manager (Operations)
National Highway Authority
27-Mauve Area
G-9/1, Islamabad.
- 3.2 (a) The date and time of Financial Proposal submission is
1130 hours on 30-07-2009 in NHA Auditorium
- (b) The Financial bid shall be opened on **30-07-2009** at **1200 hours** in NHA Auditorium in presence of representative of bidder who wishes to attend.
- 3.3 Amount of Earnest money (Bid Security)- **2% of the total net (annual bid price)**
in the shape of demand draft/pay order.
Validity period of the Bid Security is : 180 days
Validity Period of the Proposal is : 150 days

- 3.4 i. The Financial Proposal will be considered for detailed evaluation of only those firms who will be declared as responsive as per Clause 3.1 of LOI.
- ii. The basis of the final selection of the bidder shall be the Guaranteed Revenue bid price as mentioned in the Financial Proposal.
- 3.5 The assignment is expected to commence w.e.f. 2009.
- 3.6 **If a firm/company is declared highest in one Toll Plaza, then their proposals for other Toll Plazas will not be opened/considered.**

FINANCIAL PROPOSAL FORMS

FINANCIAL PROPOSAL FORMS FOR Operations, Management & Maintenance Services

BREAKDOWN OF RATES FOR STAFF (Operations & Management of 26 Toll Plazas on National Highway Network)

Project: (Name & Plaza Location) _____

Firm: _____

Name	Position	Basic Salary per Cal. Month	Social Charges (% age of 1)	Overhead/ Profit per Person Salary	Allowances (% age of 1)	Sub-Total (1+2+3+4)
		(1)	(2)	(3)	(4)	(5)

Notes:

Item No. 1: Basic salary shall include actual gross salary before deduction of taxes. Payroll sheet for each proposed personnel by appointment should be submitted at the time of proposals submission.

Item No. 2: Social charges shall include Client’s contribution to social security, paid vacation, average sick leave and other standard benefits paid by the company to the employee as required by labor laws. Breakdown of proposed percentage charges should be submitted and supported

Item No. 3: Overhead shall include general administration cost, rent, clerical and junior professional staff and business getting expenses, mobilization & demobilization costs etc. Breakdown of proposed percentage charges for overhead should be submitted and supported.

The desirable minimum figure of item (1) should be 70% or more of (5).

Item No. 4: Field duty allowance, etc.

Full Name: _____
 Signature: _____
 Title: _____

ESTIMATED SALARY COSTS/REMUNERATION

Sr. No.	Name	Position	Staff-Months	Monthly Billing Rate	Total Estimated Amount (Rs.)
I. Professional/ Technical/ Admn Staff					
01	Operation Manager				
02	Admn Officer				
03	Accountant				
04	Office Incharge				
05	Computer Operator				
		Sub-Total#1:			

ESTIMATED SALARY COSTS/REMUNERATION



Sr. No.	Name	Position	Staff-Months	Monthly Billing Rate	Total Estimated Amount (Rs.)
II. Toll Collection Shift Staff for Plaza North & South Bound					
01	Plaza Manager	01 per plaza			
02	Shift supervisor	03 (01 per Shift)			
03	Assistant	01 per plaza			
04	As is on 7A Form	_____ (02 per booth/ Toll lane per shift)			
05	Security Guards	06 (02 per shift)			
		Sub-Total #2:			

Total (subtotal#1 + subtotal#2): _____
(to be carried to Form 5B)

Comparison of cost will be based on above mentioned man power other then these will be covered in other costs.

In case of difference in manpower comparison of bids will be based upon one standard by applying rates offered by bidder against the position.

Note: However, all the salary costs are to be borne by the MC.

Form 3 B

DIRECT (NON-SALARY) COSTS

Sr. No	Head	Unit	Quantity	Unit Price	Total Amount <small>Kept in financial proposal under the head</small>	Remarks
1.	Utilities Bill (Gas, Water, Communication, Electricity etc.				*	
2.	Cost/Rental of Furniture/Furnishings					
3.	Cost of Office/Other Equipment & Office supplies i. Computers and Accessories ii. Photocopy Machines iii Transport Vehicles/Rentals (Including preparations of reports & SOPs and Money accounting, handling transfer & deposits)					
4.	Advisory Services and other similar Costs if any					
5.	<u>Insurances/Bonds</u> a. Third party & other insurances as required b. Medical / Hospitalization, accident and travel insurance policy costs for MC Staff					
6.	Cost of Bonds and Securities					
7.	Taxes (all) as per Govt. of Pakistan Laws					
	TOTAL: (to be carried to Form 5B)					

- All the expenditures referred and mentioned here are to be payable by the MC.

Cost of other O&M activities as mentioned in Scope of Services

(Lump sum monthly costs)

Sr. No.	Description	Amount (Rs.)
1.	Maintenance of Toll Plazas, Buildings & Installations (Including repair work)	
2.	Maintenance of approach lanes & Road Furniture	
3.	Provision/Maintenance of Staff transportation, Boarding & lodging	
4.	Clearing & Cleaning Operations Including trash/waste disposal	
5.	Supply of tools & plant	
* 6.	Maintenance & upkeep of ETTM.	Not to be included at this stage.
7.	Spare parts supply.	
8.	Ancillary costs	
9.	Any other cost associated with Scope of Work but not mentioned above. (Please explain if used)	
	Total: (to be carried to Form 5B)	

* Not to be reflected in total expenditure.

* All these maintenance costs are to be borne by the MC.

SUMMARY OF COST OF MC

(All costs on monthly basis)

Sr. No.	Description	Amount (Rs.)
1.	Salary Cost/Remuneration(Form 2B)	
2.	Direct (Non-Salary) Cost (Form 3B)	
3.	Cost of other O & M activities as mentioned in SOS (Form 4B)	
4.	MC's Overhead and Profit	
5.	Any other cost to be incurred by MC in performing this O & M Contract	
6.	Grand Total (A) (Per month)	
7.	Grand Total for 24 months (A x 24)	

Note:

All of these costs are to be borne by the MC. All of these have been asked in the proposal just for understanding of the breakup of expenditures of the MC. Hence the basis of bid shall be the Guaranteed revenue to be deposited to NHA by the MC.

Form 6 B1

Amount of Guaranteed Money

Project Name:

_____ **Toll Plaza (N-)**

<u>Toll Plaza</u>	<u>Description</u>	<u>Total</u>	
1:-	Total Toll revenue collection Estimated per year per Location/per Package mentioned in RFP	(A)	
	Rs _____	Rs _____	
2.	Yearly O&M Expenditure's including overhead & profits and staff expenses (form 5B) of MC	(B)	Rs _____
3.	Net Yearly Revenue to be paid to NHA	(C)	
	Rs _____	Rs _____	
4.	Percentage of (A) paid to NHA	(D)	
	Rs _____	Rs _____	
5.	Percentage of (A) to be paid as a share of MC	(E)	
	Rs _____	Rs _____	
6.	Monthly Guaranteed income to NHA	(F)	
	Rs _____	Rs _____	

Form 6 B2

Amount of Guaranteed Net Revenue to NHA for "Fixed Guaranteed Toll Plaza"

Description	Toll Plaza Location	Period/Year	Net Guaranteed Revenue with (Rs.)	
			In Figures	

			Per Month (A)	Per Year (B=Ax12)	
Guaranteed Income/ Net Revenue per month to NHA after paying all expenditures as mentioned in Form 1B to 5B.	_____ Toll Plaza (N-)	1st Year			

- Guaranteed Income/Net Revenue is to be deposited in advance by MC on 1st of each month to “National Highway Authority, Road Maintenance Account, Islamabad”, positively.
- Cash Security against Toll Revenue in the form of Bank Draft/Pay Order in favour of National Highway Authority, Road Maintenance Account, Islamabad equal to **One (01) Month Net Guaranteed Income** will be provided by Company/Joint Venture (Highest Bidder) which will be released/returned after Three (03) Months of successful completion/expiry of Contract Agreement period and handing/taking over of Toll Plaza to the Client (NHA). However, deductions for maintenance expenditure/damages/outstanding amounts (arrears), if any, shall be made accordingly.

Signature of Bidder

With name, CNIC No. and seal of the Firm

**Revenue Share of NHA Per Month (out of the total collected
Revenue by MC) for
“ETTM Based Toll Plaza”**

Project Name:

_____ **Toll Plaza (N-)**

1. Percentage of toll revenue as share of NHA (per month):
_____ (%)

2. Percentage of revenue share of MC (per month):
_____ (%)

Signature of Bidder

With name, CNIC No. and seal of the Firm

SCOPE OF SERVICES

SCOPE OF SERVICES

1. General

1.0 PURPOSE

The National Highway Authority requires professional and technical services of a Management Contractor (MC) to perform a variety of operations, management and facility maintenance activities related to and inherent to a complex, computerized state-of-art Electronic Toll Collection and Traffic Management (ETTM) system once installed. The MC is expected to perform toll collection with existing arrangements till provision of ETTM.

The NHA's purpose is to develop and establish a program that meets the following objectives: (1) Efficient toll collection operation, (2) Sound financial accounting of revenues and assets, (3) Responsive, courteous customer (patron) service and (4) Service the best interests of the people of Pakistan and the National Highway NHA, Using these objectives as guiding principles, the MC is encouraged to provide a plan for superior Toll Collection Operations, Management and Maintenance at the said location and associated facilities.

The MC shall provide qualified management, technical, clerical, and professional personnel to perform the duties and responsibilities assigned under the terms of the Contract.

The MC shall ensure that the NHA's privatization objectives are met and maintained. The MC shall operate and maintain the NHA's facilities in strict adherence with the approved Plans and Standards Operating Procedures. Failure to maintain the level of professional services and performance specified in the Contract and/or failure to continuously comply with the approved Plans and SOP's may provide cause for the MC to be declared in default of Contract

2.0 TERMS AND ABBREVIATIONS

Whenever in this scope of Services or in other documents pertaining to the Contract certain terms and abbreviations appear, their intent and meaning shall. Unless specifically stated otherwise, be interpreted as shown in Appendix A, Glossary of Terms and Appendix B, Abbreviations.

3.0 SERVICES TO BE PROVIDED

The services to be provided by the MC are summarized as follows: furnish all labor, materials, personnel, supplies and support services necessary to manage, operate and maintain the NHA's **Toll Locations and site facilities 24 hours a day, 7 days a week, 52 weeks a year.**

For this Scope of Services, the work to be performed is described in the following primary categories, each with its own specific task sub-categories:

- A. General
- B. Mobilization
- C. Program Management and Administration
- D. Audit / Accounting
- E. Toll Operations
- F. Facilities Maintenance

The MC shall provide, implement and manage all services provided under the Contract according to an approved Standard Operating Procedures (SOP) and according to the terms and conditions described herein.

4.0 PROGRAM IMPLEMENTATION

4.1 GENERAL

National Highway Authority intends to commercialize toll facility operation which shall be carried out in most professional and in state of the art manner.

5.0 LOCATION OF PROJECT

The project is located on National Highway Network of Pakistan.

NHA can increase or decrease number of lanes & toll booths at any time.

MOBILIZATION

The toll plaza is existing with & without ETTM Installations. The ETTM equipments shall be supplied & installed by NHA under a Separate contract. The MC to cater for manual operation till ETTM installed.

1.0 DOCUMENTATION REQUIREMENTS

1.1 WORK PLAN, PROCEDURES AND DOCUMENT DEVELOPMENT

As part of the mobilization period prior to the commencement of toll operations and facility maintenance activities, the MC shall prepare and provide to the NHA, written Plans and Standard Operating Procedures (SOP's). All plans and SOP's identified in Table 1, Document Requirements Listing shall be developed in accordance with the requirements described herein. The MC, its employees, and agents shall comply with the approved documentation in the execution of the Contract.

A listing of specific documentation submittals is provided in Table 1. The MC shall divide all the specified Plans and SOP's into four (4) volumes as follows:

- Volume 1 - Administration
- Volume 2 - Audit / Accounting
- Volume 3 - Operations
- Volume 4 - Facility Maintenance

The plan(s) and SOP(s) shall include all procedures necessary for the management, operation and facility maintenance of the toll facilities as specified. Final approved plans and SOP's shall be implemented immediately, and maintained for the duration of the Contract, unless otherwise directed by the NHA.

The MC shall develop for the NHA's approval a comprehensive document control plan and system. All documentation shall be assigned unique control numbers showing applicable dates, originators, and revision numbers.

All documentation prepared and provided under The Contract, shall be as written text, to include, but not be limited to all manuals, SOP, plans correspondence, drawings, graphs, charts, illustrations, etc. The deliverable media shall be standard A4 size bound text documents, and standard 11 x 17 inch drawings, accompanied with the appropriate 3 ½" diameter electronic computer storage disk media. Copies of all documents shall also be provided by the MC to the NHA in an electronic format acceptable to the NHA. This format shall be Microsoft Word 97 for Windows and shall be IBM PC compatible or as directed by General Manager (Ops) NHA.

All documentation shall be consistently written to industry standards, type font, indexed, complete, accurate, and legible. The MC shall submit all documentation listed and specified herein. All documentation prepared and provided by the MC shall be subject to the review and approval of the NHA.

All documentation required by the NHA relevant to this project shall become the property of the NHA as well as all rights thereto associated.

Development of required documentation shall occur during the mobilization period of this project prior to commencement of toll operation and/or facility maintenance. The entire documentation process including development preliminary reviews and edits, final reviews and edits, and formal acceptance Contract Notice to Proceed. The review and editing process shall include, but not be limited to, review of content and format for all Plans. SOP's and Reports, a final review and edit, and the approval process (which may include additional edit and review) and a formal sign-off by the NHA.

The MC shall ensure that all Plans and SOP's are approved and ready to execute once a phase transition date has been established by the NHA and provided to the MC. Failure to have approved plans and SOP's executable, as specified, may result in the MC being declared in default, and provided the delay is not due to actions of the NHA.

