



**TRANSPARENCY
INTERNATIONAL-PAKISTAN**

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21)-35390408, 35390409, Fax: 35390410
E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

7th November, 2016

TL16/0711/11A

The World Bank.
Grievance Redress Service (GRS),
MSN MC 1818 H ST. NW,
Washington, DC 20433,
YSA.

Sub: Complaint Regarding Mis-procurement / Corrupt and Fraudulent Practices in the Procurement Process of Sindh Barrage Improvement Project IDA Credit 5684- PAK Contract: SBIP/ G2 Building Works at Guddu Barrage, Kashmore and Sukkur Barrage. Sukkur; and, Barrage Rehabilitation Works at Guddu Barrage, Kashmore.

Dear Sir,

This is with reference to Transparency International Pakistan's letter dated 20-10-2016. Further to this TI-Pakistan has received more documents from M/s SINOTEC- ZZHPC Consortium (Annex-A).

World Bank is requested to also take into consideration the attached documents while addressing the grievance of M/s SINOTEC- ZZHPC Consortium.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regards,


Sohail Muzzafar
Chairman

1. Secretary to Prime Minister, Islamabad.
2. Director General, NAB, Karachi.
3. Country Director (World Bank), World Bank, 20-A Shahrah-e-Jamhuriat. G-5/1, Islamabad.
4. Registrar, Supreme Court of Pakistan, Islamabad.
5. Project Director, (Project Management Office. Sindh Barrage Improvement Project, Irrigation Department), Hyderabad.

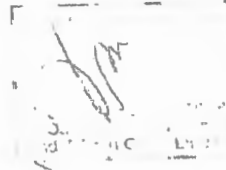


Rehabilitation & Modernization of Jinnah Barrage
Civil, Mechanical & Electrical and Barrage Colony Works
Contract No: JB / ICB – 01

JOINT VENTURE AGREEMENT

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Head / Project Director
PMO for Rehabilitation Barrages
Irrigation Department, Lahore.



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JOINT VENTURE AGREEMENT

FOR

REHABILITATION AND MODERNIZATION OF JINNAH BARRAGE

(CONTRACT No: JB/ICB-01)

This Joint Venture Agreement (hereinafter referred to as "JV Agreement") is made and entered into on this _____ day of _____, 2012

BETWEEN

Descon Engineering Limited, a company incorporated and existing under the laws of the Islamic Republic of Pakistan and having its registered office at 18-km, Ferozpur Road, Lahore (hereinafter referred to as "Descon") which expression shall where the context so permits include its successors in interest and assigns of the first part

And

China National Electric Wire & Cable Imp / Exp Corp., a company incorporated and existing under the laws of the Peoples Republic of China and having its registered office at No. 8 Langjiayuan, Jianguo Road, Chaoyang District, Beijing, 100025, China (hereinafter referred to as "CCC") which expression shall where the context so permits include its successors in interest, and assigns of the second part.

(Descon and CCC are hereinafter collectively referred to as "Parties" and individually as the "Party").

WHEREAS

[Signature] A. The Head PMO for Punjab Barrages Rehabilitation & Modernization projects, Irrigation and Power Department, Government of Punjab, Lahore, hereinafter referred to as the "Employer" issued an invitation to tender for REHABILITATION AND MODERNIZATION OF JINNAH BARRAGE, hereinafter referred to as the "Project" under ICB No. JB/ICB-01 (hereinafter referred to as "Contract")

Head of Project Office
Punjab Barrages
Irrigation Department



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- B. The Parties entered into a Pre-Bid agreement on July 11, 2011 formulated Descon-CCC Joint Venture (DCJV) for the preparation and submission of the proposal/Bid in response to the Invitation to Tender and the same was submitted to the Employer for the aforesaid Project on March 02, 2012.
- C. It was agreed between the Parties that if the Project is awarded to the parties, the Joint Venture shall enter into a Contract with the Employer for the execution of the Project in the name of DCJV (hereinafter referred to as "the Contractor").

