

**Employees Old Age Benefits
Institution**

BIDDING DOCUMENTS

for

**Procurement of Online
Account Services for Equity
Transactions**

**Investment Department
Employees Old Age Benefits Institution
Karachi**

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Section I – Instructions to Bidders

Section I. Instructions to Bidders

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Instructions to Bidders

A. General

1. Scope of Bid

- 1.1 The Employees Old Age Benefits Institution also referred to herein as the EOBI/Employer invites bids for the provision of online equity brokerage services.

The contract shall be on the basis of fixed rates for an initial term of [Three years] extendable up to another 2 years subject to satisfactory performance of the Service Provider and the approval of the Investment Committee of EOBI. Investment Committee of EOBI shall have sole discretion of revision of Commission Rate after completion of initial term which revision can be both ways upward or downward.

- 1.2 Throughout these bidding documents, the terms “in writing” means any typewritten or printed communication, including e-mail, and facsimile transmission, and “day” means calendar day. Singular also means plural.

2. Challenge & Appeal

- 2.1 Unsatisfied bidders shall follow procedures prescribed in Rule 48 of PPRA Rules, 2004 by submitting a complaint to the head of complaint redressal committee of EOBI.

- 2.2 Complaints shall be addressed to;

DG (Investments), EOBI House (former Awami Markaz) EOBI Investments Deptt., 3rd Floor, Shara-e-Faisal, Karachi

3. Corrupt or Fraudulent Practices

- 3.1 The EOBI requires that bidders, participating in procurement process, to observe the highest standard of ethics during the procurement process and execution of contracts.

- 3.2 The EOBI will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question;
For the purpose of this Sub-Clause:

- (i) “corrupt practice”¹ is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- (ii) “fraudulent practice”² is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) “collusive practice”³ is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- (iv) “coercive practice”⁴ is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- (v) “obstructive practice” is deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation.

- 4. Eligible Bidders** 4.1 The EOBI may in the course of bids evaluation require the submission of signed statements from the bidders, certifying eligibility, in the absence of other documentary evidence establishing eligibility.

Eligibility compliance may refer to the following:

- (a) Business registration, for which evidence may include the certificate of company registration;
- (b) Tax status, for which documentation of tax registration and tax clearance are particularly relevant;

¹ For the purpose of this Contract, “another party” refers to a public official acting in relation to the procurement process or contract execution.

² For the purpose of this Contract, “party” refers to a public official; the terms “benefit” and “obligation” relate to the procurement process or contract execution; and the “act or omission” is intended to influence the procurement process or contract execution.

³ For the purpose of this Contract, “parties” refers to participants in the procurement process (including public officials) attempting to establish bid prices at artificial, non-competitive levels.

⁴ For the purpose of this Contract, “party” refers to a participant in the procurement process or contract execution.

- (c) Certifications by the Bidder of the absence of a debarment order and absence of conflict of interest; and
 - (d) Certification of status regarding conviction for any offence involving fraud, corruption or dishonesty.
- 4.2 A Bidder shall not have a conflict of interest. All Bidders found to have a conflict of interest shall be disqualified.

5. Qualification of the Bidder

- 5.1 Bidders shall include the information and documents listed hereunder with their bids. If, after opening of bids it is found that any document is missing the Employer may request the submission of that document subject to clause 21.1. The non-submission of the document by the Bidder within the prescribed period may lead to the rejection of its bid.
- (a) Attested copy of valid Broker Registration Certificate issued by SECP and copies of original documents defining the corporate status of brokerage firm, place of registration, and principal place of business; a written authorization in the form of a power of attorney accompanying the proposal or any other evidence demonstrating that the representative signing the bid has been duly authorized to commit the Bidder.
 - (b) Attested Copies of documents of registration with relevant tax authorities
 - (c) Audited Accounts for last 2 years showing a Minimum Paid up Capital of PKR 90 Million
 - (d) Certificate affirming Availability of online account facility
 - (e) Auditors Certificate certifying a Minimum Net Capital Balance of PKR 150 Million
 - (f) Annual Audited Accounts showing brokerage Revenue of not less than PKR 20 Million for the last two years
 - (g) Adequate Research capability evidenced by inclusion in the Notified Research Entity list under the Research Analysts Regulations, 2015
 - (h) qualifications and experience of research personnel and equity trading personnel to ensure good performance of the service
 - (i) major items of IT resources (software and hard ware), deployed for the execution of this contract;
 - (j) information regarding any litigation, current and during the last five years, in which the Bidder is involved, the parties concerned, and disputed amount;
 - (k) list of contracts that have been terminated prior to their expiry dates in the last three years and reasons for such occurrences.