1.2 DOCUMENTATION SUBMITTAL SCHEDULE

1. The MC shall prepare and provide a detailed Document Submittal Schedule. As a minimum, the schedule shall identify each contractual document deliverable, each submittal milestone date, and approximate number of pages. This schedule, when approved by the NHA, shall be used by the MC for document submittal.
 2. A preliminary Document Submittal Schedule shall be submitted with the proposal. A final schedule shall be submitted to the NHA for review and approval within the thirty (30) calendar days from the date of the Contract Notice to Proceed (NTP).
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3. The toll rates of the opening year are as under:

Sr. No	Vehicle Category	Rates (Per Crossing) (Rs.)
1	Car/jeep/Toyota land cruiser/Pajero/ and all types of Suzuki van/pick up and equivalent/Tractor without Trolley	15/-
2	Wagon upto 24 seats, pick up all types modified to carry passengers (Toyota Hilux single/double cabin), Milk truck M-3000, Coaster and Mini Bus built on T-3500 Mazda Chassis(upto 24 seats) and Mini Truck/Tanker built on T-3500 Mazda Chassis and equivalent	25/-
3	Buses greater than 25 seats	50/-
4	2 Axle Trucks/Tractor with Trolley	60/-
5	3 Axle Trucks	
6	Articulated Trucks	120/-

4. Toll collection efficiency will be 100% for manual and ETTM toll plaza operations.
5. For all coordination purposes with the NHA, MC is required to act through Program Designer which will serve as the NHA representative and contact person for this program.
6. O&M contract shall be upto, unless otherwise terminated pursuant to the agreement.
7. Immediately after the issuance of Letter of Acceptance the MC is expected to commence preparation of the work plan of Operations, Management & Maintenance of the Toll Plaza. The MC is expected to submit the same as soon as possible and agreement with NHA is expected to be reached within next fifteen (15) days upon completion of the requisite formalities by the MC as per Bidding Documents. The work plan will include traffic management, security and Toll collection measures during the operation and maintenance of the Toll Plaza and methodology as well as schedule of implementation of the work plan.
8. NHA may increase or decrease Toll rates at its discretion at any time. This increase or decrease will not affect MC share.

1.3 DOCUMENTATION APPROVAL AND MAINTENANCE

The procedure for obtaining approval of the documentation will include review, approval and change processes as follows:

- (a) The MC shall prepare and submit to the NHA all documentation specified in Table 1, Document Requirement Listing, no later than the time specified. The NHA accepts no liability for delays in approval of documentation resulting from submittals not made on schedule or in accordance with the contract.
- (b) The NHA will, within thirty (30) working days of receipt of scheduled and on -time submittals (i.e. Plans, SOP's or Reports, etc) conduct its review of the document and return comments to the MC. These steps will continue until a final approved document has been developed by the MC and approved by the NHA. The NHA will attempt in good faith, to respond as necessary to all submittal within thirty (30) working days of receipt. However such response time is not, guaranteed for re-submittals, non-scheduled or late submittals. Schedule submittals received on time may receive first priority over such items.
- (c) The MC shall accept any NHA request for changes to the procedure and plan. The document shall be resubmitted to the NHA within ten (10) working days after receipt of the NHA's review comments unless otherwise allowed in writing by the NHA.
- (d) Once accepted by the NHA, the document will be subject to periodic review and modification, in whole or in part, any time, at the discretion of the NHA's designated representative.
- (e) The documentation requirement shall include maintaining two duplicate and complete libraries of approved project documentation in hard & soft copy, one located at the MC's toll Operation Office, and one located in the NHA's Office. The MC shall provide updates, changes, modification and a current index of materials to ensure the libraries always contain current versions.

Besides the manuals and procedures associated with the ETTM System, the MC shall as a minimum, maintain the documentation listed in Table 1.

TABLE 1

LISTING OF REQUIRED DOCUMENTATION

The MC shall prepare and submit the following documents (plans & SOP's) to the NHA.

VOLUME 1 – ADMINISTRATION

TYPE	DESCRIPTION	DATE DUE
Plan	Preparation of Toll Operation manual.	15 Days from issue of Letter of Acceptance
Plan	Staffing & logistics including vehicles.	15 Days from issue of Letter of Acceptance
Plan	MC Operations Office Layout and Security System Plans	30 Days from issue of Letter of Acceptance
SOP	MC Operations Office	30 Days from issue of Letter of Acceptance
Plan	Training	15 Days from Contract Signing
SOP	Customer Relations	30 Days from issue of Letter of Acceptance
SOP	Security and Investigations	15 Days from issue of Letter of Acceptance
Report	Security Inception Report	30 Days after Security Inspection
Report	Security Improvements / Repairs	30 Days from issue of Letter of Acceptance
Plan	Emergency	15 Days from issue of Letter of Acceptance
Plan	Safety Program	15 Days from issue of Letter of Acceptance
Plan / SOP	QM / QA	30 Days from issue of Letter of

		Acceptance
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VOLUME 2 – AUDITING / ACCOUNTING

SOP	Audit / Accounting	<u>30</u> Days from contract signing
Report	Transaction Accountability Exception Report	<u>30</u> Days from contract signing
Report	Account Verification	<u>30</u> Days from contract signing
Report	Monthly internal audit report by MC	<u>30</u> Days from contract signing
SOP	Invoice Processing	<u>30</u> Days from contract signing
SOP	Cash Deposit and Transfer	<u>30</u> Days from contract signing
Report	Deposit Reconciliation Report	<u>30</u> Days from contract signing

VOLUME 3 – OPERATIONS

SOP	Toll Operations including SOP of ETTM provided by NHA	<u>15</u> Days from issue of Letter of Acceptance
SOP	Collection Operations including SOP of ETTM provided by NHA	<u>15</u> Days from issue of Letter of Acceptance
SOP	Toll Lane including SOP of ETTM provided by NHA	<u>15</u> Days from issue of Letter of Acceptance
SOP	Ramp Collection including SOP of ETTM provided by NHA	<u>15</u> Days from Contract Signing
Report	Collector Shift including SOP of ETTM provided by NHA	<u>15</u> Days from issue of Letter of Acceptance
SOP	Shift Operations including SOP of ETTM provided by NHA	<u>15</u> Days from issue of Letter of Acceptance
SOP	Money Handling & Counting	<u>15</u> Days from issue of Letter of Acceptance
SOP	Deposit Prep and Verification	<u>15</u> Days from issue of Letter of Acceptance

SOP	Discrepancy Reporting	15 Days from issue of Letter of Acceptance
Design	Uniforms	30 Days from issue of Letter of Acceptance

VOLUME 4 – FACILITY MAINTENANCE

SOP	Facility Maintenance	15 Days from issue of Letter of Acceptance
Plan	Preventive Maintenance	15 Days from issue of Letter of Acceptance
Listing	Toll and Equipment (excluding server room and allied equipments)	15 Days from contract signing
Listing	Spare Parts (excluding ETTM system)	15 Days from contract signing
Budget	Annual Budget	15 Days prior to each year begin

2.0 TRANSITION

2.1 SYSTEM OPERATIONS PLAN

The MC shall develop and implement a System Operations Plan. The plan shall describe, in detail, the MC’s methodology and approach to carrying out and coordinating the transition of personnel and equipment. The plan shall address maintaining unobstructed traffic flow, normal and peak toll collections staffing, audit and control of toll transactions and revenues and coordination.

The plan shall include procedures to ensure that responsibility for reports, documentation, records and operating procedures.

2.2 STAFFING

The MC shall develop and implement a Staffing Plan that shall include temporary and permanent positions Form 2B and personnel. The MC staff shall perform duties required by job descriptions.

The MC shall provide and maintain a complete list of all project employees and their titles.

2.3 PROPERTY INVENTORIES

Not later than fifteen (15) days after signing of contract Agreement of toll collections, the MC and NHA will jointly inventory all NHA and MC's-owned property at the plaza and associated ramp locations. Any discrepancies shall be reported to the NHA in writing. A property inventory report shall be submitted. The preliminary version of the report shall be submitted with each phase and a final report, which includes all phases, shall be submitted with the last phase. The report shall be maintained current and shall be re-issued annually. The property inventory report(s) shall contain a listing of all relevant property items by NHA inventory number.

2.4 VALIDITY OF CONTRACT

The contract is valid upto This will cater for any changes, operating mechanism, development and modernization etc.

3.0 UNIFORMS

3.1 GENERAL

All employees required to meet with the public in a toll collection capacity shall be properly uniformed, which will be provided by MC. These staff positions shall include at a minimum, toll collectors, toll collection supervisor, security guards and toll collections couriers. The MC shall maintain the uniforms in a presentable manner and ensure each person required to wear a uniform has sufficient supply.

3.2 UNIFORM DESIGN

The MC shall submit a minimum of four (4) two each for winter & summer proposed uniform designs for the NHA's approval. Sets for both summer and winter are to be submitted. Upon approval of the uniform design, the MC shall place the order in sufficient time to ensure that all collection personnel are uniformed upon

phased commencement of operations by the MC. The MC will provide an official replica of its logo and color scheme for the approval of NHA.

C. PROGRAM MANAGEMENT AND ADMINISTRATION

1.0 FUNCTIONAL RESPONSIBILITIES

The NHA's program of toll facility operation and maintenance is composed of the following key functional areas:

- Program Management and Administration
- Audit / Accounting
- Toll Operations
- Facilities Maintenance

The MC shall provide adequate key management-level staff and resources in these areas to develop and maintain an effective program. Requirement for these key program areas are presented in the following sections.

2.0 STAFFING

The MC shall develop and implement a staffing plan in accordance with Section B.2.2.

2.1 MANPOWER PLANNING AND WORKLOAD PROJECTIONS

The MC shall identify all staff under each of the functional sections, i.e. Program Management and Administration, Audit / Accounting, Toll Operations, and Facility Maintenance. All tasks identified for each of the Contract sections shall be manpower resource loaded to allow a review of staff workloads.

The MC shall identify "Key Personnel" in each section and shall intimate the NHA as and when there is any change.

3.0 MC OPERATIONS OFFICE (PROGRAM OFFICE)

3.1 SECURITY AND CONFIDENTIALITY OF NHA DATA AND INFORMATION

The MC shall provide a safe and secure Operations Office. Additionally, the MC shall provide complete security and confidentiality for all programs related data and information. Data and information shall not be released without expresse NHA authorization. Requests for release of public access information shall be referred to the NHA.

3.2 MC OPERATIONS OFFICE SOP

The MC shall develop, implement and maintain a MC Operations Office SOP. The SOP shall depict the policies and procedures used in the execution of the operations and management of the program.

4.0 HUMAN RESOURCES MANAGEMENT

The MC shall develop, implement and manage a Human Resources Management plan. The MC shall submit the Human Resources Management plan to the NHA for review and approval.

The plan shall include a screening for all potential employees assigned to the project. The process shall include a drug testing program and a state and national background check to exclude individuals with criminal records or other backgrounds that could jeopardize the MC's ability to properly provide the specified services. The safe and proper handling of NHA revenues by the MC's personnel shall be the focus of the screening process.

The MC shall establish and maintain a drug-free workplace program consistent with that described in the Contract.

The plan shall provide a complete and detailed formal job description for every staff position on this project. This shall include requirements for initial and ongoing training.

The MC shall provide its full-time employees all normal privileges, benefits and guarantees of employment that are afforded to the firm's existing regular and part-time employees. The MC shall staff and provide training for staff to ensure good, sound Human Resources Management for all of its employees.

5.0 TRAINING

The MC shall develop, implement and maintain a Training Plan detailing a program to ensure all MC personnel are knowledgeable and competent in all phases of their jobs. The plan shall be submitted to the NHA for review and approval as indicated in Table 1.

The training program shall perform the following functions as a minimum:

- Provide a complete new employee orientation program to include, but not be limited to, introduction to the NHA.
- Fully train all personnel, including supervisors, to perform all phases of job duties and responsibilities for each job description. Training shall be provided as appropriate for all process and procedures used in the performance of work under the Contract.
- Fully train all toll operations personnel in the area of customer services

6.0 CUSTOMER AND PUBLIC RELATIONS

The MC shall develop, implement and maintain a Customer Relations Procedures. The MC shall submit the procedure to the NHA for review and approval as indicated in Table 1.

The procedures shall provide for a personnel customer training program, described previously, as part of each new employee's process. The procedure shall include disciplinary action to be employed in case of noncompliance with procedures.

The procedure shall include a section covering the distribution, including circulars and flyers, to toll customers.

The MC shall help in providing Customer Relations Services for the NHA. These services shall address too-related announcements which, at a minimum, shall include traffic statistics, survey data.

The MC shall make no statements, press release or publicity releases concerning the Contract or reveal any of the data or other information obtained or furnished according to the Contract, or any particulars of it, during the Contract, without first notifying the NHA and securing its consent in writing. The MC shall not publish, copyright or patent any of the data furnished according to the Contract..

7.0 SECURITY AND INVESTIGATIONS

The MC shall develop, implement and maintain a Security and Investigations Procedure. The procedure shall be submitted to the NHA for review and approval as indicated in Table 1.

The MC shall provide security for all toll collection facilities including the safety and security of employees as well as the physical structures. The MC shall provide and maintain strict security for all operating funds and collected revenue. The security procedures shall include the installed security / card access (CARDKEY) system (which is integrated with the ETTM System) at each NHA facility. The MC shall develop additional procedures as necessary to include quarterly security inspections. Reports summarizing the inspection results shall be submitted to the NHA not later than 15 days after the security inspection is completed. The MC shall make semiannual report to the NHA staff regarding security items repaired and / or improved for the security of the NHA's facilities.

The MC shall be responsible for all re-keying for locks and safes.

The MC shall conduct and comment investigations into incidents of theft, fraud and activities of a suspicious nature. All reports of investigations shall be immediately forwarded to the NHA for review. The MC's investigators shall cooperate with NHA representatives and all law enforcement personnel while conducting investigations.

8.0 EMERGENCY PLAN

The MC shall develop, implement, and maintain an Emergency Operations Plan to ensure that toll operations and facilities are maintained and protected in emergencies. The MC shall submit the plan to the NHA for review and approval as indicated in Table 1.

The MC shall maintain toll operations during all emergencies including fire, accident, and rescue operations, strike, civil disturbances, natural disasters, and military contingency operations. Toll collection may be suspended when specifically authorized by the Chairman, National Highway Authority, or the NHA's Representative.

9.0 SAFETY

The MC shall develop, implement and maintain a Safety Program Plan. The plan shall be submitted to the NHA for review and

comment as indicated in Table 1. The plan shall comply with all applicable state, local and federal regulations, and shall as a minimum, include safety training, safety awareness, and written safety procedures to be followed by MC personnel.