This Agreement WITNESSETH as follows;

1. DEFINITIONS AND GENERAL PROVISIONS

In this Agreement the following words and expressions shall have the meaning herein attached to them except where the context otherwise requires:-

- "Agreement" shall mean this Joint Venture Agreement.
- "Contract" shall mean the Contract entered into between the Employer and the DCJV for the execution and completion of the Works.
- "Engineer" is Project Implementation Consultants (PICs) duly appointed by the Employer and will act as the "Engineer" for the purpose of the Contract.
- "Employer" shall mean Head/Project Director, Project Management Office (PMO) for Punjab Barrages, Irrigation Department, Government of the Punjab, Lahore Pakistan.
- "Joint Venture" shall mean DCJV for the purposes of this Agreement to execute the Project and actual collaboration shall be governed by this Agreement.
- "JV Bank Account" shall mean the Bank Account or Accounts opened by DCJV.
- "JV Leader" shall mean Descon as appointed to undertake the general coordination and administration of the JV.
- "Contractual Communications" shall mean any letter, certificate, instruction, order, direction, consent, approval, notice, claim, application or other such communication with, for which provision may be made, in the Contract
- "Project" shall mean Rehabilitation and Modernization of Jinnah Barrage, Civil Mechanical & Electrical and Barrage Colony Works
- "Project Manager" shall mean the person appointed by JV Leader for the Project.
- "Tender" shall mean the tender prepared and submitted to the Employer by DCJV.
- "Works" shall have the same meaning ascribed to the expression in the Contract and for the purpose of this Agreement, shall in each such case include all the obligations assumed or to be assumed by the Joint Venture as the Contractor under the Contract

Head / Project Director
PMO for Punjab Barrages
Irrigation Department Lahore



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"Work Package" shall mean that portion of the Works for which the Party is responsible in accordance with Article 4 of this Agreement.

- "Works Programme" shall mean the Programme submitted to the Engineer in accordance with the Contract which may be amended from time to time.

1.1 In this Agreement, unless the context otherwise requires:

- a) Words denoting the singular number shall include the plural and vice versa.
- b) Where a word or phrase is defined, other parts of speech and grammatical form of that word or phrase shall have the corresponding meanings.
- c) Words denoting natural persons shall include corporations, firms and unincorporated entities and vice versa.
- d) References to Articles and Appendices are to articles and appendices of this Agreement and all appendices and annexes to this Agreement shall form part of it.
- e) Headings are for convenience only and shall not affect interpretation.
- f) References to any Party to this Agreement or any other agreement or instrument shall include the Party's successors and permitted assignees.

2 OBJECTIVE AND SCOPE OF THE JV AGREEMENT

2.1 The sole and exclusive purpose of the JV Agreement is that the Parties shall jointly perform the Contract after it is awarded to DCJV and complete the Works of the Project contemplated therein in accordance with the terms and conditions of this Agreement.

2.2 It is agreed between the Parties that this JV Agreement is a contractual relationship that exists only with respect to the engineering, procurement and construction works for the Project including all works and services required under the Contract ("Works").

2.3 This JV Agreement constitutes the entire understanding between the Parties hereto with respect to the Project and all obligations, responsibilities and liabilities of the Parties are limited as set forth herein and that the Parties make no other representation, promise or undertaking either expressed or implied, except as set forth in the Joint Venture Agreement. No representation, promise or undertaking made or given by any Party prior to the signing of this Joint Venture Agreement shall be of any force or effect except to the extent that the same is contained in the Joint Venture Agreement.

2.4 The participating shares shall be as Jescon = 70% and CCC=30%. The correspondence address of the joint venture for the convenience of employees shall be 18-km, Ferozpur Road, Lahore.

Head Project Engineer
SINOTEC
Ferozpur Road, Lahore



3. SIGNING OF THE CONTRACT

- 3.1 Descon shall be the lead Party for this JV Agreement. The Parties shall nominate the "JV Representative" who shall have the authority to enter into the Contract with the Employer and to sign any or all documents which have been agreed by both Parties in this behalf.
- 3.2 The Parties shall be jointly and severally liable towards the Employer for all the obligations arising out of and/or in connection with the performance of the Contract regardless of their equity portion in the Joint Venture.
- 3.3 Each Party agrees that throughout the period of negotiations for the Contract, it will be prepared to act quickly on any matter requiring immediate attention and shall at all time co-operate with each other to ensure that the negotiations proceed in a satisfactory manner.
- 3.4 The Parties prior to acceptance of the Contract and amendments or variations thereto, mutually agree between themselves and with the Employer on the acceptability of the Contract and amendments in terms and conditions. This JV Agreement shall apply and extend only to the performance of the Contract together with any changes or additions agreed by both Parties in writing thereto or supplementary work there under.