(l) Affidavit containing affirmation from the bidder that it has not been black listed by any private or public entity.

5.2 To qualify for award of the Contract, Bidders shall meet the following minimum qualifying criteria:

- (a) Registration with relevant tax authorities
- (b) Incorporation/Registration as a corporate entity
- (c) Certificate affirming Availability of online account facility
- (d) Securing a score of at least 8 marks in the Evaluation Criteria of Technical Proposal mentioned in table below:

Evaluation Criteria for Technical Proposal			
Item*	Min Marks	Additional Score due to	Max marks
(i) Audited Accounts for last 2 years showing a Minimum Paid up Capital of PKR 75 Million	2	Audited Accounts for last three years	3
(ii) Auditors Certificate certifying a Minimum Net Capital Balance of PKR 90 Million	2	Net Capital Balance Rs. 200 million and above	3
(iii) Annual Audited Accounts showing brokerage Revenue of not less than PKR 4,000,000 (Rupees four million only) for the last financial year	2	Annual Audited Accounts showing Revenue more than Rs. 5.0 million for last 2 Years	3
(iv) Inclusion in the Notified Research Entity list under the Research Analysts Regulations, 2015	2	None	2
(v) Existing online or offline Trading account with EOBI (list of such brokerage houses is enclosed)	2	None	2
Total	10		13
*Non-conformance with any of the item (i) to (v) will secure 'Zero' marks for the bidder			
** 'Technical Proposal' needs Total Score of minimum 8 marks with fulfillment of mandatory condition that minimum score of 2 marks is needed in each of the items (i) to (iii)			

A consistent history of litigation or arbitration awards against the Bidder or its blacklisting by a private or public body may result in disqualification.

Similarly, presence of conflict of interest or conviction of the bidder for fraud, corruption or dishonesty may also result in disqualification.

- 6. Cost of Bidding** 6.1 The Bidder shall bear all costs associated with the preparation and submission of his bid, and the EOBI will in no case be responsible or liable for those costs.

B. Bidding Documents

- 7. Content of Bidding Documents** 7.1 The set of bidding documents comprises the documents listed in the table below and addenda issued in accordance with ITB Clause 9:

Section I	Instructions to Bidders
Section II	Bidding Forms
Section III	Scope of Service
Section IV	General Conditions of Contract
Section V	Schedules

- 7.2 The Bidder is expected to examine all instructions, forms, terms, and specifications in the bidding documents. Failure to furnish all information required by the bidding documents or to submit a bid substantially responsive to the bidding documents in every respect will be at the Bidder's risk and may result in the rejection of its bid. Sections II should be completed and returned with the bid.

- 8. Clarification of Bidding Documents** 8.1 A prospective Bidder requiring any clarification of the bidding documents may notify the Employer at the following address:

[Deputy Director General (Investments) EOBI Investments Department, 3rd Floor, EOBI House (Former Awami Markaz) Shara –e- Faisal, Karachi] email: ajmal.khan@eobi.gov.pk For queries phone # 99240796, 0331-2243151, 99240756, 0310-5212453

The EOBI will respond to any request for clarification received earlier than five days *prior to the deadline for submission of bids*. Copies of the EOBI's response having any incidence in

the preparation of bids will be forwarded to all those who received the bidding documents directly from the EOB, but without identifying its source.

- 9. Amendment of Bidding Documents**
- 9.1 Before the deadline for submission of bids, the EOBI may modify the bidding documents by issuing corrigendum or addenda.
- 9.2 Any corrigendum or addendum thus issued shall be part of the bidding documents and shall be communicated in writing to those who obtain the bidding documents directly from the EOBI. Prospective bidders shall acknowledge receipt of each addendum in writing to the EOBI.
- 9.3 To give prospective Bidders reasonable time in which to take an addendum into account in preparing their bids, the EOBI shall extend, as necessary, the deadline for submission of bids, as necessary in accordance with ITB Sub-Clause 16.2 hereunder.