The MC (and any subcontractor) shall not require any person employed in performance of the Contract to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to health or safety, as determined under the construction safety and health standards.

10.0 QUALITY MANAGEMENT / QUALITY ASSURANCE

The MC shall develop, implement and maintain a Quality Management / Quality Assurance Plan that shall guide all performance. The MC shall submit the plan to the NHA for review and approval in accordance with Table 1.

As a minimum the plan shall address the following items.

10.1 QUALITY POLICY

This policy shall reflect a commitment to achieving the highest standards in terms a patron satisfaction, error-free performance in carrying out the procedures necessary to provide toll operations services, and maintaining good organizational relationships with the NHA and law enforcement personnel.

This policy shall include an organizational mission statement and / or managerial philosophy, along with goals and objectives linked to the quality assurance and management system. At a minimum, the statement, goals and objectives shall address the following:

- Achieving a high level of customer satisfaction by minimizing delays through toll plaza, establishing and carrying out a customer complaint resolution system, and periodically surveying customer satisfaction.
 - Accurately collecting, depositing and auditing all tolls paid by customers to use NHA facilities
 - Providing proper and adequate financial controls and sufficient procedures to eliminate loss of funds collected.
 - Providing managerial, financial and maintenance reports and statistics as required for appropriate review and monitoring by the NHA
-

- Operating and maintaining facilities, equipment and grounds efficiently and effectively and in ways that provide for a clean appearance.

10.2 QUALITY MANAGEMENT / QUALITY ASSURANCE SYSTEM

The organizational structure, responsibilities, procedures and process that are related to all aspects of toll operations shall be addressed by the MC.

10.3 QUALITY ASSURANCE

The quality assurance system shall include procedures to determine that quality control is being or has been performed effectively and appropriately. It should include such activities as planned inspections necessary to ensure optimum toll collection, accounting verifications and audits, administration, toll plaza management and MC operations office management. Frequency of assurance activities shall be noted, along with any appropriate minimum standards, showing the need for additional action if these are not met.

10.4 QUALITY CONTROL

Quality control shall include prescribed by which work products are reviewed and brought into compliance where necessary to conform with professional standards, contractual obligations and commitments to the NHA. These shall include such activities as identification of operational activities that are aimed at eliminating causes of unsatisfactory performance to meet the goals and objectives included as part of the Quality Policy.

10.4.1 FACILITIES, EQUIPMENT AND UNIFORMS

- Ramp collection facilities shall be checked by the MC Supervisor or other designated personnel as often as necessary to ensure proper operations.
 - All equipment and facilities needing maintenance or repair must be reported and repaired immediately according to the approved SOP.
 - All approach slab /lanes to be pothole, cracking raveling free at all times. If the civil work is carried out by MC the expenditure will be reimbursed by NHA.
-

- Ongoing inspection of all uniforms and personnel equipment to identify items needing repair or replacement.
 - Designated Employees shall periodically inspect break areas the administration areas and booths. A quick decision shall be made concerning items needing repair or replacement, whether safety hazards exists, whether there is a high probability of fire or accidents and whether areas are secure enough to deter criminal activity.

10.4.2 SECURITY

- Designated employees shall ensure that all vaults, safes and secure areas are locked secured and accessible to only authorized personnel.
- Receipts of all funds, keys, swipe cards, combinations and property shall be required of all employees. Upon termination, these items shall be collected from the employee.
- If the MC loses any keys, the MC shall be responsible for changing out all resembling or affected locks and shall provide the appropriate keys at the MC's expense. In the event a master key in the MC's possession is lost or duplicated, all locks and keys for that system shall be replaced by the MC. All new locks shall fit existing master key systems and be keyed to fit existing keys for the locks being replaced.

10.4.3 CUSTOMER SATISFACTION

10.4.3.1 COMPLAINT RESOLUTION

Customer complaints will be received and handled by the NHA. Complaints received at the plaza shall be logged in as to the date and time, and name and address of the customer. An attempt shall be made to resolve the complaint at the plaza. If complaint resolution is unsuccessful, the customer should be politely referred to the NHA. As part of the SOP a system shall be established to process the following:

- (i) Recording all complaints received by the MC & inform NHA.
 - (ii) Appropriate investigations by the MC of situations / conditions identified by the complaint.
 - (iii) Steps taken to resolve the complaint situation / condition
-

- (iv) Communication to NHA

10.4.3.2 CUSTOMER SATISFACTION SURVEY

The NHA will conduct periodic surveys at its discretion according to appropriate survey research methods. The MC shall help in the development, distribution, collection and analysis of the surveys. The survey shall include questions concerning satisfaction with those aspects of toll operations that are most visible to the customer. These may include topics such as degree of friendliness and courtesy shown by collectors, attention paid to unique problem / difficulties faced by the customer, delays while traveling through toll plaza, cleanliness overall appearance of facilities, and preference of traveling through toll facilities compared with alternate routes. As part of the SOP the MC shall outline procedures to respond to areas of poor performance as identified by the survey results.

10.4.4 EMPLOYEE PERFORMANCE ASSESSMENT AND EVALUATION

Employee Performance Evaluation System – The SOP shall contain a set of policies and procedures that create a system that evaluates the performance of all employees. This system shall identify the evaluation process, including factors such as frequency of formal evaluation, the rating scale or criteria used to decide levels of performance, and the process by which employees are counseled regarding performance improvement.

11.0 FURNISHING AND EQUIPMENT

The MC shall provide all other office furnishings and equipment required for the project. The MC may, at its discretion, use designated existing furnishings and equipment owned by the NHA. A list of available NHA items will be provided on request.

The MC shall provide all supplies necessary for the performance of the work of the contract. Office supplies include, but are not necessarily limited to all forms, printer ribbons, paper, panicles, paper clips, staplers, staples and similar expendable computer supplies, and floppy disks.

12.0 PERFORMANCE MONITORING

The NHA will establish a Performance Evaluation Committee, which will include a representative from the MC. The Performance Evaluation Committee will:

- Monitor, evaluate and assess the MC's performance against the SOP and performance standards as established and agreed to by both parties.
- Meet with the MC monthly / periodically to discuss the MC's performance, achievement, deficiencies and / or new areas noted the MC will be given an appropriate period to correct such deficiencies. Emergency conditions shall be handled on a priority basis.
- Submit a consolidated report and recommended action item list

The SOP(s) coupled with the operations and maintenance criteria, as described previously, provide the standardization and performance levels necessary to ensure effective development, administration, coordination, operation and management of the NHA Toll operations.

The NHA expects the MC to exceed minimum performance standards and equates this level of performance with a "Satisfactory" performance. The MC shall strive to attain the highest standards of excellence in executing its responsibilities under the contract as measured against performance standards consistent with best available practices. The MC shall develop standards of excellence and have a strong, ongoing self-assessment program to measure progress against the standards. The MC will receive favorable ratings for identifying "a better way" and for developing and implementing cost savings ideas and quality performance standards.

The MC shall submit a self-assessment report with 10 calendar days after the end of each evaluation period. This self-assessment report shall address both strengths and weaknesses of the MC's performance during the evaluation period. The report shall clearly address the MC's measured performance against the pre-established standards of excellence. Where deficiencies in performance are noted, the MC shall describe the actions planned, or taken to correct such deficiencies and to avoid their recurrence. In the event the MC's performance is considered unacceptable in any area of the Contract performance, or is in violation of its obligation, the NHA, notwithstanding any other penalties and sanctions provided by law, may impose one or more of the following:

1. Declaring the MC in Default of Contract, suspension of any payment or part thereof, until such time as the issues concerning compliance are resolved, and to the satisfaction of the NHA's Representative.
2. Termination, suspension, or cancellation of the Contract in whole or part.
3. Demobilization cost 5% of O&M expenditure of that particular year shall be paid by the NHA to the MC in an event of termination of the contract for Client's convenience. The NHA will provide written notice to the MC as to the contractual damages and status of the Contract. The MC shall acknowledge and respond to said notice with forty-eight (48) hours of receipt.

D. AUDIT / ACCOUNTING

The MC shall develop, implement and maintain an Audit / Accounting Plan for the project. The MC shall submit the plan to the NHA for review and approval in accordance with Table 1. The plan shall address the following activities.

1.0 TOLL AUDITING

1.1 AUDITS

The MC shall perform daily audits / Counts of change funds, shift banks, deposits, coin vaults, Tour Funds, and collector and lane transactions. These audits shall be documented and retained at the respective toll collection location with a copy retained in the Toll Accounting Office, and a copy forwarded to the NHA. Audits shall be conducted by the MC Toll Operations Office audit staff monthly. These activities shall include an audit of change funds, shift banks and revenue collected on the day and audit is conducted.

The NHA or its designated representative shall have access to all facilities and applicable operations and maintenance documentation.

1.2 TRANSACTIONS ACCOUNTABILITY

The MC shall be held accountable for 100% of all transactions processed at each lane in the system.

As part of the MC's daily accounting operation, and according to the approved SOP, a verification and reconciliation shall be made by the MC on all transaction processed at the NHA's facilities.

Besides audit reports, the MC shall also provide the NHA with a detailed Transaction Accountability Exception Report. The report when approved will identify and explain any transactions(s) not in alignment with the verification and reconciliation process. Final reporting content and format shall be subject to the review and approval of the NHA.

1.2.1 ACCOUNTABILITY FOR TRANSACTIONS AND REVENUE

The MC shall be subject to any and all statutes, regulations, NHA bond covenants, policies and other official requirements relating to collection and processing of toll transactions and revenue for NHA facilities as required by approved SOP's.

The NHA cannot, by law, grant free passage to those using its facilities except for certain special cases. Therefore, all vehicles using NHA facilities with limited special exceptions for emergency and certain official vehicles and those exempted under law of the country, are required to pay the applicable toll rate indicated at each toll plaza pay point. MC shall get it verified all exempted vehicles from NHA on monthly basis.

According to the NHA's policy, any one operating and / or maintaining any of the NHA's toll facilities shall be responsible for all revenues associated with each vehicle using the facilities.

The MC shall accurately collect, deposit, process, reconcile and report all transactions and revenues associated with each vehicle in accordance with the approved SOP and Contract.

2.0 ACCOUNTING

2.1 COST ACCOUNTING

The MC shall operate and maintain a job cost accounting for this project to provide historical documentation of costs associated with this work. These job cost accounting reports are intended to be for management purposes and will not be a part of or backup for the MC's monthly invoices for payment.

The MC shall use and maintain a PC-based Job Cost Accounting program compatible with the NHA's existing software package

which shall include WordPerfect, Excel, and dBase IV or any latest accounting software package. The NHA will provide an approved copy of the job cost accounting program to the MC, at no cost, after the issuance of Letter of Acceptance for the Contract. However, it shall be the MC's responsibility to format the program to be compatible with the NHA's cost accounting system and input the information required to establish the data base.

The job cost accounting system shall track all costs associated with the MC performance of the work including, but not limited to, accounts payable / receivable, invoicing, personnel, materials, utilities subcontractor costs, budgeting, estimates inventory.

2.2 PROCESSING OF THE THIRD PARTY AND MISCELLANEOUS INVOICES

The MC shall develop and implement procedures for the processing of utility, maintenance and repair, and all miscellaneous invoices related to this work. The procedure must support quick and efficient procurement of facilities.

2.3 CASH DEPOSIT AND TRANSFER

The MC shall deposit guaranteed revenue on monthly basis. The deposits function will be subjected to normal audit procedures with the MC and the NHA.

Failure to make the guaranteed revenue deposits in advance as specified, and in accordance with the approved SOP's, may result in the MC being declared in default of contract.

The Toll Revenue shall be deposited as guaranteed revenue in NHA's designated bank account by MC on monthly basis by 1st of each month.

The MC shall prepare monthly a Deposit Reconciliation Report. The MC shall provide a weekly and monthly summary report to the NHA. The report shall depict daily activity, applicable financial transactions dates for all plaza activity. MC deposited revenue, and banks counts and receipts. Final report format and content shall be subject to the review and approval of the NHA. Report shall be submitted to the NHA in accordance with Table 1, and shall meet the document requirements specified herein.

2.4 UTILITIES

The MC will pay the cost of all utilities at its facilities.

3.0 INVENTORY OF NHA FIXED ASSETS

The MC, Office of Toll Operations and the NHA shall jointly inventors all NHA owned property during the transition period. The MC shall report discrepancies and inconsistencies to the NHA.

E. ETTM SYSTEM

1. ETTM system shall be provided and installed by NHA and to be operated by MC as per the system SOPs provided by NHA.
2. Training to operate the system shall be organized by NHA.
3. Technical support for ETTM system hardware/software shall be provided by NHA.
4. MC shall ensure that NHA equipment is safe and no MC employee tampers with the system.
5. NHA reserves the unilateral right to invoke the penalty clause if any risk to the security of the ETTM system is observed.

FACILITIES MAINTENANCE

1.0 GENERAL

The MC shall be responsible for hiring providing and managing a staff (including subcontractors) to perform all activities related to the routine/normal maintenance of the NHA's toll facilities including, but not limited to, operations buildings, ramp buildings, tunnels, canopies, islands, lanes, approach slabs and booths.

The MC will also be responsible for maintenance's of roadway lighting and parking lot lighting. The overall aesthetics and area upkeep to international standards will be the MC's responsibility.

The MC shall develop, implement and manage a "Facilities Maintenance Procedure ". The MC shall submit the procedure to the NHA for review and approval in accordance with the Scope of Services. The procedure shall address the functions detailed in the following paragraphs

1.1 ROUTINE REPAIR WORK

For this Contract, maintenance repairs are defined as unscheduled work required to prevent the breakdown of a piece of equipment or system or put it back in service after a breakdown or failure. It is the NHA's intent that individual repairs, due to wear and tear or completion of service life of a part of equipment will be sole responsibility of MC and cost reflected in financial proposal. Replacement of FOG light bulbs, defective signs, painting and lane

marking within plaza limits is also included in routine repair works.

1.2 Major Repairs:

These include replacement of Equipment, Repair of damages caused due to major accidents or hazards. Equipment which has completed its service life or rendered out dated due to technology change. The MC shall submit a detailed cost estimate to perform the work. This estimate shall include the labor hours by trade, or by the various types of work to be done on the project, and in itemized listing of the cost of supplies, materials, and any overhead. These repair items are paid for on an individual basis and are not considered to be included in the MC bid price. The NHA shall pay to the Operator 10% over and above the actual cost of the repair works including supply, installation and commissioning of works/equipment to cover income tax, handling and service charges, etc.