4. DIVISION OF RESPONSIBILITY

The intention of this JV Agreement is to proceed jointly and in good faith with the intention of executing the Project. It is mutually recognized that the joint proposal was based on a clearly defined divisible responsibilities of each Part and such divisible responsibilities shall form the basis of this JV Agreement. It is further agreed that this JV Agreement shall recognize the respective responsibilities of the Parties in accordance with the requirements of the Project and the Parties shall be liable for their respective responsibilities as provided herein below. The responsibilities of each Party including any necessary work and related warranties or guarantees constitutes its own part for which said Party shall be individually and solely responsible and bear the corresponding over-runs and under-runs. The division of responsibilities (DOR) during execution phase between the Parties is set forth in detail as below:

DESCON'S PART

Descon will be generally in charge of:

- a) Overall Project and site Management;
- b) Planning, and execution of Civil works and related Field Activities, Local Logistics and Support

CCC'S PART

CCC will be generally in charge of:

- a) Designing for Electro-Mechanical Works
- b) Procurement and execution of all the Electro-Mechanical works and its related Logistics and Support including MCTS Works



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5. RESPONSIBILITIES, GENERAL OBLIGATIONS AND LIABILITIES OF PARTIES

- 5.1 Pursuant to the provisions of Article 3.2 herein above and Article 6.1 herein below whereby the Parties to this joint Venture shall be jointly and severally liable towards the Employer for the performance of all obligations under the Contract; each Party is also solely and fully responsible for the good and timely performance of its own part under the JV Agreement and shall individually bear all commercial, technical, financial and other contractual risks in full compliance with the Contract subject to the provisions set forth below. There shall be no cross charging, indemnification or reimbursement between the parties, except as may be specifically described in this JV Agreement.
- 5.2 Each party will assume the obligation of fulfilling any guarantees and warranties that will be given to the Employer under the Contract, insofar as such guarantees or warranties relate to that Party's Own Part. Any defects in the Works performed by either Party which infringe any guarantee/warranty under the Contract shall be corrected promptly by the Parties, whereby each Party corrects what relates to its own part under article 4 so as to comply with the requirements of the Contract, without any recourse by either party against the other.
- 5.3 The Parties hereby agree to associate themselves in the JV, the sole object of which is to (i) conclude the Contract with the Employer for the Works and (ii) fulfill the obligations of the Contract.
- 5.4 The Parties in the JV shall, in accordance with the terms of the Agreement, enter into the Contract with the Employer and shall faithfully perform and observe all the terms and conditions thereof as to each other and as to the Employer.
- 5.5 This Agreement extends only to the execution and completion of the Works as defined above together with any variations thereto or extra works undertaken in accordance with the Contract.
- 5.6 As contained in Article 3.2 herein above and Article 6.1 herein below stating that the Parties to this joint Venture shall be jointly and severally liable towards the Employer for the performance of all obligations under the Contract; however, each Party shall also be responsible for its Work Package and the compatibility of its design, engineering, supply, construction and services forming part of its Work Package with the Work Package of the other Party. Each Party shall be responsible for ascertaining from the other Party the information needed to ensure such compatibility and the other Party has the obligation to provide such information.
- 5.7 As laid down in the provisions of Article 3.2 herein above and Article 6.1 herein below the Parties to this joint Venture shall be jointly and severally liable towards the Employer for the performance of all obligations under the Contract; however, each Party shall also be responsible for the proper and timely performance of its Work Package as in accordance with the provisions of the Contract. In performing its Work Package, each Party shall owe a duty to the other Party to ensure that all services, material and equipment used or provided by it and that all the Works undertaken is carried out in accordance with the Contract.
- 5.8 If any or the whole of the work implemented by a Party within its Work Package is or becomes defective and/or is required to be dismantled, replaced, modified or repaired in any way in order to

[Handwritten signatures and initials]