C. Preparation of Bids

- 10. Language of Bid**
- 10.1 All bids, proposals and contract documents relating to the bid shall be in “English”.
- 11. Documents Comprising the Bid**
- 11.1 The bid submitted by the Bidder shall comprise of two envelopes; One containing Technical Proposal and Second containing Financial Proposal.
- 11.2 The envelope marked as Technical Proposal shall contain:
- (a) Qualification Information Form and Documents annexed to the Bid Submission Form in Section II;
 - (b) Documents listed in ITB Sub-Clause 5.1
- 11.3 The envelope marked as Financial Proposal shall contain Bid Submission Form (contained in Section II);
- 12. Bid Prices**
- 12.1 The Contract shall be for the online account services for equity trading transactions and matters incidental or ancillary thereto.
- 12.2 Bidders shall fill in prices/commission for the equity brokerage services in Bid Submission Form.

- 12.3 The price shall include all regulatory charges of the Pakistan Stock Exchange, NCCPL, etc. but shall be exclusive of Federal Excise Duty, Withholding tax or CVT, Sindh sales tax on services as applicable on shares transactions.
- 12.4 Prices shall be fixed during the 3-year contract period save for the extended term of 2 years [after expiry of initial 3 year term] where the same may be revised by the Employer with the approval of Investment Committee, EOBI.
- 13. Bid Validity**
- 13.1 Bids shall remain valid for the period of 120 days after the closing date for submission of bids.
- 13.2 In exceptional circumstances, the EOBI may request that the Bidders extend the period of validity for a period not exceeding 120 days. The request and the Bidders' responses shall be made in writing. A Bidder may refuse the request. A Bidder agreeing to the request will not be required or permitted to otherwise modify the bid.
- 14. Format and Signing of Bid**
- 18.1 The Bid form duly filled shall be signed by a person or persons duly authorized to sign on behalf of the Bidder, pursuant to ITB Sub-Clauses 5.1(a). All pages of the bid, where entries or amendments have been made, shall be initialed by the person or persons signing the bid.

D. Submission of Bids

- 15. Sealing and Marking of Bids**
- 15.1 The Technical Proposal shall be placed in an envelope marked/captioned as 'Technical Proposal'. Likewise the Financial Proposal shall be placed in second envelope marked/captioned as Financial Proposal. Both envelope contain the address of bidder and are sealed and placed inside a big envelope.
- 15.2 The big envelope shall:
- (a) bear the name and address of the Bidder;
 - (b) be addressed to Dy. Director General Investments, EOBI Investments Department, 3rd Floor, EOBI House (*Former Awami Markaz*) Shara-e- Faisal, Karachi.
 - (c) Shall bear the title 'SEALED BIDS FOR ONLINE EQUITY BROKERAGE SERVICES' *in bold letters*

- (d) Provide a warning not to open before the specified time and date for Bid Opening as mentioned in ITB Clause 18.
- 15.3 If the envelope is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the bid.
- 16. Deadline for Submission of Bids**
- 16.1 Bids shall be delivered to the EOBI at the address specified above not later than *11.00 am, 12th July 2018*.
- 16.2 The EOBI may extend the deadline for submission of bids by issuing an amendment in accordance with ITB Clause 9, in which case all rights and obligations of the Employer and the Bidders, previously subject to the original deadline, will then be subject to the new deadline.
- 17. Late Bids**
- 17.1 Any bid received by the Employer after the deadline prescribed in ITB Clause 16 will be returned unopened to the Bidder.
- 18. Modification and Withdrawal of Bids**
- 18.1 Bidders may modify or withdraw their bids by giving notice in writing before the deadline prescribed in ITB Clause 16.
- 18.2 Each Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with ITB Clauses 15 and 16, with the envelopes additionally marked "MODIFICATION" or "WITHDRAWAL," as appropriate.
- 18.3 No bid may be modified after the deadline for submission of bids.
- 18.4 Bidders may only offer discounts to, or otherwise modify the prices of their bids by submitting bid modifications in accordance with this clause.

E. Bid Opening and Evaluation

- 19. Bid Opening**
- 19.1 The Employer will open the bids, including modifications made pursuant to ITB Clause 18, in the presence of the Bidders' representatives who choose to attend, at [*EOBI INVESTMENTS Department, 3RD FLOOR (former Awami Markaz) Shara-e-Faisal, Karachi on 12th July 2018 at 11.30am*].
- 19.2 Envelopes marked "WITHDRAWAL" shall be opened and read out first. Bids for which an acceptable notice of withdrawal has been submitted pursuant to ITB Clause 18, shall not be opened.
- 19.3 The Bidders' names, the bid prices and the total amount of each bid any discounts, bid modifications and withdrawals and such

other details as the EOBI may consider appropriate, will be announced by the *Bid Opening Committee of EOBI* at the opening. No bid shall be rejected at Bid Opening except for the late bids pursuant to ITB Clause 17. Late and withdrawn bids will be returned unopened to the bidders.