2.0 CUSTODIAL SERVICES

The MC shall provide management, supervisor, labor, equipment and supplies necessary to perform janitorial / pest control services as described herein. The MC shall establish cleaning schedules to the NHA's satisfaction and accomplish periodic work in conformance with those schedules. All manpower necessary for the purpose will be employed by MC and expenditure included in appropriate head in summary of cost.

2.1 CLEANING PERIOD

The work described herein shall be done within the following specified period.

2.1.1. All cleaning of occupied space shall be done after normal working hours. Non routine servicing and supplying the toilet rooms, however, may be necessary during normal hours. .

2.1.2. Cleaning of outside areas may be done any time during daylight hours unless directed otherwise by the NHA. Cleaning activities shall be scheduled so as not to interfere with plaza operations and with no adverse impact to traffic.

2.2 CLEANING WORK QUALITY REQUIREMENTS

2.2.1. Toilet Rooms (including private toilet rooms): Floors and walls shall be cleaned using cleaner-disinfectant. The floors, including corners and baseboards, shall be clean and dry, and present a general appearance of cleanliness. Fixtures shall be clean and bright. There shall be no obvious dust, stains, mold, or incrustation. Supply dispensers shall be filled. Waste receptacles shall be emptied, cleaned, and disinfected. Liner bag shall be replaced daily.

2.2.2. Room Cleaning (including all office areas): All waste generated in the building shall be collected and removed to the designated areas as specified in SOP.

Carpeted surfaces shall be free of obvious dirt, dust and other debris. Floor surfaces shall be clean and free of debris or foreign matter. No dirt shall be left in corners or near baseboards, behind doors or under furniture, spillage, dirt accumulation or crust material shall be removed, along with spots and stains. When spot-cleaned, areas shall blend with the adjacent areas of the carpet. Spots, smudges or other foreign markings shall have been removed without causing unsightly discoloration to the wall surfaces.

Wastebaskets shall be maintained free of debris and residue.

2.2.3. Entrances, Lobbies and Corridors: Floor surfaces shall be clean and free of debris or foreign matter. No dirt shall be left in corners or near baseboards, behind doors or under the furniture. Carpeted surfaces shall be free of obvious dirt, dust and other debris. Metal surfaces shall be free of smears, smudges or stains and shall be clean, bright and polished to uniform luster.

Wood surfaces shall be free of dirt, dust or streaks, all horizontal, vertical, and under surfaces shall be free of obvious dirt, smudges or spots. Corners, crevices, moldings and ledges shall be free of obvious dust. Glass surfaces shall be clean and free of dirt and debris.

2.2.4. Lanes, Ramps, Driveways and Parking areas shall be free of trash and other discarded materials. Grease, tar, and oil shall not be allowed to permeate concrete/pavement surfaces.

- 2.2.5. Toll Booths: The requirements described for room cleaning apply to the cleaning of toll booths.
- 2.2.6. Exterior Cleaning: All areas shall be free of debris and trash. Grounds and sidewalk areas shall be free of paper, trash, bottles and other discarded materials.
- 2.2.7. Public Telephones: all vertical and horizontal surfaces shall be clean and free of dirt, dust, smudges or streaks.
- 2.2.8 Plaza Control Room Areas: The cleaning requirements in this area shall be the same as room cleaning except that weekly the floor shall be dry mopped. Floor surfaces shall be clean and free of debris or foreign matter. Walls, baseboards and other surfaces including equipment shall be free of splashing and markings. The finished areas shall have a uniform luster.

3.0 PEST CONTROL

3.1 GENERAL

The MC shall furnish service to exterminate rodents and insects and other pests using only those pesticides that comply with the provisions of the country; health regulations.

Insect control includes those measures which are necessary to suppress crawling and flying insect populations within the facilities covered by the Contract by using properly registered and labeled pesticide products and approved devices.

Rodent control includes those measures necessary to suppress populations of rats, mice and/or any other species that become a pest within or around the NHA premises covered by this contract.

3.2 FREQUENCY OF SERVICES

Conduct a thorough inspection and treatment every three (03) months.

3.3 QUALITY REQUIREMENTS

3.3.1 Programs for the control of rodents, insects and other pests shall be continually in effect. There shall be no signs of infestations.

3.3.2 The work shall be done quickly at the frequencies shown.

3.3.3 All works under the Contract shall be done in a safe and hazard-free manner, as indicated in the work guidelines.

4.0 LANDSCAPE MAINTENANCE

4.1 GENERAL

The MC shall perform landscaping maintenance to ensure that proper grounds keeping for plaza, ramp and buildings are accomplished on a daily basis. Perform routine yard work type activities including mowing, edging and trimming of the grass shrubs. The area and limits of grounds keeping are distinguishable in the field but, in general, include the vicinity of the plaza.

4.2 LAWN AND GARDEN CARE

Mowing and edging of grass shall be performed but not more frequently than once per week. All cuttings shall be done in a way that results in a stand of mowed grass or vegetation cut uniformly at a nominal two-inch height with no streaks. The accumulation or piling of cuttings will not be permitted.

The MC shall be responsible for weed control in areas that cannot be mowed. These areas are fence lines, guardrail and other appurtenances specified by the NHA.

All curbs, walks, landscape areas, manmade or natural obstructions shall be edged when the adjoining areas are mowed. During mowing and edging, walkways shall be kept free of debris and trimmings.

The MC shall provide adequate roadside warning signs in accordance with requirements to warn the motoring public of mowing operations.

4.3 TRASH REMOVAL

The MC shall remove and dispose of trash in receptacles that may be on site and shall replace plastic liners each time the receptacle is emptied.

4.4 EQUIPMENT

The equipment used by the MC must be in good repair and shall be maintained to produce a clean, sharp cut and uniform distribution of the cuttings. The mowers shall be constructed such that the height of cut can be adjusted to a minimum of two inches. Traffic control devices and signing shall be provided according to requirements.

5.0 TRASH / WASTE DISPOSAL

5.1 COLLECTION

The MC shall provide waste and incidental debris removal and disposal services as outlined throughout the Scope of Services Section F, "Facility Maintenance". Overflow of all trash from container(s) shall be picked up from the floor of the area used to collect the waste.

Saleable / recyclable wastepaper and other material shall be collected and placed in a waste paper room or other designated area for removal. Temporary storage areas for recycled material shall be kept clean orderly and free of pests. Stored material for recycle shall not be allowed to accumulate for more than two (2) weeks, or as directed by the NHA.

5.2 DISPOSAL

5.2.1. The MC shall select its disposal facility in accordance with this section.

5.2.2. Recycling – It is the desire of the NHA that all wastes collected as a requirement of the Contract shall be removed from the premises and transported to a processing facility for manufacturing or recycling to the extent available.

5.2.3. Non-recycled Waste- Waste material not transported to a facility for manufacture or recycling shall be disposed of only through a waste disposal facility that has been certified by the appropriate state agency for waste management, or by the Environmental Protection Agency.

5.2.4. The MC shall pay all dumping and disposal fees. Profits from the sale or recycled paper, aluminum or other suitable waste material shall be retained by the MC.

6.0 BUILDING MAINTENANCE

6.1 GENERAL

The MC shall provide all labor, equipment and materials necessary to perform maintenance and repairs to the interior and exterior of the facility that includes but is not limited to exterior walls, roofing, flashing, skylights, ventilators (and other items that pierce the roof) gutters, downspouts, splash blocks, soffits, overhangs, windows, doors, sidewalks, driveways, roads, curbing, parking areas patios and exterior stairways, ceiling and ceiling tile, doors, windows and coverings, toilet fixtures, piping systems and electrical systems and equipment (including lighting fixtures).

6.2 WORKMANSHIP AND QUALITY

The level of maintenance shall assure that the building facilities are free of missing components, of defects that affect the safety appearance or intended use of the facility or would prevent any electrical, mechanical, plumbing or structural system from functioning according to the design intent. Corrected or repaired work shall be carried through to completion, including touch -up painting and / or operational checks.

The MC shall perform touch-up painting to the interior and exterior of the facility as required in the accomplishment of maintenance and repair work. Interior and exterior painting scheduled periodically shall be coordinated in advance with the NHA. The quality of the work and the repaired areas shall be fully compatible with adjacent surfaces or equipment. All replacements shall match existing components / items in dimension, materials and quality of work.

Debris shall not be allowed to spread into adjacent areas not accumulated in the work area itself. All such debris, excess materials, and parts shall be cleaned up and removed at the completion of the job and / or at the end of each day while work is in progress.

6.3 LOCKSMITH SERVICES

The MC shall furnish locksmith services through coordination with the NHA for routine installation and removal of lock-sets and tumblers, duplication of keys, repair of defective lock-sets, an opening doors in case of lost keys. If the MC loses any keys, the MC shall be responsible for changing out or re tumbling all affected locks and shall provide the appropriate keys at the MC's expense. In the event a master key in the MC's possession is lost or duplicated, all locks and keys for that system shall be replaced. All new locks shall fit existing mater key systems and be keyed to fit existing keys for the locks being replaced.

6.4 OTHER BUILDING SERVICES

Maintain power doors such as garage and loading ramp doors, revolving doors, sliding or swinging doors, adjustable loading ramps and elevators in a safe and usable condition.

7.0 EQUIPMENT OPERATION AND MAINTENANCE

7.1 GENERAL

The MC shall provide all management supervisions, labor, materials, supplies, repair parts, tools, equipment, planning, scheduling and coordination to ensure the effective and economical operation, maintenance and repair of mechanical / electrical equipment.

Building equipment and system to be operated, maintained and repaired include, but are not limited to:

- Air-conditioning equipment and systems
 - Air-handling / distribution equipment and systems
 - Domestic water equipment and systems and provide potable water.
 - Electrical equipment, lighting switchgear systems, and standby or emergency generators.
 - Fire protection equipment and system
 - Heating equipment and system
 - Sanitary sewage equipment and systems
 - Storm drainage equipment and systems
 - Utility systems
 - Plaza lighting including canopy, island, administration building, parking lot and other toll facility lighting roadway lighting and Fog lights.
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7.2 EQUIPMENT OPERATION

The MC shall operate all mechanical, electrical, plumbing and utility systems in conformance with NHA energy conservation and efficiency requirements and maintain such systems at an acceptable level throughout the Contract performance period. The building systems shall be operated in an energy efficient manner.

On a daily basis, report to the NHA the status of any major equipment or systems not operating, or that becomes non-operational during the workday. Any system or equipment non-operational by the first shift shall be reported to the NHA by 8:00 a.m. Fire alarm and security system malfunctions must be reported immediately to the NHA.

7.3 EQUIPMENT MAINTENANCE

7.3.1.MAINTENANCE PROGRAM

The MC shall develop and implement a maintenance program. The MC shall submit a copy of the plan to the NHA according to Table 2.1. The program shall include, but is not necessarily limited to, a preventive maintenance schedule, periodic inspection, testing, cleaning, lubrication, adjustment, filter cleaning and replacement of parts and repairs to keep the equipment and systems in optimum operating conditions.

The MC shall notify the NHA in advance, in writing maintenance or repair work is to be done which requires opening or dismantling of equipment. Such equipment will include, but is not limited to boilers, generators, pumps, refrigeration units, condensers, evaporators, hoist motors, motors generation sets elevators and such equipment as found as critical by the NHA. At its option the NHA will inspect the equipment before, during and after any work is done.

7.3.2.LEVEL OF PERFORMANCE, WORKMANSHIP

All equipment and systems shall be maintained at an acceptable level as defined below to assure that the plaza, buildings, etc., are operated efficiently. An acceptable level of maintenance is the level of maintenance that will preserve the equipment in unimpaired operating condition; i.e., above the point where deterioration will begin, thereby diminishing the normal life expectancy of the equipment. Perform scheduled and unscheduled maintenance and repairs, as

necessary, on as 8-hour a day five days per week basis, including emergency call-back service.

All equipment shall be maintained according to the manufactures recommendation. Work shall be performed by authorized service dealers and representatives. The MC shall ensure that the preventive maintenance schedule meets the recommendations of the equipment manufacturer.

7.3.3. PREVENTIVE MAINTENANCE

The MC shall submit a final preventive maintenance program for the equipment and systems at the NHA's facilities to the NHA for review and approval in accordance with the Scope of Services. The MC shall identify those items on which preventive maintenance shall be done. For each item identified, the MC shall show the frequency the preventive maintenance shall be done and describe the work to be done.

The MC shall maintain preventive maintenance records for each piece of equipment or system. Records shall reflect periodic maintenance done and the schedule and completion dates. The MC shall update the preventive maintenance record and history files monthly. Within 15 days after the end of each month, the MC shall submit a monthly progress report to the NHA showing the preventive maintenance work done on each piece of equipment and deficiencies noted.

7.3.4 ELECTRICAL SYSTEM

The MC shall perform inspection, testing and maintenance of the building's electrical distribution system, including, but not limited to substations, emergency or standby generators, power transformers, switch gear, control panels, circuit breakers, etc. This work shall be done by the qualified personnel who are fully knowledgeable and certified to inspect, test and maintain the building's high and low voltage electrical power distribution systems. The MC shall furnish the NHA with an official certified report, quarterly, detailing the items inspected, results of tests, preventive maintenance adjustments done and include a brief description of any defects found. The report shall also include any equipment observed during the inspection that may affect the safety of personnel or continuity of service.

8.0 PRESSURE CLEANING OF PLAZA LANES

8.1 GENERAL

The MC shall provide all labor, materials, tools, equipment and incidents (including water if not available at the facility) necessary to perform pressure and chemical cleaning of lane slabs to remove tar, asphalt and marks on the pavement. The MC shall use cleaners, degreasing agents and other approved means to remove all dirt, oil, tar, and marks on the pavement on the lane pavement slabs.

8.2 SCHEDULING OF ACTIVITIES

All work be performed between the hours of 10:00 p.m. and 6.00 a.m. local time, unless otherwise approved by NHA. Adequate lighting shall be provided by the MC.

The MC shall comply with the following lane closing requirements:

Main Line Barrier Plaza – Only one (1) lane in a given direction shall be closed at a time, during lean hours for repair and maintenance. The closing period for the purpose must not exceed one hour.

