



**INVITATION FOR SUBMISSION OF BIDS FOR PROVISION OF MOTOR CARS  
(SELF-DRIVEN) ON HIRE TO SRILANKAN AIRLINES**

**REFERENCE NO: 201932835**

**CHAIRMAN OF ENTERPRISE PROCUREMENT COMMITTEE,  
MINISTRY OF TOURISM AND AVIATION ON BEHALF OF SRILANKAN AIRLINES**

**COMMERCIAL PROCUREMENT DEPARTMENT  
AIRLINE CENTRE  
BANDARANAYAKE INTERNATIONAL AIRPORT  
KATUNAYAKE  
SRI LANKA**

## Section I. Instructions to Bidder (ITB)

<b>A: General</b>	
1. Scope of Bid	<p>1.1 SriLankan Airlines invites you to submit a bid for the Provision of Motor Cars (Self-Driven) on Hire to SriLankan Airlines as specified in Section III - Schedule of Requirements.</p> <p>You are requested to confirm your intention to submit a bid by forwarding the duly filled Bid Acknowledgement Form attached, 07 working days prior to bid closing date.</p>
<b>B: Contents of Documents</b>	
2. Contents of Documents	<p>2.1 The documents consist of the Sections indicated below.</p> <ul style="list-style-type: none"><li>• Section I. Instructions to Bidders</li><li>• Section II. Data Sheet</li><li>• Section III. Schedule of Requirements</li><li>• Sections IV. Bid Submission Form</li><li>• Section V. General Conditions</li><li>• Annexure A : Bid Acknowledgement Form</li><li>• Annexure B : Technical/General Specifications &amp; Compliance form</li><li>• Annexure C : Price Schedule Form</li><li>• Annexure D: Bid Security Form</li><li>• Annexure E : Performance Bond</li><li>• Annexure F : Clientele Information Form</li><li>• Annexure G : Sample Contract</li></ul>

	<b>C: Preparation of Bid</b>
3. Documents Comprising your Bid	<p>3.1 The document shall comprise the following:</p> <ul style="list-style-type: none"> <li>• Sections IV : Bid Submission Form</li> <li>• Annexure B : Duly filled Compliance Form and Information Form</li> <li>• Annexure C : Price Schedule Form</li> <li>• Annexure D : Bid Security Form</li> <li>• Any other documents as required in Section 7</li> </ul>
4. Bid Submission Form and Technical/ General Specifications & Compliance form	<p>4.1 The Bidder shall submit the Bid Submission Form using the form furnished in Section IV. This form must be completed without any alterations to its format, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested.</p>
5. Prices	<p>5.1 Unless stated in Data Sheet, all items must be priced separately in the Price Schedule Form.</p> <p>5.2 The price to be quoted in the Bid Submission Form shall be the unit price of the Bid.</p> <p>5.3 Prices quoted by the Bidder shall be fixed during the period specified in ITB clause 8.1 and not subject to variation on any account. A Bid submitted with an adjustable price shall be treated as non-responsive and may be rejected.</p>
6. Currency	<p>6.1 The Bidders shall quote in Sri Lanka Rupees.</p>

7. Documents to Establish Conformity of the Services	<p>7.1 The Bidder shall submit following documents along with the bid for evaluation:</p> <ul style="list-style-type: none"> <li>• Certificate of incorporation / Business registration certificate</li> <li>• Clientele information form with the numbers of vehicles deployed under the client and service contract duration using Format provided in Annexure F. If necessity arise, SriLankan Airlines may check with the client to get confirmation on the experience.</li> <li>• Copies of signed contracts with clients including numbers of vehicles deployed under each client, type of vehicles deployed and contract duration in order to prove required minimum eligibility of experience, current engagement and minimum fleet.</li> <li>• Copies of vehicle registration certificates issued by the Department of Motor Traffic and valid Revenue licenses for each vehicle. If the bidder has legal entitlement to use vehicles, copies of contract/s between the bidder and third party as a documentary proof of having required minimum fleet.</li> <li>• Audited Financial Statements for last 2 financial years together with Auditors report or from the inception of the business. In the event a Sole-proprietor or partnership business failing to provide audited financial statements, such bidder shall provide Income statement, Balance sheet, Statement of cash flows certified by an Approved Accountant.</li> </ul>
8. Period of Validity of bid	8.1 Bids shall remain valid for a period of 120 days after the bid submission deadline date.
9. Bid Security	<p>9.1 The Bidder shall furnish as part of its bid, a Bid Security, using Form included in Annexure D. <b>(Mandatory)</b></p> <p>9.2 The bid security shall be in the amount specified in the Data Sheet and shall be an unconditional, irrevocable, on demand bank guarantee drawn at sight in favor of the purchaser valid for a period of specified in the Data Sheet.</p>
10. Format and Signing of Bid	10.1 The bid shall be typed or written in ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. Please ensure all documents are duly signed and stamped in the given area when forwarding.
<b>D: Submission and Opening of Bid</b>	
11. Submission of Bid	<p>11.1 Bidders shall submit their bids by registered post, courier or by hand in a sealed envelope.</p> <p>11.2 The sealed envelope shall bear the specific identification of this bid exercise as indicated follows:  <b>“Tender for Provision of Motor Cars (Self-Driven) on Hire to SriLankan Airlines - Reference: 201932835”</b></p> <p>11.3 If any bidder wishes to hand deliver the bids, please contact SriLankan Airlines staff well in advance, for the arrangement of security clearance. Refer Section 11, Data sheet, clause 15.2 for contact details.</p>