- 19.4 The Employer will prepare minutes of the Bid Opening, including the information disclosed to those present in accordance with ITB Sub-Clause 19.3.
- 20. Process to be Confidential**
- 20.1 Information relating to the examination, clarification, evaluation, comparison of bids and recommendations for the award of a contract shall not be disclosed to Bidders or any other person not officially concerned with such process. Any effort by a Bidder to influence the Employer's processing of bids or award decisions, may result in the rejection of his bid.
- 21. Clarification of Bids**
- 21.1 To assist in the examination, evaluation, and comparison of bids, the Bid Opening Committee of EOBI may, at the Committees discretion, ask any Bidder for clarification of the Bidder's Bid, including breakdowns of the prices, and other information that the Committee may require. The request for clarification and the response shall be in writing via e-mail or facsimile, but no change in the price or substance of the Bid shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered in the evaluation of the bids in accordance with ITB Clause 24.2.
- 21.2 Subject to ITB Sub-Clause 21.1, no Bidder shall contact the Employer on any matter relating to its bid from the time of the Bid Opening to the time the contract is awarded. If the Bidder wishes to bring additional information to the notice of the Employer, he should do so in writing.
- 21.3 Any effort by the Bidder to influence the Employer in the Employer's bid evaluation or contract award decisions may result in the rejection of the Bidder's bid.
- 22. Examination of Bids and Determination of Responsiveness**
- 22.1 Prior to the detailed evaluation of bids, the Bid Opening Committee will determine whether each bid:
- (a) meets the eligibility criteria defined in ITB Clause 4;
 - (b) has been properly signed; and
 - (c) is substantially responsive to the requirements of the bidding documents.

22.2 A substantially responsive bid is one which conforms to all the terms, conditions, and specifications of the bidding documents, without material deviation or reservation. A material deviation or reservation is one:

- (a) which affects in any substantial way the scope, quality, or performance of the Services;
- (b) which limits in any substantial way, inconsistent with the bidding documents, the EOBI's rights or the Bidder's obligations under the Contract; or
- (c) whose rectification would affect unfairly the competitive position of other Bidders presenting substantially responsive bids.

22.3 If a bid is not substantially responsive, it shall be rejected by the EOBI Bid Opening Committee, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.

23. Errors and Omission

23.1 In the examination of substantially responsive bids, the EOBI shall distinguish between errors and omissions that are properly subject to correction and those that are not. A Bidder should not be automatically disqualified for not having presented complete information, either unintentionally or because the requirements in these bidding documents were not sufficiently clear. Provided that the error or omission in question is subject to correction pertains to issues that do not affect the principle that bids should be substantially responsive, the EOBI will permit the Bidder to promptly provide the missing information or correct the mistake.

However, there are certain basic errors or omissions which, because of their nature are not subject to correction. Examples of these are failure to sign a bid. Furthermore, the Bidder may not be permitted to correct errors or omissions that alter the substance of an offer, constitute material deviation or reservation, or in any way improve it.

24. Correction of Errors & Evaluation of Technical & Financial Proposal

24.1 The Bids determined to be substantially responsive shall be checked by the EOBI Bid Opening Committee for any arithmetic error. Errors shall be corrected as follows:

Where there is a discrepancy between the amounts/percent in figures and in words, the amount in words shall govern;

- 24.3 The amount stated in the bid shall be adjusted by the EOBI in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the Bidder. If the Bidder does not accept the corrected amount, the bid shall be rejected.
- 24.4 Technical & Financial Proposals contained in the bids shall be evaluated by the Bid Opening Committee. The Technical Proposal shall be opened first in presence of the bidders who shall be asked to sign the document. The Financial Proposal will be opened at a later date when the Technical Proposals are evaluated. The Financial Proposal of only Qualified Bidders will be opened who have secured minimum 8 marks under Evaluation Criteria of Technical Proposal (ITB 5.2(e)). The Qualified Bidders will be invited at the time of opening of their Financial Proposal. The bidders and Committee members shall sign on them. The Financial Proposal of non-qualified bidders shall be returned unopened physically or on their mailing addresses.
- 24.5 Bid Price/Rate of Commission in the Financial Proposal shall be inserted in legible handwriting in all the spaces provided in the rows both in figures and in words using black/blue ball point and observing the format of expression clearly indicated in the 'Bid Submission Form'. Financial Proposals not conforming to above conditions shall be rejected.