8.3 EQUIPMENT AND SUPPLIES

MC's equipment shall meet the following minimum requirements:

1. CLEANING EQUIPMENT

Sufficient high pressure cleaning equipment independently proved and capable of sustained operation at a minimum of 10,000 PST of output water pressure at a flow rate of a minimum of 4.5 gallons of water per minute. This equipment shall also have the capability of heating the output water to a minimum temperature of 210 degrees Fahrenheit and must be designed to apply cleaning agents approved by the NHA to surfaces to be cleaned in volume sufficient to attain the desired cleaning results.

2. CLEANING CHEMICALS

All chemical agents and additives must be approved by the NHA. Materials Safety Data Sheets (MSDS) for all chemicals used shall be submitted by the MC to the NHA prior to use on the project and shall not be prohibited for use in applications such as this by the Environmental Protection Agency.

3. LIGHTING

Portable lighting equipment, self contained and capable of illuminating work area sufficiently to ensure adequate visibility to accomplish the desired cleaning results during night-time operations.

MC shall not store any Surplus equipment, vehicles or materials at any toll plaza site.

8.4 WORKMANSHIP AND CLEANUP

Upon completion of each day's work, the Contractor shall ensure that the plaza is free from debris caused by the work and shall remove and dispose of such debris off NHA right-of-way.

Any significant standing water remaining at the facility when cleaning has concluded shall be removed. The MC's plan for performing the work shall indicate methods of directing this water into drains at the site. At the completion of the cleaning operations fore each individual lane, and prior to opening the lane to patron traffic, the MC shall remove any standing water from the lane, its approach and the exit area.

8.5 PROTECTION OF LIFE AND PROPERTY

The MC shall provide a method of protecting patron vehicles from sprayed water and chemicals / cleaner. The MC shall detail this method of protection in the plan for performing the work.

The MC shall protect the equipment of the NHA during the time that cleaning is in progress and shall be responsible for any and all damage to the property of the NHA and to the public moving through the toll facility caused by MC's operations.

The MC shall perform this work in such a manner as to avoid any damage to the reflective pavement markers, embedded electronic sensors and expansion joints.

Chemical cleaners that are used on surfaces in areas of plants and grass shall not be harmful to vegetation. Care shall also be taken to avoid any damage to plants, shrubs and trees by the MC's equipment or personnel.

8.6 WORK AREA SAFETY

MC shall employ sufficient barrier cones to identify his personnel and equipment as an obstacle to oncoming traffic and to divert traffic to open, unobstructed lanes.

MC shall provide signage and / or barriers which will adequately warn oncoming traffic that lane is closed for cleaning.

MC's employees and subcontractors shall wear orange safety vests and hard hats at all times when working at toll plaza.

9.0 TOOLS AND EQUIPMENT

The MC shall supply all tools and equipment necessary to perform all operations and maintenance tasks under the Contract. The MC shall provide for the storage of such equipment. A list of all such tools shall be included in the Toll Plaza Maintenance procedure manual. Where it is deemed cost effective to lease or rent infrequently used and/high cost tools and equipment, it shall be so identified.

10.0 SPARE PARTS

The MC shall establish and maintain a stock of commonly used spare parts required to support all maintenance requirements of the Contract. Adequate storage for all spare parts shall also be provided by the MC.

The MC shall develop an initial list and annual budget for recommended spare parts and submit the list / budget to the NHA for information & record.

All spare parts purchased by the MC for major repairs become the property of the NHA. Any parts removed from service that can be reconditioned and reused shall be so processed.

APPENDIX – A

GLOSSARY OF TERMS

Wherever in the Scope of Services or in other documents pertaining to the Contract, the following terms appear, their intent and meaning shall, unless specifically stated otherwise, be interpreted as shown herein.

Attended Toll Lanes: A plaza toll lane with a toll collector on duty to either manually or electronically collect tolls.

Authority: National Highway Authority

Counting Room: The room in the toll plaza operating building where toll collectors / attendants prepare cash trays before going on duty, and where money is counted at the end of the shift.

Data Lines: Telephone or other communication lines used specifically for computer system data transfer between system locations.

Day: Every day shown on the calendar, ending and beginning at midnight.

Emergency Power: See Standby Power

Emergency Generator: See Standby Generator.

ETTM: Electronic Toll and Traffic Management system. The Authority's system is a state-of-the-art, computerized data collection and processing complex, consisting of the necessary hardware and software to accurately and efficiently collect, process, report, and archive traffic, toll revenue, E-PASS Service Center data and system maintenance activity.

Mainline Toll Plaza: A toll plaza located on the mainline of a roadway facility so that all traffic must pass through one of the toll collection lanes. Mainline plaza consist of a barrier plaza manual lanes, a toll operations building and approach and departure roadways.

Mobilization: The work necessary to begin work on the project, including, but not limited to those operations necessary for the movement of personnel, equipment supplies and incidentals to the project site, the establishment of project offices and other facilities, the preparation of initial project plans, SOPs and other required documentation, recruitment and training of project staff; design and procurement of uniforms; the costs of bonds and any other required insurance; other preliminary expenses necessary for the start of the work.

Patron: Any person using and paying tolls on the Authority's roadway system.

Performance Evaluation Committee: The committee designated by the Authority to monitor and evaluate the TOC's performance.

Plaza Operations Building: At each mainline toll plaza, this building houses plaza supervisory and control functions, computer facilities, an employee break room, lockers, money vaults, storage room, electrical facilities, mechanical functions, shop counting room etc.

Ramp Toll Plaza: This term applies to a toll plaza on a ramp of a limited access roadway that has a toll booth or building on at least one toll island, and has at least one but usually two toll lanes. The island to the driver's far left (Island "A") usually contains a combination toll booth, rest room and electrical / computer room. Additional islands to the right of the primary island are only single booths. Ramp plaza are grouped with a particular mainline plaza for operational staffing and accounting purposes.

Shift Reports: Reports printed to verify and audit a toll collector's shift monetary and vehicle count.

Standby Generator: An electrical generator device at a facility which provides temporary power to the facility during loss of utility service when activated by the loss of voltage in the electrical system.

Standby Power: Temporary electric power to a facility provided by the Standby Generator.

System Reports: ETTM reports of toll system operations and status. Examples of these reports are provided in the ETTM System SOPs.

Toll Collector: A person who collects tolls manually.

Toll Facilities/Plaza Manager: The person responsible for the entire operation and management of the mainline plaza and all associated ramp plaza.

Toll Operations Contractor (TOC): Contracted vendor to operate and maintain specified toll facilities according to the Contract and approved SOPs.

TOC Operation Office: The building from which the Toll Operation Contractor conducts the entire operation and management of all mainline plaza and their associated ramp plaza.

Toll Operator: See Toll Collector

Toll Receipt: A receipt provided to the patron for the payment of cash toll. Available in all manual lanes.

Toll Rate Schedule: A list of vehicle classification and corresponding toll rates.

Toll Shift Supervisor: A person who is responsible for a complete shift at a mainline plaza. May also be responsible for associated ramp plaza adjacent to the mainline plaza.

Tour: A toll collector's shift or duration of work.

Float : The cash amount with which a toll collector begins his shift.

Transaction: Any vehicle passing through a mainline or ramp toll plaza for which a toll is due (including non-revenue and emergency vehicles), whether or not such passage was recorded.

Violator: A violator is any vehicle passing through a toll lane without paying the proper toll.

Extra Wide Lane: A specially signed and marked lane on the extreme sides of a toll Lane through which vehicles wider than that remaining plaza lanes may pass.

Working Day: Any calendar day, exclusive of Sundays and public holidays.

ABBREVIATIONS

MC	-	Management Contractor
O&M	-	Operation & Management

AVC	-	Automatic Vehicle Classification
ETTM	-	Electronic Toll and Traffic Management system
MLT	-	Manual Lane Terminal
MSDS	-	Material Safety Data Sheet
RDB	-	Relational Data Base
SOP	-	Standard Operating Procedure
TEC	-	Toll Equipment Contractor
TOC	-	Toll Operating Contractor
VES	-	Violation Enforcement Subsystem.



SECTION – I

SECTION – II

SECTION - III

**ARTICLES
OF
CONTRACT AGREEMENT**

INSTITUTIONAL ARRANGEMENTS

Client: The National Highway Authority (referred as “NHA” hereinafter)

Program Designer: Road Assets Management Directorate of NHA (referred as “RAMD” hereinafter), the NHA’s representative duly nominated by the Chairman NHA as Chief Operating Officer.

Management

Contractor (MC): The Contractor appointed, pursuant to this Agreement for Operations and Management of _____ Toll Plaza on National Highway (N-) to undertake tasks assigned in Scope of Services.

THE EMPLOYER’S ROLE AND OBJECTIVES

- Responsible for taking all policy decisions and approvals of short medium and long term plans and implementation programs including Financial, Technical and Institutional arrangements on quarterly, bi-annually, and annual basis.

THE PROGRAM DESIGNER’S ROLE AND OBJECTIVES

- To provide overall guidance to the MC keeping within the policy framework approved by the Employer.
- Responsible for establishment of necessary Technical and Financial criteria and the operating systems to manage the above mentioned Toll plaza to an optimal level and in most efficient and effective manner within available resources. {The MC is expected to jointly undertake this exercise with Program Designer and ensure that the operating systems will be primarily focused on development of Toll Management procedures and guidelines.}
- Road Assets Management Division (RAMD) will plan organize and implement strategies and plans for all toll assets including revenue collection through tolling operations.

SERVICE PROVIDER’S ROLE AND OBJECTIVES

- The Service Provider shall carry out all the works remaining in the overall policy of the Employer in accordance with the agreed programs, jointly developed with Program Designer.
 - The Service Provider's Scope of Services related to various aspects of the contract is given in more detail in the Agreement and Appendices.
 - The Program Designer shall be NHA's representative for the purpose of certifying the works/services.
 - Detailed SOPs to this regard shall be submitted by MC within thirty (30) days from the Effective Date for the approval of Program Designer.
 - For all coordination purposes with the NHA, MC is required to act through Program Designer which will serve as the NHA representative and contact person for this program.
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Working Procedures

Objective of appointing MC is broadly covering the following aspects of Operations, Management and Maintenance of the _____ Toll Plaza on National Highway N- .

1. Collection of tolls @ 100% efficiency for manual and ETTM toll plaza operations on behalf of NHA and depositing the guaranteed revenue to “National Highway Authority, Road Maintenance Account” on monthly basis, in advance, on 1st of each month, positively, in the manners agreed, in designated banks as approved by the NHA and further maintaining and submitting daily/weekly record thereof to NHA in a pre-agreed format.
 2. Exercise administrative control of buildings and other assets of NHA including all equipment, machinery, utilities, installations, ancillary facilities within the Toll Plaza premises in a manner consistent with international practices.
 3. MC shall prepare balance sheet, income statement, expenditure statements, tax statements, profit/loss statements and all other statements as may be deemed necessary during the currency of contract. MC shall submit to NHA on annual basis audited statements as may be required by NHA.
 4. NHA Internal Audit Team shall carry out audit on quarterly basis. MC shall facilitate the Audit Team.
 5. NHA team will visit the toll plaza premises time to time in order to ensure the smooth running of the facility and to inspect the terms and conditions of the agreement are being followed or not.
 6. Classified Vehicle Count data along with revenue generated should be available on daily basis. Subsequent daily reports should include cumulative figures separately in terms of numbers and revenue generated by each vehicle category.
 7. Under the NHA Executive Board policy decision, to facilitate the frequent road users i.e. various government/semi government/private sector organizations/private transporters and individuals, who daily/frequently traverse through a specific toll plaza on national highway network a monthly passes under foolproof mechanism can be issued. Monthly advance payment is
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to be made by the road user to plaza operator. Issuance of passes will be the responsibility of plaza operator.

ARTICLE I

1.1 PURPOSE; INCORPORATION OF SCOPE OF SERVICES

- (a) The Scope of Services with this Agreement, sets forth the terms and conditions for the provisions of operation, management and maintenance services with respect to the System.
- (b) All terms and provisions of the Scope of the Services are incorporated, the provisions specifically set forth in this Agreement and those set forth in the Scope of Services shall be construed to supplement each other, so as to give effect and meaning to all term sand provisions. If there is conflict between any terms of the Scope of Service and terms specifically set forth herein then, unless otherwise specifically provided herein or in the Scope of Services, the terms of this Agreement shall prevail and take precedence over the terms of the Scope of Services to the extent necessary to resolve such conflict.

1.2 DEFINITIONS

All capitalized terms used herein shall have the meanings assigned to them in Appendix A, as supplemented and modified by the Scope of Services to the extent there is no conflict. Any capitalized terms used herein and not defined in Appendix A shall have the meanings assigned to them herein.

ARTICLE II

2.1 SCOPE OF SERVICES

Except as otherwise provided in Paragraph 2.4 or elsewhere in this Agreement throughout the Term of this Agreement (as herein defined). MC shall operate, Manage & maintain all Tolling facilities Operations. Additionally MC shall provide all management, supervision, labour, materials, and administrative support necessary to perform the Services described in the Scope of Services. (the foregoing, being referred to herein as "Services"). All in accordance with the criteria set forth in the provisions of this Agreement including all appendices.

2.2 COOPERATION WITH OTHER CONTRACTORS

- (a) From time to time during the Term, NHA may award or execute other contracts relating to its ownership, operation or maintenance of the System or of other facilities on other roadways that are not included within the System. Such contracts may be executed with respect to work currently defined as part of the Services, if this agreement is terminated with respect to such work, whether for reasons of default of MC hereunder, Termination for Convenience (as defined in Paragraph 2.4) or otherwise. MC Shall fully cooperate with the NHA and the parties to such other contracts, shall adjust scheduling to the extent reasonably possible; and shall diligently endeavor to perform its Services in a manner that will promote integration, synergism and efficiency among MC, NHA and the other contractors. MC shall not commit nor permit any action on the part of its employees or agents that might unreasonably interfere with the performance of work by any other contractor of NHA.