General Manager
Investigation Department



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comply with the terms and conditions of the Contract, then such Party shall be responsible for and bear the cost of dismantling, replacement, modification or repair as may be required (hereinafter referred to as "Remedial Work")

Each Party shall be liable to the other Party to indemnify and hold harmless the other against third party for injury, damage, loss or expenses to the extent that such injury, damage, loss or expense is attributable to

- a) Any breach for non performance by the indemnifying Party of the Contract or this Agreement and / or
- b) If the delay or lack of performance is attributable to all the Parties, the liquidated damages (or other form of damages) shall be borne by them in proportion to their liability for the delay

5.9 Neither Party shall be liable to the other Party under this Agreement for any claim for loss of profit (other than incidental to a breach of its obligation of exclusivity pursuant to Article 5 hereof) or for any other consequential damage suffered by the other Party

5.10 Each Party shall make known to the other Party in due time any difficulty of any nature whatsoever, which it meets in the course of performance of its obligations under the Contract and, generally, shall communicate to the other Party all information which may affect the due and faithful performance of the Contract, in order to allow the other Party to take whatever steps it deems appropriate

5.11 All Technical or Contractual communication between the JV and the Engineer / Employer shall be made through Project Manager.

5.12 Whenever any contractual communication is received from the Employer or the Engineer, the Project Manager shall forthwith pass such Contractual Communication to the Party concerned

6. LIABILITY OF THE PARTIES TO THE EMPLOYER AND THIRD PARTY

6.1 The Parties shall be jointly and severally bound by the terms of the Contract and shall be jointly and severally liable to the Employer for the performance of all obligations under the Contract

6.2 Notwithstanding Sub-Article 5.1 each Party is solely liable for injury to persons (including the employees, servants or agents of the Employer or of any other Third Party) and for loss of or damage to property (including the property of the Employer or of any other Third Party) caused by it or its representatives, employees or agents, or its subcontractors or their representatives, employees or agents and arising in connection with the performance of the Contract. Each Party shall indemnify and hold harmless the other Party from all costs, claims, actions, expenses or liabilities incurred by or imposed upon such other Party as a result of or in connection with any such injury, loss or damage

7. RELATIONSHIP AND LIABILITY OF PARTIES BETWEEN THEMSELVES

7.1 Each Party will be solely and entirely responsible for the performance of the Contract in respect of that Party's JOIR and shall indemnify the other Party against any and all liabilities arising in connection therewith, except and to the extent expressly otherwise provided in the JV

Head / Project Director
PMO / ...



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Agreement. Except as aforesaid, each Party shall indemnify and hold harmless the other Party from all costs, claims, actions, expenses or liabilities incurred by or imposed upon such other Party as a result of or in connection with the first Party's failure, breach or default in the performance of its obligations under the Contract or the JV Agreement.

7.2 Each Party shall use its commercially reasonable efforts to mitigate its loss in the event of the other Party's default under the JV Agreement or the Contract.

7.3 Without prejudice to the provisions of Sub-Article 7.4 in respect of liquidated damages for delay or performance guarantees, the liability for default of a Party or Parties in the performance of the Contract shall be apportioned as follows:

- a) In case of a default clearly and entirely attributable to a Party, the consequences shall be borne by the Party committing or contributing to such default;
- b) In case of default which cannot be clearly attributed to any particular Party, the Parties shall negotiate in good faith a temporary allocation of costs and responsibilities in order that the financial consequences of such default may be apportioned equitably among the Parties pro rata to their PROPORTIONATE SHARES until a final apportionment is made in accordance with Article 19 of this Agreement.

7.4 With respect to any default in the performance of the Parties' contractual obligations that may give rise to the application of liquidated damages (or penalties or similar remedies under the Contract, referred to for the purpose of this Article 7 as "liquidated damages"):

(a) For Delays

- i) The Parties agree to inform each other promptly of any foreseeable delays in the performance of their respective DOR so that any action capable of avoiding or mitigating the anticipated delay, or the application of liquidated damages, may be implemented forthwith.
- ii) If liquidated damages for delay are applied, the delay attributable to each Party shall be established by reference to the internal time schedule and the project master schedule, as may be amended from time to time by mutual agreement between the Parties and the Employer and made part of the Contract, and subject to any extension of time granted or awarded to the Parties pursuant to the Contract.
- iii) Any liquidated damages payable to the Employer under the Contract shall be borne by the Party in default.
- iv) For timely completing the Project, it is agreed between the Parties to perform the Works in accordance with the Schedule agreed by the Parties and duly consented by the Engineer. If any liquidated damages for delay shall become applicable due to delay in accordance with the Contract, the activity schedule in the project Construction Schedule shall be used for analyzing of the portion of delay.