F. Award of Contract

- | | |
|---|--|
| 26. Employer's Right to Accept any Bid and to Reject any or all Bids | 26.1 Notwithstanding ITB Clause 25, the EOBI reserves the right to accept or reject any bid, and to cancel the bidding process and reject all bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected Bidder or Bidders. |
| 27. Notification of Award and Signing of Agreement | 27.1 Following the identification of the successful Bidder(s) and subject to the notification and the time period referred to in accordance with Rule 35 of PPRA Rules, 2004, the EOBI shall issue award to the selected Bidder(s). The award shall be made by means of a "Letter of Acceptance". It will state the price per share that the EOBI will pay to the Brokerage company for the execution of the services as prescribed by the Contract (hereinafter and in the Contract called the "Contract Price"). |

- 27.2 The notification of award will constitute the formation of the Contract.
- 27.3 The Contract, in the form provided in the bidding documents, will incorporate all agreements between the EOBI and the successful Bidder. It will be signed by the EOBI and sent to the successful Bidder along with the Letter of Acceptance. Within 14 days of receipt of the Contract, the successful Bidder shall sign the Contract and return it to the EOBI.
- 27.4 If, after notification of award, a Bidder wishes to ascertain the grounds on which its bid was not selected, it should address its request to the EOBI within 15 days of the notification. The EOBI will promptly respond in writing to the unsuccessful Bidder.

Section II – Bidding Forms

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Bid Submission Form

[date]

To: [name and address of Employer]

Having examined the bidding documents, we offer to execute the contract for equity brokerage services in accordance with the Conditions of Contract and Scope of Service accompanying this bid for the following Price:

Sr. #	Price per Share	*Bid Price/Rate of Commission to be filled in a legible manner in all the empty spaces given below using black/blue ball point
1	Rs.0.01 to Rs.100.00	_____ paisas/share In words (_____ only)
2	Rs.100.01 to Rs.300.00	_____ paisas/share In words (_____ only)
3	Rs.300.01 to 500.00	_____ paisas/share In words (_____ only)
4	Rs. 500.01 to 750.00	_____ paisas/share In words (_____ only)
5	Rs.750.01 to Rs.1,000.00	_____ paisas/share In words (_____ only)
6	Rs.1,000.01 to Rs.1,500.00	_____ paisas/share In words (_____ only)
7	Rs.1,500.01 and above	_____ % of Market Price per share In words (_____ percent)

* Bid Price/Rate of Commission applies for all types of markets and shall be charged one-way for same day trades. Bid Price is inclusive of all Regulatory Charges.

Note: The bid will be **disqualified** if (i) Bid Price/Commission Rate was not quoted against all rows given above and (ii) Any format of Bid Price other than the expression format specified above, was used.

The Bid Price shall also include provision of software, technical support when required and provision of secure connection with the server including but not limited to provision of VPN or other appropriate arrangement to ensure that the online account services are safe and secure in all respects. Further, the Institution deducts at source the Withholding Tax and SST as per law and shall also deduct any other tax imposed in future, from the commission amount payable.

This Bid and your written acceptance of it shall constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any bid you receive.

We hereby confirm that this proposal complies with the bid validity required by the bidding documents.

We hereby confirm that we have read and understood the content of the Bid Securing Declaration attached herewith and subscribe fully to the terms and conditions contained therein, if required. We understand that non-compliance to the conditions mentioned may lead to disqualification.

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Bidder: _____

Address: _____

[*Company's seal*]

Qualification Information

1. Individual Bidders

- 1.1 Constitution or legal status of Bidder: *[attach copy]*
 Place of registration: *[insert]*
 Principal place of business: *[insert]*
 Power of attorney of signatory of bid or alternative acceptable evidence: *[attach]*
- 1.2 Total annual brokerage revenue (amount in rupees) of services performed as evidenced from the latest audited accounts: *[insert]*
- 1.3 Services performed as prime Service Provider on the provision of services of a similar nature over the last three years. Also list details of major clients.

Major Clients	Name of contact person	Type of Services provided and year of provision of services	Value of Services provided in terms of Pak Rupees
(a)			
(b)			

- 1.4 Qualifications and experience of key research personnel

Name	Qualification	Years of experience
(a)		
(b)		

- 1.5 Audited Financial reports for the last two years: balance sheets, profit and loss statements, auditors' reports, financial statements etc. List below and attach copies.
- 1.6 Information regarding any litigation, current or within the last five years, in which the Bidder is or has been involved.