2.3 SERVICES PERFORMED WITHIN PLAZA

- (a) The Services to be performed by MC shall be performed solely within or with respect to the Plaza as defined in subparagraph (b). MC shall have no rights or obligations to perform any work or Services outside the geographical limits of the Plaza.
 - (b) For purposes of this Agreement, the term "Plaza" shall mean and include the toll collection booths structures and associated facilities located along the Highway, as well as those facilities located along entrance or exit ramps providing access to and from the Roadways. However,
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mainline Plaza can generally be described as the entire width of right-of-way for a distance of 200 meters in each direction along the roadway centerline from the centerline of the plaza tunnel. Ramp Plaza can generally be described as the area extending 130 meters outward from the maximum extent of the ramp plaza facilities including pavement areas, guardrail, equipment and other associated structure, or as reasonably directed by the NHA.

2.4 TERMINATION FOR CONVENIENCE OF NHA

- (a) NHA shall have the right at any time and from time to time during the Term, and for any reason whatsoever in NHA's sole discretion, to terminate this Agreement with respect to all or any portion of the Services (such total or partial termination being referred to herein as a "Termination for Convenience"). NHA may exercise its right of Termination for Convenience by furnishing to MC written notice of its election to do so, which notice shall specify the Services that NHA has elected to remove from the scope and operation of this Agreement. The Termination for Convenience as to such Services shall be effective Forty-Five (45) days following the date of such notice. Thereafter all references herein or in the Scope of Services to "Services" shall be deemed to refer only to those operation, maintenance and management tasks that continue to be required to be performed by MC hereunder.
 - (b) As of the date upon which a Termination for Convenience is effective, NHA shall reduce the Toll revenue amount, so as to exclude receipts and expenditure for those elements of work and Services as to which NHA exercised its right of Termination for Convenience.
 - (c) In no event shall Termination for Convenience be deemed a default by NHA under this Agreement or the Scope of Services. Nevertheless NHA recognize that a Termination of Convenience will cause temporary but adverse financial consequences upon MC. The parties recognize and agree that the precise amount of the adverse financial consequences that would be suffered by MC would be impossible to predict at the time of execution of this Agreement. Therefore, the parties agree that a termination fee will be paid by NHA to MC upon the occurrence of any Termination for Convenience, which termination fee is a fair and reasonable estimate of the adverse economic consequences that will be sustained by MC. The termination fee shall be paid by NHA to MC @ 5% of O&M expenditure of that particular year.
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2.5 OWNERSHIP OF DOCUMENTS, INVENTIONS AND COPYRIGHTS

- (a) NHA is and shall remain the sole owner of all rights (including copyrights, trademarks, patent rights and other intellectual property rights) with regard to the SOP Manual (as herein defined), the system and all plans, documents, software, data and items developed with respect to the design, construction, or installation of the system or in the performance of this agreement. Information generated in connection with this Agreement shall be the property of NHA. MC shall not transfer, disclose or otherwise use such information for any purpose other than in performance of its duties hereunder without NHA's prior written consent.

2.6 APPLICABLE LAWS AND REGULATIONS

MC shall perform services in compliance with the standards and requirements set forth in the SOP manual, applicable laws, rules, statutes, regulations and good business practices.

ARTICLE III
TERMS OF AGREEMENT AND EFFECTIVE DATE

3.1 TERM OF AGREEMENT

The term of this Agreement (the “Term”) shall be for a period upto One (01) year, measured from the Effective Date (as defined in 3.2), and extendable for a further period of one (01) year based upon satisfactory performance.

3.2 EFFECTIVE DATE

The date upon which MC shall commence performing the services of collection of toll on the specified toll plaza awarded to MC after signing of the Contract Agreement.

3.3 TOLL LOCATION

The toll location of toll plaza is _____ on National Highway (N-_____).

3.4 DEPOSIT OF REVENUE BY MC

The Guaranteed Income is to be deposited in advance by MC on 1st of each month to National Highway Authority, Road Maintenance Account, positively as prescribed in Clause 7.1.

In all cases all utility charges, maintenance of toll plaza, payment of all relevant taxes, salaries and other applicable benefits of the staff, operational expenses including printing of toll tickets, Toll Authority Cards (TAC – for toll plazas where ETTM system is installed, subject to approval of Authority), conveyance and accommodation shall be borne by MC and TAC shall be approved by NHA before issuance.

3.5 Toll Rates

3.5.1 MC shall ensure that the approved toll rates are charged without a single violation throughout the year. The toll rates are given as under:

Sr. No	Vehicle Category	Toll Rates (Per Crossing) (Rs.)
1	Car/jeep/Toyota land cruiser/Pajero/and all types of Suzuki van/pick up and equivalent/Tractor without Trolley	15/-
2	Wagon upto 24 seats, pick up all types modified to carry passengers (Toyota Hilux single/double cabin), Milk truck M-3000, Coaster and Mini Bus built on T-3500 Mazda Chassis(upto 24 seats) and Mini Truck/Tanker built on T-3500 Mazda Chassis and equivalent	25/-
3	Buses greater than 25 seats	50/-
4	2 Axle Trucks/Tractor with Trolley	60/-
5	3 Axle Trucks	
6	Articulated Trucks	120/-

3.5.2 NHA may increase the toll rates with the approval of NHA Executive Board when deem appropriate. Programme Designer will calculate the effect of enhancement of toll rates and respective increase in revenue. Additional revenue expected to be collected as a result of such enhancement will be paid to NHA by the MC without deducting any share.

3.6 TOLL EFFICIENCY

Toll collection efficiency is agreed to be 100%.

3.7 PERFORMANCE INDICATOR:

The following performance indicators are being established, in which the performance of management contractor shall be monitored by NHA:

3.7.1 Toll Operations:

(I). General

- a. 24 hours a day, 365 days a year, round the clock toll booths shall be manned & toll lanes maintained operational. No lanes shall be closed for more than two (02) hours in twenty four (24) hours, provided that prior information is given to NHA for necessary repairs, if needed to be carried out.
- b. Only toll collection staff & security staff shall be allowed at toll collection booths, no other person should be seen at toll booths. No guests shall be allowed to meet the toll collection staff at site during operations.
- c. Healthy environment shall be ensured in and around the toll booths & toll lanes as well as toll operation centers.
- d. All staff on duty shall wear the uniform approved by NHA.
- e. The name and ID Card numbers of administrative staff will be displayed on the toll booth for public information during duty hours.

(II). If ETTM System is Installed

- f. All equipment in Toll booths & TOC's shall be functional at all times and in case of any break down response time for repair/replacement shall not exceed Six (6) hours.
- g. In case of emergency break down, energization shall be ensured in sixty (60) seconds. SOP to this effect shall be prepared by MC and got approved from NHA.
- h. Terms and conditions, with respect to Technical and Financial aspects, will be negotiated with the MC/Operator on completion of installation of ETTM System for further continuation of Operations and Management of the Toll Plaza on negotiated terms and conditions. In case, the negotiations are not successful between NHA and toll operator, the O&M Contract will be terminated immediately and Open Bidding for procurement of new O&M Contract will be conducted.

3.7.2 ASSET INVENTORY, BALANCE SHEET, TAX STATEMENT, PROFIT/LOSS STATEMENT, INCOME/EXPENDITURE STATEMENT

The MC and NHA shall jointly develop detailed asset inventory and its current value. MC will adjust value of asset with every improvement or further additions to the asset. It shall be mandatory for MC to prepare balance sheet, income statement, expenditure statements, tax statements, profit/loss statements and all other statements as may be deemed necessary during the

currency of contract. MC shall submit to NHA on annual basis, or as required, all above duly audited statements.

MC shall operate and manage the toll plaza and administrative control buildings and other assets of NHA with an objective of increasing the asset value or, at minimum, conserving the asset at its value of the 1st year of operations, after improvement in future years.

3.7.3 ETTM - (applicable when ETTM system is installed)

Each & every component of ETTM shall remain functional at all times. Manpower requiring technical training pertaining to operations of ETTM system will be trained by NHA or any agency engaged for this purpose by NHA. However, MC shall provide requisite manpower for such training that shall have minimum technical qualifications/expertise required to operate the equipment. The maintenance of hardware and software shall remain with NHA. However, any damage caused to system hardware, due to misuse, shall be replaced or repaired at the cost of MC.

3.7.4 Management of Toll plaza

MC shall ensure:

- a. The management, operational & security staff to be available at site at all times throughout the year.
- b. Preparations, updating and keeping of documentations, SOP's and record as mentioned in para 1.4 table 1 of Scope of Services.
- c. Daily toll operation management reports.
- d. Incidence reports.
- e. Toll plaza status reports.
- f. Management check list.
- g. Daily certificate of toll income.
- h. SOP's for utilities payments.
- i. Compilation of daily report.
- j. Shift attendance reports duly certified by shift incharge & signed by Manager Operations.
- k. Security of all manpower, material & NHA revenue.

3.7.5 Maintenance:

- a. The MC shall maintain toll plaza, including toll booths, tolling lanes, barriers, ramps, toll plaza buildings, toll
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operation centers & its premises, round the year clean & tidy.

- b. The ETTM equipment installed and handed over to the MC for carrying out toll operations electronically shall be looked after and maintained in a manner defined in the SOPs. MC shall get the toll facility insured including the ETTM system.
- c. The MC shall beautify the premises & maintain such beautification throughout the year ensuring healthy environment.

3.8 PENALTIES:

Failure of MC to comply with the requirement as indicated in the Scope of Services and Article III of Contract Agreement more particularly as per established performance indicators shall expose the MC to the penalties as stated below;

- i. For non performance with respect to any of the performance indicators, the MC shall be fined Rs.10,000/- per occurrence & a black dot will be recorded by NHA.
- ii. If the guaranteed advance revenue is not deposited in NHA designated account by the 1st of each or any month, a penalty of Rs. 100,000/- (Rupees hundred thousand) per day for 9th & 10th of that month shall automatically become effective and finally if the said amount is not deposited in designated NHA account by 10th of each or any month, the contract shall automatically stand terminated and cash security amount deposited with NHA automatically forfeited. The cash security amount shall be equal to the revenue of one (01) month as per the bid amount of the contractor translated into daily revenue.
- iii. The penalty shall be imposed by NHA designated officer not below grade-18, notified by NHA as representative of program designer.
- iv. Non-submission of SOP manual within specified time will make MC liable for fine of Rs. 10,000/- per day of delay.

Note: Lane required to be closed for repair & maintenance will be got sanctioned from program designer on telephone followed by Fax prior to commencement of work.

3.9 DEFAULT OF MC

In addition to the conditions set forth in Article IX (Default Dispute Resolution Remedies) para 9.1(a), following criteria will determine MC's default;

- a. A warning to be issued to MC at award of five(05) black dots.
 - b. Notice for termination on MC default at ten (10) black dots.
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3.10 CAPITAL EXPENDITURE

All capital expenditure required for effecting necessary improvements to the toll plaza infrastructure and allied facilities shall be borne by NHA.

ARTICLE IV

4.1 REMOVAL

Promptly upon request of NHA, MC shall remove from activities associated with or related to the performance of this Agreement an employee whom NHA considers (for any reason whatsoever, in NHA's sole discretion) unsuitable for such work. Such employee shall not be reassigned to perform any work relating to the Services except with the express written consent of the NHA. No compensation in any form shall be paid to MC by the NHA in consideration for the right of removal described in this paragraph or in consideration of all exercise thereof.

4.2 REASSIGNMENT

MC shall structure its relationship and procedures with its employees so that the employees may be assigned to, reassigned or transferred from one toll collection location to any other location without impediment, and so that the employee may be reassigned or transfer at any time (and from time to time) upon the request of the NHA or at MC's discretion.

4.3 DRUG-FREE WORKPLACE REQUIREMENTS

Throughout the Term, MC shall provide a drug-free workplace (within Toll plaza) by establishing a drug-free workplace and program in compliance with NHA policy.

4.4 COMPLIANCE WITH WORKPLACE LAWS

- (a) Throughout the Term, while performing under this Agreement, MC, its agents and employees shall observe and fully comply with all laws, ordinance and regulations that may be in force and effect from time to time hereafter.
- (b) MC acknowledges that its employees, agents and subcontractors, and the employees and agents of MC's subcontractors and agents, are not employees or agents of NHA and that MC will not be acting as NHA's agent or on its behalf for purposes for complying with laws and regulations pertaining to workplace safety, labor and employment.

4.5 MANDATORY EQUAL EMPLOYMENT OPPORTUNITY

- (a) On or Ten (10) days after the Effective Date, MC shall submit to NHA for its review and approval, MC's proposed equal
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employment opportunity policy and as per the existing rules of MC's Organization.

- (b) MC shall designate a liaison officer who will administer and oversee the program adopted by MC in accordance with subparagraph (a) and shall keep complete and accurate records of all procedures and decisions relating to hiring of individuals.
- (c) MC shall submit details of all employees on quarterly basis to the programme designer for evaluation of clause 4.5 implementation.
- (d) At least 20% of the staff on toll plaza with ETTM system in the vicinity of major cities shall consist of female gender during day time shifts.

4.6 NOTIFICATION OF CONVICTION OF CRIMES

MC shall notify the NHA of disciplinary action taken against its employees, if convicted of any crime, according to the rules and regulations of MC.