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Lead Project Director
PWC for Liquid Damages
Information Department Lahore



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(b) Bank Guarantee Bonds and Sureties

- i. Subject to the requirements of the Contract, each Party shall issue and maintain at its own expense any bank guarantee bond or other sureties required by the Contract, to the extent of its proportionate share.
- ii. In case that the return of any bonds or bank guarantee in the Contract is delayed due to delay in Project by one Party or parties, the defaulting Party(ies), shall bear additional charges for the extension of any bonds or bank guarantees.

7.5 To the extent that either:

- (a) It cannot be determined which Party or Parties caused or contributed to such delay or failure; or
- (b) The degree in which the Parties caused or contributed to such delay or failure cannot reasonably and economically be determined; or
- (c) such delay or failure is attributable to a third party, not a Party to the JV Agreement, and who is not acting for any Party; and
- (d) By agreement between the Parties, liability for liquidated damages cannot be avoided in negotiation with the Employer.

Then such liquidated damages shall be borne by both Parties pro rata to their respective Sharing until a final apportionment is made in accordance with Article 19.

7.6 Each Party shall be responsible for quantities in the bills of materials for its portion from the bidding stage until completion of the Project. Neither Party shall make any claim against the other Party due to the variation in the bills of quantities between the proposal design and final design unless there is inter-dependence of task.

7.7 The Parties enter into this JV Agreement for the purposes specified herein and without prejudice to the existing status of the Parties. This Agreement shall not be interpreted or construed to create an association, agency, or partnership between the Parties or to impose any partnership obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, to act on behalf of, to act or be an agent or representative of, or to otherwise bind, the other Party.

8. LIABILITY OF INDIRECT AND CONSEQUENTIAL LOSSES

No Party shall be liable to the other Party whether by way of indemnity or in contract or in tort for any indirect or consequential loss or damages or loss of profit, loss of use, loss of production or loss of contract which may be suffered by the other Party in connection with the Contract, except for gross negligence, willful misconduct, or fraud.

9. PRICES, PAYMENTS, DISCOUNTS AND TAXES

9.1 Each Party shall prepare invoices for its own Work in accordance with the Article 4 Division of Responsibility (DOR) and requirement of the Contract.

Head of Project Director
PMO for ...
...



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12. TERMINATION

Parties reserve the right to terminate this JV Agreement, at any time, at no cost or compensation to the other Party, in the event if:

- i. The Employer officially cancels the Project; or
- ii. The Employer suspends the Project by more than twelve (12) months; or
- iii. The Employer does not award the Project to DCJV; or
- iv. The Employer does not approve this Joint Venture arrangement and asks for another party; or
- v. Upon completion of the project according to the conditions of the Contract.

If this JV Agreement is terminated as per above events, the Parties shall have no claim against the other Party in relation to this JV Agreement

13. EXCLUSIVITY

For the duration of the life of the JV, each Party commits itself to pursue the objectives of the JV within framework of this Agreement.

14. BINDING AGREEMENT

This Agreement shall bind the Parties hereto and their respective successors and assignees. Nothing contained in this Agreement expressed or implied shall be construed as conferring upon or giving to any person, firm or corporation, other than the Parties hereto their successors and assignees, any right remedy or claim under this Agreement by reason thereof and all covenants, stipulations, promises and agreements herein contained shall be for the sole and exclusive benefit of the Parties hereto and their respective successors and assignees.