12. Deadline for Submission of Bid	12.1 Bid must be received by the SriLankan Airlines to the address set out in Section II, "Data Sheet", and no later than the date and time as specified in the Data Sheet.
13. Late Bid	13.1 SriLankan Airlines shall reject any bid that arrives after the deadline for submission of bids in accordance with ITB Clause 12.1 above.
14. Opening of Bids	<p>14.1 SriLankan Airlines shall conduct the opening of bids in the presence of the Bidders at the address, date and time specified in the Data Sheet.</p> <p>14.2 A representative of the bidders may be present and mark its attendance</p> <p>14.3 If any bidder wishes to participate for bid opening, please contact SriLankan Airlines staff well in advance for the arrangement of Security clearance. Refer Section 11, Data sheet, clause 15.2 for contact details</p> <p>14.4 Presence of the Bidder, will not necessarily ensure selection of the proposed services.</p>
<b>F: Evaluation and Comparison of Bid</b>	
15. Clarifications	<p>15.1 To assist in the examination, evaluation and comparison of the bids, SriLankan Airlines may, at its discretion, ask any Bidder for a clarification of its bid. Any clarification submitted by a Bidder in respect to its bid which is not in response to a request by the SriLankan Airlines shall not be considered.</p> <p>15.2 SriLankan Airlines' request for clarification and the response shall be in writing at SriLankan Airlines' email address specified in the Data Sheet.</p>
16. Responsiveness of Bids	<p>16.1 SriLankan Airlines will determine the responsiveness of the bid to the documents based on the contents of the bid received.</p> <p>16.2 If a bid is evaluated as not substantially responsive to the documents issued, it may be rejected by the SriLankan Airlines.</p>

17. Evaluation of bid	<p>17.1 The bids will be subjected to evaluation based on the following criteria:</p> <ul style="list-style-type: none"> <li>• A business that have been registered on or before 31 January 2018, within Sri Lanka</li> <li>• Minimum 2 years' experience in providing a fleet service to Government institution / corporate sector</li> <li>• Currently possess minimum fleet of 10 Motor cars (registered under same business name / possess legal entitlement) hired/rented to Government institution / corporate sector</li> <li>• Financial capability (Liquidity Ratios and Leverage Ratio) <ul style="list-style-type: none"> <li>Liquidity Ratios <ul style="list-style-type: none"> <li>Quick Ratio - Benchmark 1:1</li> <li>Working Capital - LKR 3,240,000</li> </ul> </li> <li>Leverage Ratio <ul style="list-style-type: none"> <li>Debt to Equity Ratio - Benchmark 70%</li> </ul> </li> </ul> </li> <li>• Compliance to required Technical specifications / Mandatory conditions</li> <li>• Total contract cost for 5 years</li> <li>• Physical inspection with test drive</li> </ul>
18. SriLankan Airlines' Right to Accept any Bid, and to Reject any or all Bids.	18.1 SriLankan Airlines reserves the right to accept or reject any bid, and to annul the process and reject all bids at any time prior to acceptance, without thereby incurring any liability to bidders.
<b>G: Award of Contract</b>	
19. Acceptance of the Bid	19.1 SriLankan Airlines will accept the bid of the Bidder whose offer is not necessarily the lowest evaluated bid and is substantially responsive to the documents issued.
20. Notification of acceptance	<p>20.1 SriLankan Airlines will notify the successful Bidder, in writing, that their bid has been accepted.</p> <p>20.2 After notification, SriLankan Airlines shall complete the contract, and inform the successful Bidder to sign it.</p> <p>20.3 Within seven (7) days of receipt of such information, the successful Bidder shall sign the contract.</p>