ARTICLE V

5.1 PURPOSE OF SOP MANUAL

- (a) The NHA desires to make available to the public a high level of service and quality in the operation of the System. As part of its obligations under this Agreement NHA shall provide the MC with the SOPs regarding toll operations to be carried out with ETTM system whereas MC shall prepare a written **Standard Operating Procedure Manual (the “SOP” Manual)** which shall include standards of performance with which MC, its employees and agents must strictly comply throughout the Term, as mentioned in section 1.0 Documents Requirements of Scope of Services The MC shall Get the Approval of SOP manual from Employer. The SOP Manual shall include all components specified in the Scope of Services and will also define the technical support protocol in detail. The protocol for obtaining technical support shall be provided by NHA. The SOP Manual also shall set forth provisions of any necessary coordination procedures among MC, the NHA and any other parties to whom the NHA awards contract from time to time with respect to the Highway. The SOP Manual shall include and cover all procedures of every kind or nature necessary for the performance of the Services as specified in the Scope of Services. MC shall provide the Services at all times in accordance with this Agreement, the Scope of Services, and the procedures stated in the approved SOP Manual.
 - (b) Following development and acceptance of the SOP Manual in accordance with this Agreement and the Scope of Services, MC shall comply with the SOP in its performance of Services, MC and NHA shall revise and update the SOP Manual from time to time in accordance with Scope of Services .References herein or in the Scope of Services to the SOP manual shall be deemed to refer to the SOP Manual as it may be amended, modified or supplemented from time to time.
 - (c) Without limiting the generality of other provisions of this Agreement or the Scope of Services with respect to updates and revisions of the SOP Manual, NHA may, from time to time, develop and institute updates or upgrades to its software or other components of the System, in order to take advantage of technological developments or advancements, to enhance efficiency, to correct problems or to accomplish any other purpose deemed important by NHA, in which event the SOP Manual shall be modified to address any appropriate changes with regard to the operation, repair or maintenance of the System.
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- (d) Failure to comply with the approved SOPs will result in a penalty amounting to Rs. 100,000/- (one hundred thousand) per occurrence. This penalty will be over and above the cost incurred for rectification of the damage caused to ETTM equipment installed at the site.
 - (e) In case of accident, natural calamity etc. the loss will be borne by NHA.
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ARTICLE VI

6.1 ASSIGNMENTS RIGHTS AND LIMITATIONS

- (a) NHA has selected MC to perform the Services based upon characteristics and qualifications of MC and its employees. Therefore, MC may not assign, delegate or subcontract its rights or obligations under this Agreement. Any attempt by MC to assign or subcontract any performance of this Agreement without such consent shall be null and void and shall, at NHA's option, constitute a default under this Agreement.
 - (b) MC may assign its rights to receive payment under this Agreement with NHA's prior written consent, which consent shall not be unreasonably withheld.
 - (c) NHA may assign all or any portion of its rights under this Agreement with the consent and one (01) month notice to MC.
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ARTICLE VII

DEPOSIT / PAYMENT

7.1 Payment Terms

The Guaranteed revenue per month shall be deposited in advance by MC on 1st of each month to National Highway Authority, Road Maintenance Account, positively.

7.2 Currencies of Payment

All deposits/payment due under the contract shall be made in Pakistani rupees.

7.3 Pakistan Tax Liabilities

All taxes including income tax shall be paid by the MC according to prevailing laws of income tax in Pakistan.

All personnel and corporate taxes will be paid by the MC or their personnel.

7.4 Penalty on Delayed Deposit

If the guaranteed advance revenue is not deposited in NHA designated account by the 1st of each or any month, a penalty of Rs. 100,000/- (Rupees hundred thousand) per day for 9th & 10th of that month shall automatically become effective and finally if the said amount is not deposited in designated NHA account by 10th of each or any month, the contract shall automatically stand terminated and cash security amount deposited with NHA automatically forfeited. The cash security amount shall be equal to the revenue of one (01) month as per the bid amount of the contractor translated into daily revenue.

7.5 Cash Deposit and Reconciliation

The MC shall deposit guaranteed revenue on monthly basis. All deposit slips shall be forwarded to NHA's concerned office for reconciliation.

The MC shall provide monthly toll collection summary report including details of daily collection.

ARTICLE VIII

BONDS AND INSURANCE

8.1 ISSUES OF BONDS AND INSURANCE

MC shall arrange bonds (or other security) and insurance acceptable to NHA as described herein and shall maintain such bonds (or other security) and insurance in full force and effect throughout the Term in the manner specified herein.

8.2 PERFORMANCE BOND

On or before fifteen (15) days after the issuance of letter of acceptance, MC shall deliver to NHA a surety performance bond from A+ rated Insurance Company or from Scheduled Bank in approved format in the amount of Two Million Rupees (Rs. 2,000,000/-), as security for the performance by MC of the provisions of this Agreement. NHA may apply for any or all of such bond to be reimbursed to it for damages caused by any defaults of MC under this Agreement or to remedy any Event of Default. If MC is not in default at the expiration or termination of this Agreement, NHA will authorize the release and return of the performance bond to MC. The Form of Performance Bond is at Annexure-A to Article VIII.

8.3 TOLL REVENUE SECURITY

(i) As surety and security for monthly financial deposits of the collected revenue in the designated bank account by the MC, the MC shall deposit **One (01) month revenue (as per bid) in the form of a Bank Draft/Pay Order or Bank Guarantee**. This security deposit shall remain with NHA till successful completion of the contract. In the event that the contract is successfully completed, the security deposit shall be returned to the MC. However, notwithstanding any thing contained hereinafter, in case of default in revenue deposit as per the stipulations of the contract, the security deposit shall be encashed without any recourse to MC. The default is defined as MC's inability to deposit revenue.

For Fixed Advance Revenue Contract

Upfront on the 1st of each month fixed Advance Revenue Deposit as per the bid.

In the eventuality of default by MC, there shall be only 3 days remedy period inclusive of 1st of every month then a penalty in accordance with Clause 7.4 of Article-VII shall be imposed on MC alongwith the other penalties under the contract. Accordingly, upon termination, MC shall be demobilized from site within 07 days and shall commence demobilization process immediately to be completed within seven (07) days. The NHA shall enter upon site or mobilize or cause to mobilize replacement of MC in the manner as deemed befitting. MC shall be disqualified for participating in any form of contracting of NHA work in future. The above terms and conditions are binding on MC without any legal recourse.

8.4 INSURANCE COVERAGE

- (a) MC shall, at its cost and expense, purchase and maintain insurance from A+ rated Insurance Company during contract period to cover against:
 - (i) Loss, damages of the O&M Project facility including ETTM system at replacement value.
 - (ii) MC General Liability arising out of contract.
 - (iii) Third party Insurance for unlimited cases at Rs.200,000/-.
 - (vi) Health/hospitalization, Accident and Travel Insurance of MC's all Employees.

 - (b) All insurance policies required to be obtained by MC under this Agreement shall be issued underwritten by approved insurance companies of NHA and such policies and the terms thereof shall be reasonably acceptable to NHA. MC shall obtain endorsements to all policies and certificates of insurance providing that:
 - (i) no cancellation, non-renewal, or reduction in coverage shall be effective unless the insurer first gives NHA forty-five (45) days' notice;
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- (ii) the policies are primary, and not contributing, with respect to any insurance that may be carried by NHA;
 - (c) MC shall furnish NHA with originals or copies of all required insurance policies and with certificates evidencing such insurance coverage promptly upon receipt. MC may obtain for its own account any insurance not required under this Agreement. Certificates shall be current accord form and shall reflect additional insurance requirements as may be required herein.
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- (d) If MC fails or refuses to procure or maintain insurance as required by this Agreement or fails or refuses to furnish NHA with evidence that the insurance has been procured, is in force and has been paid for, NHA shall have the right, at its election, and following ten (10) days written notice to MC, to procure and maintain such insurance. The premiums paid by NHA shall be offset against payments that otherwise would be due to MC under this Agreement.

8.5 FORMS OF INSURANCE COVERAGE AND MINIMUM LIMITS

MC shall maintain insurance policies throughout the Term with the following coverage and minimum limits:

- (a) Comprehensive General Liability Insurance, including Contractual Liability Insurance and Completed Operations Insurance having a minimum coverage of Rs 1,000,000/- (Rupees one million only) for any one occurrence of bodily injury or property damage and a minimum of Rs 2,000,000/- (Rupees Two million only) per annum aggregate for both General and Products and Completed Operations. The contractual liability insurance coverage shall include coverage for responsibilities and liabilities assumed by MC under this Agreement.

8.6 NHA'S RIGHT TO REMEDY BREACH BY MC

If MC fails to provide insurance as required herein, NHA or its assignee(s) will have the right, but not the obligation, to purchase such insurance. In such event, the amount paid for such insurance will be credited against the next- accruing payment or payments that otherwise would be made by NHA to MC under this Agreement.

ARTICLE IX

9.1 DEFAULT BY MC

The occurrence of anyone or more of the following events shall constitute an event of default by MC under this Agreement (each such event being referred to herein as an “Event of Default”)

- (i) Failure of MC or any Subcontractor to secure or maintain insurance coverage of the types and with the coverage’s herein required”
 - (ii) Dishonesty, embezzlement or false reporting of financial information by MC or any Key Personnel, willing or knowing participation by MC in a fraud:
 - (iii) Lack of financial responsibility evidenced by failure to promptly reimburse NHA for any loss or damage to NHA or its property:
 - (iv) Conviction of any employee or affiliate of MC of a public entity crime, or placement of the names of MC or any employee or Affiliate of MC on the convicted vendor list:
 - (v) Delay or discontinuance by MC of the Services to be performed pursuant to this Agreement:
 - (vi) To extent allowed by law, filing by MC of a petition in bankruptcy or for reorganization or for an arrangement pursuant to any federal or state bankruptcy law or any similar federal or state law: adjudication of MC as a bankrupt or insolvent; assignment by MC for the benefit of creditors; admission in writing by MC of its inability to pay its debts generally as they become due filing of a petition or answer proposing the adjudication of MC as bankrupt or insolvent pursuant to any bankruptcy law or similar in any court, and failure of MC to discharge such petition or answer within ninety (90) days after the filing thereof;
 - (vii) Appointment of a receiver, trustee or liquidator of MC, or of all or substantially all of the assets of MC, in any proceedings, and failure of MC to cause such appointment to be canceled or discharged with ninety
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(90) days after such appointment, if the appointment was not requested by MC.

- (viii) Failure by MC to satisfy or post bond with respect to any final judgment against within ten (10) days of entry of the judgment.
- (ix) Attempt by MC to assign its rights or delegate its obligations in contravention of the terms of this Agreement or execution by MC of a Subcontract in violation of the terms of this Agreement.
- (x) Failure by MC to perform any component of the Services in a manner acceptable to the NHA in its reasonable discretion, or failure by MC to otherwise perform its obligation under this Agreement or to comply with any terms or provisions herein set forth or in the Scope or the Services of SOP Manual as it may hereafter be amended, modified or supplemented from time to time.
- (xi) Failure of MC to deposit the guaranteed revenue in NHA Account within seven (07) days when it becomes due by 1st of each or any month. Failure of MC to achieve 100% efficiency on manual operations and with ETTM in toll collection on Toll plaza entrusted to it under the contract.

9.2 EVENT OF DEFAULT BY NHA

The failure of NHA to make payment to MC at the times and in the amounts required by this Agreement shall constitute an event of default by NHA under this Agreement (which circumstances shall also be defined as an “Event of Default”). In the event of Default by the Employer, the Operator may terminate this Agreement by not less than sixty (60) days written notice to the Employer.

9.3 RIGHTS OF NON-DEFAULTING PARTY UPON OCCURRENCE OF EVENT OF DEFAULT

- (a) If MC commits an Event of Default hereunder: MC does not cure the Event of Default, and the parties are not able to resolve the dispute in the manner described in paragraph 9.4, NHA shall be entitled to exercise any or all of the following remedies, in addition to any or all other remedies or rights provided by law to which NHA may resort, cumulatively or in the alternative, and in addition to such other rights and remedies else where set forth in this Agreement.
- (i) NHA may terminate this Agreement and MC's rights here under by giving MC notice of termination. On the fifteenth (15) day following such termination notice or in the date specified in such notice, if later, MC's rights here under shall terminate.
 - (ii) NHA may terminate some but not all of MC's rights here under by modifying the definition of Services to exclude those Services as to which the Event of Default has occurred. NHA shall notify to MC of those Services to be terminated and on the Fifteenth (15) day following such terminations notice, or on the date specified in such notice, if later, MC's obligation to perform such Services, and its rights to be paid for the performance thereof, shall terminate.
 - (iii) If the Event of Default consists of a failure of MC to perform an obligation or duty in the manner or within the time required under the terms of this Agreement, NHA may either perform such obligation or duty or retain an other party to perform such obligation or duty, in either case offsetting the cost of such performance against the payments otherwise due by NHA to MC under this Agreement.
 - (iv) NHA may collect from MC, or may offset against amounts due or to become due to MC under the provisions of this Agreement all costs and expenses incurred by NHA due to the occurrence of the Event of Default.
- (b) If NHA defaults hereunder; NHA does not cure the default; and the parties have not resolved the dispute in the manner provided in Paragraph 9.4, MC shall be entitled to the following relief, in addition to any or all other remedies or rights provided by law to which MC may resort, cumulatively or in the alternative, and in addition to such other rights and remedies elsewhere set forth in this Agreement.
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- (i) MC may obtain a judgment against NHA for the amounts due and owing to MC that have not been paid to the MC.

9.4 DEFAULT NOTICE, REMEDIES

- (a) If an Event of Default occurs hereunder, as a condition precedent to exercising and other rights or remedies as a result of such Event of Default, the party claiming an Event of Default has occurred shall send written notice to the other party, specifying the circumstances constituting the default (the "Default Notice").
 - (b) If the defaulting party has not commenced efforts to cure the Event of Default on or before ten (10) days after receipt of Default Notice; or if the defaulting party does not diligently prosecute its efforts to accomplish a cure; or if the defaulting party fails to complete a cure on or before thirty (30) days after receipt of the Default Notice (or such longer or shorter period of time as shall be reasonably required to cure Event of Default), then the non-defaulting party shall be entitled to pursue the following remedies:
 - (i) Except for an Event of Default described in subparagraph (b) (iv) and (b) (v) of this Paragraph, it shall be a condition of the right of any party to institute litigation or submit issues for resolution by means of mediation or non-binding arbitration that the parties attempt to resolve the dispute at a settlement conference, in accordance with the provisions of Paragraph 9.5.
 - (ii) If the parties are unable to resolve the dispute at a settlement conference, and if the dispute involves an issue that is not of a monetary nature or if the dispute is of a monetary nature and involves an amount of Rs: 400,000/- (Rupees Four Hundred Thousand only) or less, it shall be a condition of the right of any party to institute litigation that the parties first attempt to resolve the dispute by means of mediation in accordance with Paragraph 9.6.
 - (iii) If the parties are unable to resolve the dispute at a settlement conference and if the dispute involves an issue of a monetary nature and the amount in controversy is more than Rs: 400,000/- (Rupees Four Hundred Thousand only) it shall be a condition of the right of any party to institute litigation that the issue
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in controversy be submitted for resolution by means of non-binding arbitration in accordance with Paragraph 9.7.