15. NOTICES

All notices or other communication to any Party under or in accordance with this Agreement shall be in writing in the English language and be delivered by hand or sent by certified or registered mail or confirmed receipt, cable or facsimile to the address of such Party shown herein below.

| | |
|-------------------------------|--|
| Descon Engineering Limited | China National Electric Wire & Cable Imp/Exp Corporation |
| 18- KM, Ferozpur Road, Lahore | 33-A, Block-G, Gulberg-III, Lahore |
| Phone: +92 42 35990034 | Phone: +92 42 35881238-39 |
| Fax: +92 42 35811005 | Fax: +92 42 35881241 |
| Email: iqbal.khan@descon.com | Email: cccsong@126.com |

16. ASSIGNMENT

No Party shall sell, transfer, assign, mortgage, charge, encumber or otherwise dispose in any manner whatsoever with all or any part of its interest in the JV Agreement without the prior written consent of the other Party



Project Director
 MO W, Ferozpur Barrages
 Ferozpur Barrages, Lahore



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17. CONFIDENTIALITY AND PUBLICITY

17.1 Throughout the term of this JV Agreement and for a period of ten (10) years after its termination or expiry:

- a) The Parties undertake to keep confidential their discussions concerning matters related to the Project;
- b) Each Party shall maintain confidential all information howsoever obtained, transmitted or recorded and all documents made available by the other Party pursuant to the JV Agreement or the Contract; and
- c) The Parties undertake
 - i. To use such information and documents only for the purpose of the performance of the Contract; and
 - ii. Not to disclose or allow the said information or documents to be disclosed to any third party, Except where such information or documents are disclosed with the mutual agreement to a third party having entered into a like undertaking of confidentiality and non-disclosure, and such disclosure is made for the purposes of the performance of this JV Agreement or the Contract.

17.2 Sub-Article 17.1 shall not apply to information or documents which are in the public domain (other than by reason of a breach of Sub-Article 17.1) or which were already in the lawful possession of the Party concerned at the time of receipt from another party or which after their receipt from another party are independently received in good faith from a third party entitled to disclose the same)

17.3 All matters relating to this Agreement, negotiations with the Employer and the Contract for the construction of the Works resulting therefrom shall be regarded by the Parties hereto as being highly confidential and shall not be disclosed without consent of both Parties to any person, Party or entity who or which is not a signatory to this Agreement except such disclosure is necessary for the fulfillment of this Agreement or required by the Governing Law. No Party shall at any time hereinafter use any technical information save that which is in the public domain, acquired from any Party hereto except for the purposes of fulfillment of the Contract.

17.4 No Party shall have the right to advertise, or otherwise permit the dissemination of publicity concerning its participation in the JV unless it is permitted under the Contract and in such a case:

- 17.4.1 The relevant material shall make due reference to and acknowledge the work of the other Parties;
- 17.4.2 The relevant material shall, if its dissemination is within the control of the Party in question, have been approved by the other Party and such approval shall not be withheld unreasonably.

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Programa de Regeneración
COMO for Punjab Canals
Regulation Department, Lahore



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18. APPLICABLE / GOVERNING LAW

This JV Agreement shall be governed and construed in accordance with the laws of the Islamic Republic of Pakistan as specified in the Contract

19. BREACH, DEFAULT AND INSOLVENCY

19.1 In the event of occurrence of any of the following:

- (a) If the Employer serves a written notice of its intention to suspend or terminate the Contract for breach or default under the Contract and no reasonable action to remedy such breach or default is initiated by the Party or Parties responsible for such breach or default within twenty eight (28) working days of the service of such notice sufficient to persuade the Employer to reverse its notice of intended suspension or termination; or
- (b) If any Party is in material breach or default under the Contract and such material breach or default is not cured within twenty eight (28) days after written notice thereof from the Employer or, if cure is not practically possible within twenty eight (28) days, reasonable action to cure such material breach or default has not been diligently initiated and pursued following the service of such notice; or
- (c) if any Party becomes bankrupt or insolvent, or compound with its creditors, or commence to be wound up, not being a shareholders' voluntary winding up for the purpose of amalgamation or reconstruction, or make or have made against it a petition or application for the appointment of a trustee liquidator, administrator or administrative receiver, or if an order is entered appointing such trustee, liquidator, administrator or administrative receiver, or if any proceeding relating to such Party under any bankruptcy, insolvency, readjustment of debt, dissolution or liquidation or similar law of any jurisdiction now or hereafter in effect is commenced against such Party.