Other party(ies)	Cause of dispute	Details of litigation award	Amount involved
(a)			
(b)			

1.7 List of penalties if any imposed by the Regulator during the last five years

1.8 Registration certificates with tax authorities

1.9 Statement of compliance with the requirements of ITB Sub-Clause 4.1.

2. Additional Requirements

2.1 Bidders should provide any additional information required in the ITB and to fulfill the requirements of ITB Sub-Clause 5.1, if applicable.

Section III – Scope of Service and Performance Specifications

A. Scope of Service.

- 1.Scope of Service**
- 1.1 The scope of this Procurement is to enter into agreement with the Successful Bidder (s) for an initial period of *[Three]* years for the provision of online trading platform (internet based on line account) allowing equity transactions/trades on a real time basis. The initial period is extendable to further two years after expiry of initial period (if agreed by both parties) and with the approval of the Investment Committee of EOBI which would have sole discretion for termination of contract after initial term, keeping rates of commission intact or revising them upward or downward.
 - 1.2 The services shall also include provision of a secure connection which is secure in all respects from hacking or other similar interference in operations.
 - 1.3 The services shall include IT trouble shooting and any other problems encountered in execution of transactions through the online account equity brokerage services through online account.

Section IV – General Conditions of Contract

Section IV. General Conditions of Contract

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Section IV. General Conditions of Contract

1. Commencement, Completion, Modification, and Termination of Contract

- | | |
|--------------------------------------|---|
| 1.1 Effectiveness of Contract | 1.1.1 This Contract shall come into effect on the date the Contract is signed by both parties. |
| 1.2 Commencement of Services | 1.2.1 The services will commence from the date the contract is signed by both the parties. |
| 1.3 Intended Completion Date | 1.3.1 Unless terminated earlier pursuant to Sub-Clause 1.7, the Service Provider shall provide for a period of three years from the date of signing of contract by both the parties. |
| 1.4 Modification | 1.4.1 Modification of the terms and conditions of this Contract, including any modification of the scope of the service or of the Contract Price, may only be made by written agreement between the Parties. |
| 1.5 Force Majeure | 1.5.1 For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

1.5.2 The failure of a Party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event. |
| 1.6 Notices | 1.6.1 Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, or facsimile to such Party. |

1.7 Termination

1.7.1 The EOBI may terminate this Contract, by not less than thirty (30) days' written notice of termination to the Service Provider, to be given after the occurrence of any of the events specified in paragraphs (a) through (e) of this Sub-Clause :

- (a) if the Service Provider does not remedy a failure in the performance of its obligations under the Contract, within a prescribed time or after being notified or within any further period as the EOBI may have subsequently approved in writing;
- (b) if the Service Provider becomes insolvent or bankrupt;
- (c) if, as the result of Force Majeure, the Service Provider is unable to perform a material portion of the Services for a period of not less than seven (7) days; or
- (d) if, the Service Provider, in the judgment of the EOBI has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purposes of this Sub-Clause:

- (i) "corrupt practice"⁵ is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- (ii) "fraudulent practice"⁶ is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) "collusive practice"⁷ is an arrangement between two or more parties designed to achieve an improper purpose,

⁵ For the purpose of this Contract, "another party" refers to a public official acting in relation to the procurement process or contract execution.

⁶ For the purpose of this Contract, "party" refers to a public official; the terms "benefit" and "obligation" relate to the procurement process or contract execution; and the "act or omission" is intended to influence the procurement process or contract execution.

⁷ For the purpose of this Contract, "parties" refers to participants in the procurement process (including public officials) attempting to establish bid prices at artificial, non-competitive levels.

including to influence improperly the actions of another party;

(iv) “coercive practice”⁸ is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

(v) “obstructive practice” is deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; and

1.7.2 Notwithstanding the above, the EOBI may terminate the Contract for convenience after giving thirty (30) days’ written notice.

1.7.3 The Service Provider may terminate this Contract, by not less than thirty (30) days’ written notice to the Employer, such notice to be given after the occurrence of any of the events specified in paragraphs (a) and (b) of this Sub-Clause:

(a) if the EOBI fails to pay any money due to the Service Provider pursuant to this Contract and not subject to dispute pursuant to Clause 5 within sixty (60) days after receiving written notice from the Service Provider that such payment is overdue; or

(b) if, as the result of Force Majeure, the Brokerage Company is unable to perform a material portion of the Services for a period of not less than seven (7) days.