<p>21. Performance Bond</p>	<p>21.1 Within fourteen (14) days of the receipt of notification of award from the SriLankan Airlines, the successful Bidder shall furnish the performance security of 5% of the total value of the contract, using the Performance Security Form included in Annexure E.</p> <p>21.2 The performance security shall be an unconditional, irrevocable, on demand bank guarantee drawn at sight in favor of the SriLankan Airlines valid for the period of contract and 90 days thereafter.</p> <p>21.3 Failure of the successful Bidder to submit the above mentioned performance security or sign the contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security. In the event SriLankan Airlines may award the contract to the next lowest evaluated bidder, whose offer is substantially responsive and is determined by SriLankan Airlines to be qualified to perform the contract satisfactorily.</p>
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**Section II: Data Sheet**

ITB Clause Reference	
9.2	<p>The amount of the Bid Security shall be LKR 972,000  The Bid Security shall be valid till 21 August 2020</p>
12.1	<p>The address for submission of Bids is :  Attention : Dehan de Silva  Address : Senior Manager Commercial Procurement  Commercial Procurement Department,  SriLankan Airlines Limited,  Airline Centre, Bandaranaike International Airport, Katunayake,  Sri Lanka.  Telephone : +94 197332773</p> <p>Deadline for submission of bids is on or before <b>24 March 2020, 1000 hrs SriLankan Time (GMT +5:30)</b></p> <p><b>Details (name, NIC/ passport reference, vehicle number) should be provided one day in advance to arrange security clearance if the bidder wishes to hand deliver bids and participate for bid opening.</b></p>
14.1	<p>Bids will be opened on <b>24 March 2020 1030 hrs SriLankan Time (GMT +5:30)</b> at Airline Centre, Bandaranaike International Airport, Katunayake.</p>
15.2	<p><b><u>For Clarifications/ handing over bids and samples/participating for bid opening:</u></b>  Attention: Chintana Devapriya  Address: SriLankan Airlines Limited,  Commercial Procurement Department (General),  Airline Centre, Bandaranaike International Airport,  Katunayake , Sri Lanka.  Telephone: +94 (0) 19733 2773  Facsimile number: +94(0) 197335225  E mail address: <a href="mailto:chintana.devapriya@srilankan.com">chintana.devapriya@srilankan.com</a></p> <p><b>Details (name, NIC/ passport reference, vehicle number) should be provided one day in advance to arrange security clearance if the bidder wishes to hand deliver bids and samples/participate for bid opening.</b></p>



### Section III - Schedule of Requirements

Line Item #	Description of Service	Quantity	Duration	Unit of Measurement	Permitted mileage
1	Provision of Motor Cars (Self-Driven) on Hire to SriLankan Airlines	18 cars	5 years	Monthly rental per vehicle	3,000 kms per month 36,000 Kms per year

#### Section IV - Bid Submission Form

[The Bidder shall fill in this Form in accordance with the instructions indicated no alterations to its format shall be permitted and no substitutions will be accepted.]

Date:

To: SriLankan Airlines

We, the undersigned, declare that:

- (a) We have read and have no reservations to the document issued;
- (b) We agree to supply conforming to the documents issued and in accordance with the Schedule of Requirements for Provision of Motor Cars (Self-Driven) on Hire to SriLankan Airlines.
- (c) The unit price of our bid is (excluding VAT): [insert the individual Monthly rental in words and figures];
- (d) Our bid shall be valid for the time specified in ITB Clause 8.1
- (e) We understand that our bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us.
- (f) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.
- (g) Bid Security is attached and same is valid for a period of 150 days after the bid submission deadline date.