- (iv) Notwithstanding anything herein to the contrary, if the dispute is of a monetary nature and the amount in controversy exceeds Rs: 4,000,000/- (Rupees Four Million only), or if the issue involves alleged fraud or theft or failure to account for funds, either party may (but shall not be required to) attempt to resolve the dispute by means of Litigation, without resorting to dispute resolution techniques
- (v) Notwithstanding anything herein to the contrary, if the Event of Default is of a nature that requires prompt or immediate remedies or relief, or if the non-defaulting party would suffer significant or incurable harm or damage if required to pursue the remedies or relief in the manner otherwise required under the terms of this Agreement, or if a speedy resolution is otherwise critical, either party may bring an action at law or equity for emergency, provisional or temporary relief (including, without litigation, attachment, or extraordinary writ) or may exercise self-help remedies or may otherwise attempt to minimize the damage that would otherwise accrue as a result of the occurrence of the Event of Default.

It shall be a condition precedent to the right of either party to bring proceedings at law to enforce, interpret or construe any provision of this Agreement that the parties attempt to resolve the issue in the manner described in this Paragraph 9.4.

9.5 SETTLEMENT CONFERENCE

Except as otherwise provided in Paragraph 9.4 (b) (iv), if either party claims an Event of Default has occurred and the party who allegedly is in default has not cured the Event of Default on or within twenty-five (25) days after initial delivery of the Default Notice, the parties shall schedule and attend a settlement conference to seek resolution of the dispute. Both parties shall endeavor in good faith to seek a reasonable and equitable resolution of the dispute during such settlement conference.

9.6 MEDIATION

- (a) If either party claims an Event of Default has occurred of a type described in Paragraph 9.4 (b) (ii), and if the parties
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were unsuccessful in their efforts to resolve the issue at a settlement conference in accordance with Paragraph 9.5, either party may submit the issue in controversy for resolution by means of mediation.

- (b) If either party elects to submit an issue to mediation, the parties shall cooperate in an effort to select a mediator, who shall be an attorney admitted to practice law in Pakistan and Certified as a mediator by the Court. If the parties are unable to agree upon a mediator, each shall select a mediator, who shall select a third mediator, and the proceedings shall be conducted by the third mediator. The parties shall equally share the costs and expenses of the mediator and the mediation proceedings and shall cooperate in good faith in an effort to reach a mutually acceptable resolution of the dispute.
- (c) If the parties attempt to resolve a dispute by means of mediation proceedings in accordance with this paragraph but are unable to do so, either party may file an action at law to enforce, interpret or construe the provisions of this Agreement.

9.7 NON-BINDING ARBITRATION

- (a) If either party claims an Event of Default has occurred of a type described in Paragraph 9.4 (b) (iii), and if the parties were unsuccessful in their efforts to resolve the issue at a settlement conference in accordance with Paragraph 9.5, either party may submit the issue in controversy for resolution by means of non-binding arbitration. If the arbitrator in such proceedings finds an Event of Default has occurred, he or she shall be entitled to propose relief to the non-defaulting party in accordance with Paragraph 9.3.
- (b) Following the conclusion of non-binding arbitration proceedings, if either party believes the outcome of the arbitration was not fair and equitable, either party may file an action at law or equity to enforce, interpret or construe the provisions of this Agreement.

9.8 COOPERATION

Each party shall diligently cooperate with the other in an effort to resolve disputes in the most fair and amicable manner possible, and shall perform such acts as may be necessary to obtain prompt and expeditious resolution of the dispute. If the either party refuses to diligently cooperate, and the other party, after first giving notice of its intent to rely on the provision of this Paragraph

incurs additional expenses or attorneys fees solely as a result of such failure at diligently cooperate, then the arbitrator or court (whichever is applicable) may award such additional expenses and attorneys fees to the party giving such notice, even if such party is not the prevailing party in the dispute.

9.9 CONTINUING PERFORMANCE

Following the occurrence of any Event of Default or alleged Event of Default, and continuing during any dispute resolution proceedings, each party shall continue to perform its duties and obligations under this Agreement unless otherwise agreed or otherwise directed by a court of competent jurisdiction.

9.10 PARTICIPATION IN OTHER PROCEEDINGS

At NHA's request, MC shall allow itself to be joined as a participant in any arbitration or any other proceeding that involves NHA regarding the design, construction, installation, operation or maintenance of any part of the System. The provision is for the benefit of NHA and not for the benefit of any other party.

ARTICLE X

OBLIGATIONS OF THE PARTIES UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT

Immediately upon expiration or termination of this Agreement, whether at the expiration of the term or otherwise, the parties shall do the following;-

- a) Promptly upon termination, MC shall submit to NHA detailed information relating to each Subcontractor and employee of MC performing work under this Agreement. This information shall be in sufficient detail so that:
 - (i) NHA will have the ability to contact each Subcontractor and employee;
 - (ii) NHA can easily determine the role or function of each in regard to MC's obligations hereunder and
 - (iii) If it so elects, NHA may engage each subcontractor or employee on substantially the same terms as had been contracted by MC.
 - b) Within ten (10) days after MC's submission to NHA of the information described in subparagraph (a) NHA shall notify MC in writing of each Subcontracts (including vending contracts) and employment agreement to which NHA has or intends to exercise its right to succeed to MC.
 - c) Within fifteen (15) days after MC's submission to NHA of the information described in subparagraph (a) MC shall cancel or terminate all Subcontracts and employment agreements except those specified in the notice from NHA to MC as being agreements that it intends to assume.
 - d) MC shall use its best efforts to cancel or minimize any outstanding Subcontracts and employment commitments or agreements that NHA does not intend to assume. MC shall initiate settlement of all outstanding liability and claims arising out of the commitments or agreements to be cancelled. MC shall provide NHA with an opportunity to review and approve all settlements contemplated with respect to any Subcontract or employee commitment or agreement, so that NHA will have (if it so elects) a meaningful opportunity to assume outstanding
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Subcontracts and employee commitments or agreements. Any settlement shall be subject to approval by NHA.

10.2 ASSIGNMENT

MC shall incorporate a provision in all Subcontracts that provide for assignments to NHA (at NHA's election) as more particularly required by paragraph 6.1 of this Agreement. Notwithstanding the incorporation of such provisions, at the request of NHA, MC shall notify the Subcontractor of its consent to the assignment of the Subcontract and execute an instrument assigning to NHA in writing all of MC's rights, title and interest under any Subcontracts that NHA desires to assume. At the sole discretion of NHA, NHA may settle all claims arising out of the cancellation of the Subcontracts.

10.3 CONTINUING LIABILITY

Termination of this Agreement or any portion thereof, shall not relieve MC of its responsibilities of the completed portions of the Work, nor shall it relieve MC's surety, if any, of its obligation for and concerning any claims arising out of the work performed.

10.4 COMPLETION OF THE SERVICES

If the MC commits an Event of Default hereunder, NHA may appropriate any or all materials and equipment on site and may enter into an agreement with any other party for the performance of services under the Agreement or may use other methods which, in the opinion of NHA are required for the performance of the Services in an acceptable manner.

ARTICLE XI

11.1 WAIVER

This Agreement may not be amended, modified, altered, or changed in any respect whatsoever, except by a further agreement in writing duly executed by the parties hereto. No failure by either party to insist upon the strict performance of any covenant, duty, agreement or condition set forth in this Agreement or to exercise any right or remedy upon a breach thereof shall constitute a waiver of any such breach or of such or any other covenant, agreement, term or condition. Any party hereto, by notice, may, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation or covenant of any other party hereto. No waiver shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then-existing or subsequent breach thereof.

11.2 SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of NHA and its successors, permitted assigns and legal representatives, and shall be binding upon and inure to the benefit of MC and its permitted successor, assigns and legal representatives. In the event of any assignment of this Agreement in whole or in part by NHA, the term "NHA" as used in this Agreement shall be deemed to mean the assignee of NHA, and as such, the assignee shall have all rights accorded to NHA.

11.3 DESIGNATION OF REPRESENTATIVES; COOPERATION WITH REPRESENTATIVES

- (a) NHA and MC shall each designate an individual (or individuals) who shall be authorized to make decisions and bind the parties on matters relating to the effectuation of the Agreement and the operations and maintenance required hereunder. The designated individuals shall not have the right to make decisions inconsistent with the Agreement, or make amendments thereto or take any action or make any decision that are not allowed under applicable law. Designations of representatives may be changed by a subsequent writing delivered to the other party. The parties may also designate technical representatives who shall be authorized to investigate and report on matters relating to the Services and negotiate on behalf of each of the parties
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but who are not authorized to bind NHA or MC. Such representatives shall attend any settlement conference conducted in accordance with Paragraph 9.5.

- (b) MC shall cooperate with NHA and all representatives of NHA. MC shall provide such data, reports, certificates, and other documents or assistance reasonably requested by NHA. The provision of such information shall not in any manner diminish MC's rights or obligations under any other provision hereof.

11.4 GRATUITIES

Neither MC nor any of its employees, agents and representatives shall offer or give loan, gifts, entertainment, payment of loans or other gratuities to officer, official or employee of NHA. Each of the employees and officer of MC and any Subcontractors shall be obligated to pay the standard rate of all applicable tolls for use of the Roadways.

11.5 CONFLICT OF INTEREST

During the Term and thereafter, no board member, officers or employees of NHA during his or her tenure shall have any direct interest in this Agreement or any direct or material benefit arising there from.

11.6 SURVIVAL

The dispute resolution provision set forth in Article IX, and all other provisions which, by their inherent character, sense and context are intended to survive termination of this Agreement, shall survive the termination of the Agreement.

11.7 LIMITATION ON THIRD PARTY BENEFICIARIES

This Agreement shall not create any third party beneficiary hereunder, other than the Indemnified Parties, or authorize anyone not a party hereto to maintain a suit for personal injury or property damage pursuant to the terms or provisions hereof.

11.8 PERMITS, LICENSES, ETC.

Throughout the Term, MC shall procure and maintain, at its sole expense, all permits and licenses that may be required in connection with the performance of Services by MC, shall pay all charges, fees and taxes, and shall give all notices necessary and incidental to the due and lawful prosecution of the Services. Copies

of required permits and licenses shall be furnished to NHA upon request.

11.9 GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the law of the Islamic Republic of Pakistan.

11.10 NOTICES AND COMMUNICATIONS

- (a) All notices required or permitted by law or by this Agreement to be given to the NHA or MC shall be in writing and may be given by either personal delivery or by registered or by a recognized overnight courier service. Notice shall be sent to the parties at the addresses set forth below or at such other addresses as the parties shall designate to each other from time to time in writing:

All correspondence with MC shall be sent to MC's Director (Operations) or as otherwise directed by the Director (Operations). The initial address for such communication shall be:

Management Contractor (MC)

M/s _____
_____.

All communication to NHA shall be sent to NHA at the address set forth as follows:

The Chairman,
National Highway Authority
27 – Mauve Area, G-9/1,
P.O. Box No: 1205,
Islamabad, Pakistan.

Phone: 051-9260417

Fax: 051-9260404

Client's Authorized Representative:

General Manager (Operations)
27 – Mauve Area, G-9/1,
P.O. Box No: 1205,
Islamabad, Pakistan.

- (b) Any notice or demand given, delivered or made by mail shall be deemed so given, delivered or made on the date of actual receipt. Notices sent by overnight courier service shall be deemed effective on the first business day after deposited with such service, with the fee paid in advance. Any notice, demand or document that is personally delivered shall be deemed to be delivered upon receipt by the party to whom the same is given delivered or made. Notice given by facsimile or telecopy shall not be deemed effective for purposes of this Agreement.

11.11 INTERPRETATION

- (a) For purposes of this Agreement, the singular includes the plural and the plural shall include the singular. References to statutes or regulations include all statutory or regulatory provisions consolidating, amending or replacing the statute or regulation referred to. Words not otherwise defined that have well-known technical or industry meanings, are used in accordance with such recognized meanings. References to persons include their respective permitted successors and assigns and, in the case of governmental persons, persons succeeding to their respective functions and capacities.
- (b) If MC discovers material discrepancy, deficiency, ambiguity, error or omission into this Agreement, or is otherwise in doubt as to the meaning of any provision of this Agreement, MC may immediately notify NHA and request clarification of NHA's interpretation of this Agreement.

11.12 SEVERABILITY

The invalidity or un-enforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalid or un-enforceable portion or provision shall be deemed severed from this Agreement and the balance hereof shall be construed and enforced as if this Agreement did not contain such invalid and un-enforceable portion or provision.

11.13 COMPUTATION OF PERIODS

Reference of "days" contained herein shall mean calendar days unless otherwise specified, provided that if the date to perform any act or give any notice specified herein (including the last date for performance or provision of notice "within" a specified time period) falls on a Sunday or legal holiday, such act or notice may be timely performed on the next succeeding day that is not a Sunday or legal

holiday. Notwithstanding the forgoing, requirements relating, to emergencies and other requirements for which it is clear that the intent is to require performance on a non-business day, shall be required to be performed as specified, even though the date in question may fall on a weekend or legal holiday.

11.14 HEADINGS

The captions of the sections of this Agreement are for convenience only and shall not be deemed part of this Agreement or considered in construing this Agreement.

11.15 COMPLIANCE WITH LAWS

MC shall keep fully informed regarding, and shall fully and timely comply with, all laws, ordinances and regulations and all orders and decrees of bodies or tribunals having any jurisdiction or authority that may affect those engaged or employed in the performance of this Agreement. MC shall observe all rules and regulations of health officials. MC shall not requiring worker to work in surroundings or conditions that re unsanitary, hazardous or dangerous to his or her health or safety.

11.16 AUDITS, INSPECTIONS AND TESTING

MC shall permit (at all reasonable times) audits, inspections and testing desired by NHA. Such audits, inspections and testing shall not relieve MC of any of its obligations under this Agreement.

11.17 ENTIRE AGREEMENT

This Agreement, including the Appendix attached hereto, shall supersede all agreements, oral or written, and with respect to the subject matter hereof is accepted and agreed by NHA.

ARTICLE XII

If the MC advises the NHA or vice-versa, that any amendments, modifications or revisions to this Agreement are necessary or desirable to satisfy requirements, the NHA and the MC shall promptly consult as to any mutually acceptable action necessary or desirable under the circumstances and negotiate in good faith with a view toward amending, modifying and revising this Agreement in a mutually satisfactory manner.

ARTICLE XIII

DISCLOSURE CLAUSE

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

Without limiting the generality of the foregoing, Consultant represents and warrants that it has fully declared the brokerage, commission, fees etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to any over within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP, except that which has been expressly declared pursuant hereto.

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

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

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