1.7.4 Upon termination of this Contract pursuant to Sub-Clauses 1.7.1, 1.7.2 or 1.7.3 the EOBI shall make the following payments to the Service Provider:

(a) commission/remuneration for transactions satisfactorily performed prior to the effective date of termination;

2. Obligations of the Service Provider

- 2.1 General** The Service Provider shall perform the Services in accordance with the Scope of Service, and carry out its obligations with all due diligence and efficiency in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate human resources and logistics. The Brokerage Company shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the EOBI, and shall at all times support and safeguard the legitimate interests of EOBI in any dealing with third parties.
- 2.2 Confidentiality** The Service Provider and its personnel shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Services provided to EOBI or transactions executed by the EOBI except as required under applicable laws or with the consent of EOBI.
- 2.3 Assignment** The Service Provider shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the rights, claims or obligations under this Contract except with the prior written consent of the EOBI.
- 2.4 Indemnification** The Service Provider shall indemnify, hold and save harmless, and defend, at its own expense, the EOBI, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Service Provider, or the Service Provider's employees, officers, agents or sub-contractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of Employer's liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the EOBI its employees, officers, agents, servants or sub-contractors. The obligations under this clause do not lapse upon termination of this Contract.
- 2.5 Reporting Obligations** The Service Provider shall submit to the EOBI, the reports and documents specified in Section III- Scope of Service and any other matter in the form and time specified therein or as otherwise agreed

⁸ For the purpose of this Contract, "party" refers to a participant in the procurement process or contract execution.

upon addressed to Director General Investments EOBI 3rd Floor
EOBI House (ex-Awami Markaz) Shakra-e-Faisal Karachi.

- 2.6 Tax and Duties** The Service Provider shall pay such taxes, duties, fees, and other impositions as may be levied under the Applicable Law, the amount of which is deemed to have been included in the contract price.

3. Payments to the Service Provider

- 3.1 Commission or Price per share** The Service Provider's remuneration shall not exceed the Contract Price.

- 3.2 Contract Price** The Institution deducts at source the Withholding Tax and SST as per law from the commission amount payable and shall also deduct any other tax imposed in future.

- 3.3 Terms and Conditions of Payment** Payments will normally be made to the Service Provider within 30 days of receipt of invoice by the EOBI.

4. Quality Control

- 4.1 Identifying shortcomings** The Service Provider shall be informed of all the shortcomings in provision of services in a timely manner. The Service Provider's shall at all times be under the contractual obligations to provide a satisfactory service.

- 4.2 Attending to shortcomings** (a) The Employer shall give notice via e.mail to the Service Provider of any shortcoming;

(b) Every time notice of a shortcoming is given, the Service Provider shall correct the notified shortcoming within the length of time specified by the EOBI; and

(c) If the Service Provider has not corrected a shortcoming within the time specified in the EOBI's notice, the EOBI will consider such act as a lack of performance which could lead to the termination of part or the whole contract as a breach in the good performance of the contract.

5. Settlement of Disputes

5.1 Dispute Settlement

If a dispute between the parties arises in connection with performance of obligations under this Contract, either party shall serve a written notice of dispute providing adequate details of the nature of the dispute. Notwithstanding the existence of the dispute, all parties shall continue to perform their obligations under the Contract.

After receipt of the notice of dispute, the parties should use their best endeavors to resolve the dispute or to agree methods of doing so. If after 30 days of the service of the notice of dispute there is no resolution of the dispute either party may refer the same to arbitration in accordance with the provisions of General Regulations of the Pakistan Stock Exchange, which shall be binding on both the parties.

5.2 Applicable Law

The Contract shall be implemented, interpreted, executed and enforced in accordance with the laws of Pakistan.

Section V
1. Letter of Acceptance

[date]

To: *[name and address of the Service provider]*

This is to notify you that your bid dated *[date]* for execution of the equity transactions for the Contract Price of *[amount in numbers and words] [name of currency]*, as corrected and modified in accordance with the Instructions to Bidders, is hereby accepted by Employees Old Age Benefits Institution.

The contract shall be for a period of three years effective as from

We look forward to obtaining the enclosed contract duly signed within 14 days from your receipt of this Notification.