Signed:

Name:

Date

## Section V - General Conditions

- I. The successful bidder shall invoice SriLankan Airlines monthly on an arrears basis. Minimum credit period of 45 days upon receipt of the invoice is required.
- II. The whole contract shall award to a single bidder
- III. The successful bidder shall provide the whole fleet with similar vehicles (same make and model) comply with required specifications. Alternate combinations will not be accepted.
- IV. The successful bidder shall deliver all vehicles within a period of 60 calendar days from the contract award notification date.
- V. If the bid is accepted, it is mandatory that the successful Bidder shall signs the provided Contract with SLA without any alterations to the conditions stated there in.
- VI. The service provider shall offer vehicles either owned by them or possess the legal entitlement for the use of the vehicles, throughout the period of the contract (the related documents to be produced).
- VII. The service provider should bear the costs of all taxes, insurances, emission tests, licensing or any other related cost for the vehicles offered and ensure such requirements are fulfilled through the entire period of the contract.
- VIII. The vehicles should be in a fully maintained condition mechanically, interior and body appearance.
- IX. The service provider should meet to the satisfaction of SriLankan Airlines, the ability to provide a replacement vehicle (similar type) within 3 hrs to the user in the case of breakdown, accident or any other emergency. If not SriLankan Airlines Ltd will impose a penalty of 6,000/= per day or will have to pay the hire charge of a similar type of vehicle for unavailable period.
- X. The vehicles should be replaced with identical type of vehicle if mechanical breakdowns occur more than 3 occasions per month.
- XI. The service provider should be contactable on 24x7 with communication facility such as Email, Land and Mobile facility. Service provider should provide the contact details.
- XII. During the entire contract period the vehicle offered should not exceed 7 years from year of manufacture.
- XIII. The successful bidder shall prepared to physically produce the sample vehicle of each offered vehicle (similar make/model) on a date and time indicated by the SriLankan Airlines. A period of four working days' notice will be given. For physical inspection with test drive, sample vehicle of each offered vehicle (similar make/model) either shall deliver to UL premises Katunayake or within a radius of 35 kms from Katunayake.
- XIV. Once SriLankan Airlines Ltd agree for the vehicles (as per para XIII) after inspection, under any circumstances the Service Provider will not be allowed to change any specification of vehicle other than physically produced vehicle.
- XV. The service provider should obtain comprehensive full insurance cover against death/ injury to third parties including passengers. (Refer INSURANCE clause of the contract)

- XVI. In the event of an accident, User of SriLankan Airlines Ltd would lodge a complaint with the Police, Insurances and will inform the SP request for a replacement vehicle. The Police report and all required details would be made available to the service provider for processing of the insurance claim.
- XVII. In case of a breakdown, the service provider should be responsible for removing vehicle.
- XVIII. The Transport Section of SriLankan Airlines Ltd would contact the service provider prior to due date of the service of vehicle.
- XIX. In the event of a theft of vehicle component or total loss, the user would lodge a complaint with the Police station and inform the Service Provider. The police report and all required details are provided to the service provider for processing of the insurance claim.
- XX. All repairs, maintenance & replacement of tyres need be carried out by the service provider in upon request of SriLankan Airlines. The cost also needs to be borne by the service provider. All vehicles should be maintained according to the manufactures given schedules.

**ANNEXURE A: Bid Acknowledgement Form**

**IMPORTANT**

All bidders shall confirm your intention to submit a bid by forwarding the duly filled Bid Acknowledgement Form, 07 working days prior to bid closing date.

Invitation for submission of bids for the supply of \_\_\_\_ - reference no: \_\_\_\_ is hereby acknowledged

You may expect to receive our proposal on or before

.....

We do not intend to submit a proposal because

.....  
.....  
.....

Signed : .....

Title : .....

Company : .....

Date : .....

**ANNEXURE B - Technical/General Specifications & Compliance Form**

**Compliance Form [to be filled by the bidder]**

Name of the Bidder : .....

Running Number	Technical Specifications	Bidder's Response (Compliant / Non-compliant)	Remarks
1.	Status when Registered - Brand new or Unregistered		
2.	Meter reading beginning of the contract - 500 kms or below		
3.	Year of Manufacture - 2018 or later		
4.	Fuel Type - Petrol/Hybrid		
5.	Engine Capacity - In between 975CC-1475CC		
6.	Body type - Sedan		
7.	Transmission - Automatic		
8.	Class of the Vehicle -Motor Car		
9.	Factory fitted Air-conditioner		
10.	FM radio (with Local Frequencies)		
11.	Power Steering		
12.	Power Mirrors		
13.	Central Locking system operated with a remote controller		
14.	Spare wheel/ Tyre Repair Kit, jack, wheel brace		
15.	Seat belts for the driver and for all the passengers		
16.	Minimum two Air Bags		
17.	Minimum Seating Capacity- 4		
18.	Power assisted ABS or advanced braking system		
19.	New battery and brand new radial tyres for all wheels at the beginning of the contract		

Running Number	Mandatory conditions	Bidder's Response (Agree / Not Agree)	Remarks
1.	Bid validity		
2.	Agree to sign the provided draft contract without any alterations		
3.	Agree to deliver vehicles within a period of 60 calendar days from the contract award notification		
4.	Submission of Performance Bond for the value as required in Bidding document		
5.	Arrange Physical inspection and test drive in accordance with given instructions under "General Conditions".		