19.2 **Employer's Default:** In the event that the Employer is in material breach of the Contract or is otherwise in default of any of the Employer's obligations under or pursuant to the Contract (including in particular but without limitation the delayed payment or non-payment of sums due under and in accordance with the terms of the Contract), the Leader shall (and if the Leader is in default, other Party may) refer the matter without delay to the committee which shall decide upon the course of action to be taken

20. DISPUTE RESOLUTION AND ARBITRATION

In the event of any question or difference or dispute whatsoever arising between the Parties under or in connection with this JV Agreement or any provision herein contained or the construction thereof or as to any matter in any way connected herewith or arising there from which cannot be amicably settled, the same shall be referred to arbitration, under the Arbitration Act, 1940, for adjudication by a sole arbitrator. The language of arbitration shall be English and the venue of the arbitration shall be Lahore, Pakistan. The arbitral award shall be final and binding on the Parties who shall give full effect thereto

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Head / Project Director
PMO for
Irrigation Division



SINOTEC – ZZHPC CONSORTIUM



21. OTHERS / MISCELLANEOUS

- 21.1 This Agreement shall supersede any prior agreements, arrangements or representations whether written or oral between the Parties concerning the Project, this Agreement, the Tender and the performance of the Contract
- 21.2 Any changes and supplementary provisions concerning this Agreement, shall require the written approval of the Parties hereto
- 21.3 Variation not effective unless in writing. No variation, modification or waiver of any provision of this Agreement, or consent to any departure therefrom, shall in any event be of any force or effect unless confirmed in writing and signed by the Parties, then such variation, modification, waiver or consent shall be effective only in their specific instance and for the purpose and to the extent for which it has been made or given
- 21.4 Addition to JV. No additional parties shall be admitted to the JV unless approved by both Parties and consented by the Employer as well
- 21.5 Each Party shall bear its own costs incurred in the preparation, negotiations and execution of this Agreement
- 21.6 General Cooperation: Parties shall endeavor to coordinate to find suitable sources and means of supply of materials to the Site. To reach such target, Parties shall from time to time exchange their procurement information related hereto. The Party who procures a larger quantity of any material will have better chances to get favorable quotations and offers and has the obligation to share his advantageous position in this regard to the other Party who also needs such material but with a less quantity. This cooperation will also apply for any other subject, such as about supply use of equipment and financing etc.
- 21.7 Severability. Every part, term or provision of this Agreement is severable from all others, and if any part or provision is held to be invalid, unlawful or unenforceable, then the rest of any provision shall remain in effect to the extent permitted and all remaining provisions shall continue in full force and effect.
- 21.8 Waivers. The failure of any Party to insist in any one or more instances upon the strict performance of any of the provisions of this Agreement or to exercise any of its rights hereunder shall not be construed as a waiver of any such provisions or relinquishment of any such right but the same shall continue in full force and effect.
- 21.9 The provision of the Contract relating to Force Majeure shall apply to the JV Agreement. No Party may invoke the benefits of Force Majeure, circumstances has been formally recognized by the Employer or incase of disagreement with the Employer, by final judgment of the jurisdiction or organization to which the Parties shall have agreed under the Contract to have recourse for settlement of disputes.
- 21.10 Neither Party shall withdraw from this JV Agreement without the mutual consent except anyone Party is in material Breach of terms and conditions of this JV Agreement and / or the Contract

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[Handwritten signature]

Head Project Director
 PMO for Punjab Barages
 Irrigation Department, Lahore



SINOTEC – ZZHPC CONSORTIUM



IN WITNESS WHEREOF: duly authorized representatives of the Parties have executed and signed this JV Agreement in two original copies one for each Party on the date first hereinabove written.

FOR AND ON BEHALF OF

Descon Engineering Limited

China National Electric Wire Cable
Imp/Exp Corporation



Signatures: [Signature]

Signatures: [Signature]

Name: Muhammad Iqbal Khan

Name: Song Shuangping

Title: Head Domestic Construction &
Services

Title: Chief Representative

Witness:
Signature: [Signature]

Witness:
Signature: [Signature]

Name: SHAHID LATIF BUTT

Name: FATEH MUHAMMAD

Address: DESCON

Address: CEC



Head / Project Director
PMO for Punjab Barge
Irrigation Department

[Signature]