You are hereby instructed to facilitate the execution of the said contract for the provision of Online Equity Trading Services in accordance with the Contract documents.

You may also note that failure on your part to sign the contract in the prescribed time will constitute sufficient ground for the cancellation of the award.

Authorized Signature: _____

Name and Title of Signatory: _____

Enclosure: Contract (in two originals)

2. Form of Contract

This CONTRACT (hereinafter called the “Contract”) is made the *[day]* day of the month of *[month]*, *[year]*, between, on the one hand, Employees Old Age Benefits Institution[EOBI] (hereinafter called the “Employer”) and, on the other hand, *[name of Service Provider]* (hereinafter called the “Service Provider”).

WHEREAS

- (a) the Employer has requested the Service Provider to provide certain Services as defined in the General Conditions of Contract attached to this Contract (hereinafter called the “Services”);
- (b) the Service Provider, having represented to the Employer that they have the required professional skills, and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract at a contract price/percentage per share as given below:

Sr. #	Price per Share	*Bid Price/Rate of Commission to be filled in a legible manner in all the empty spaces given below using black/blue ball point
1	Rs.0.01 to Rs.100.00	_____ paisas/share In words (_____ only)
2	Rs.100.01 to Rs.300.00	_____ paisas/share In words (_____ only)
3	Rs.300.01 to 500.00	_____ paisas/share In words (_____ only)
4	Rs. 500.01 to 750.00	_____ paisas/share In words (_____ only)
5	Rs.750.01 to Rs.1,000.00	_____ paisas/share In words (_____ only)
6	Rs.1,000.01 to Rs.1,500.00	_____ paisas/share In words (_____ only)
7	Rs.1,500.01 and above	_____ % of Market Price per share In words (_____ percent)

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents shall be deemed to form and be read and construed as part of this Agreement, and the priority of the documents shall be as follows:

- (a) the Letter of Acceptance;
- (b) the Service Provider’s Bid;
- (c) the General Conditions of Contract; and
- (d) the Scope of Service

2. The mutual rights and obligations of the Employer and the Service Provider shall be as set forth in the Contract, in particular:

- (a) the Service Provider shall carry out the Services in accordance with the provisions of the Contract; and
- (b) the Employer shall make payments to the Service Provider in accordance with the provisions of the Contract.

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

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

[Authorized Representative]

For and on behalf of *[name of Service Provider]*

[Authorized Representative]

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

For and on behalf of each of the Members of the Service Provider

[name of member]

[Authorized Representative]

[name of member]

[Authorized Representative]

[name of member]

[Authorized Representative]

[name of member]

[Authorized Representative]

[name of member]

[Authorized Representative]

[name of member]

[Authorized Representative]

3. Check list for Bid Submission

	List of documents	Please tick
(a)	Bid Form duly filled as per format in Section II;	
(b)	<p>1. Individual Bidders</p> <p>1.1 Constitution or legal status of Bidder: <i>[attach copy]</i></p> <p>Place of registration: <i>[insert]</i> Principal place of business: <i>[insert]</i> Power of attorney of signatory of bid or alternative acceptable evidence: <i>[attach]</i></p> <p>1.2 Total annual brokerage revenue (amount in rupees) of services performed as evidenced from the latest audited accounts: <i>[insert]</i></p> <p>1.3 Auditors Certificate certifying a Minimum Net Capital Balance of PKR 90 Million</p> <p>1.4 Services performed as prime Service Provider on the provision of services of a similar nature over the last three years. Also list details of major clients.</p> <p>1.5 Audited Financial reports for the last two years; balance sheets, profit and loss statements, auditors' reports, financial statements etc. List below and attach copies.</p> <p>1.6 Information regarding any litigation, current or within the last five years, in which the Bidder is or has been involved.</p> <p>1.7 List of penalties if any imposed by the Regulator during the last five years</p> <p>1.8 Registration certificates with tax authorities</p> <p>1.9 Statement of compliance with the requirements of ITB Sub-Clause 4.1.</p> <p>2. Additional Requirements</p> <p>2.1 Bidders should provide any additional information required in the ITB and to fulfill the requirements of ITB Sub-Clause 4.1 and 5.1 if applicable.</p>	

Bidders are cautioned that the above Check List is meant to assist them in submitting a bid which is complete but the onus is on them to read carefully the bidding documents and to ascertain that their bids contain all the necessary documents that have been requested in the bidding documents and that they have forwarded all the data and references needed to assess their merits as per the Qualification.