Signature:..... [Signature of person signing the Bid]

Designation:..... [Designation of person signing the Bid with frank]

Date: ..... [Insert date]

**Information Form [to be filled by the bidder]**  
**Following details should be provided in respect of each vehicle offered**

	Description	Option 1	Option 2	Option 3
a	Status when Registered			
b	Year of Manufacture			

c	Fuel Type			
d	Engine Capacity			
e	Body type			
f	Transmission			
g	Seating Capacity			
h	Make			
i	Model			
j	Country of origin			
k	Country of assembly (if any)			
l	Vehicle registration date & number			
m	Body Colour - (Preferably White and should be without any branding)			
n	Average fuel efficiency(km/ltr)- To be confirmed by user manual			

Signature:..... [Signature of person signing the Bid]

Designation:..... [Designation of person signing the Bid with frank]

Date: ..... [Insert date]



**ANNEXURE C: Price Schedule Form**

Name of the Bidder : .....

Description of Service - Provision of Motor Cars (Self-Driven) on Hire to SriLankan Airlines

Quantity - 18 Nos.

Option	Vehicle Make / Model	Year of Manufacture (if applicable)	Unit of Measure	Monthly rental per vehicle in LKR excluding VAT (3,000 kms)	Excess mileage rate per km in LKR excluding VAT	Payment Term	Lead Time (upon contract award notification)	Remarks
1			Monthly rental					
2								
3								

**Notes:**

Bidders may bid for different vehicle types (Options) comply with all required specifications.

Signature:..... [Signature of person signing the Bid]

Designation:..... [Designation of person signing the Bid with frank]

Date: ..... [Insert date]

**ANNEXURE D: Bid Security**

[this Bank Guarantee form shall be filled in accordance with the instructions indicated in brackets]

-----[insert the issuing agency's name, and address of issuing branch or office]-----

Beneficiary : SriLankan Airlines Limited, Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka

Date : -----[insert (by issuing agency) date]

BID GUARANTEE No: -----[insert (by issuing agency) number]

We have been informed that -----[insert (by issuing agency) name of the Bidder; if a joint venture, list complete legal names of partners] (hereinafter called "the Bidder") has submitted to you its bid dated -----[insert (by issuing agency) date] (hereinafter called "the Bid") for the Provision of Motor Cars (Self-Driven) on Hire to SriLankan Airlines Under Invitation for Bids No. 201932835 (" the Reference").

Furthermore, we understand that, according to your conditions, Bid must be supported by a Bid Guarantee.

At the request of the Bidder, we ----- [insert name of issuing agency] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of LKR 972,000 (Sri Lanka Rupees Nine Hundred Seventy Two) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

- (a) has withdrawn its Bid during the period of bid validity specified; or
- (b) does not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter "the ITB"); or
- (c) having been notified of the acceptance of its Bid by SriLankan Airlines during the period of bid validity, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the Performance Security, in accordance with the ITB.

This Guarantee shall expire: (a) if the Bidder is the successful bidder, upon our receipt of copies of the Contract signed by the Bidder and of the Performance Security issued to you by the Bidder; or (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the Bidder was unsuccessful, otherwise it will remain in force up to ---- (insert date)

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date.

[signature(s) of authorized representative(s)]

**ANNEXURE E : Performance Bond**

[The issuing agency, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]

-----[Issuing Agency's Name, and Address of Issuing Branch or Office]-----

Beneficiary: SriLankan Airlines Limited, Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka

Date: -----

PERFORMANCE GUARANTEE No: -----

We have been informed that -----[name of Bidder](hereinafter called "the Bidder") has entered into the Contract dated ----- with you, for the -----Supply of -----[name of contract and brief description] (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Bidder, we -----[name of Agency] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of -----[amount in figures](-----) [amount in words], such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the --- day of ----,20..[insert date,90 days beyond the contract expiry date] and any demand for payment under it must be received by us at this office on or before that date.

\_\_\_\_\_  
[signature(s)]

**ANNEXURE F: Clientele Information Form**

	<b>Company Name</b>	<b>Company Representative’s Contact Details (Please state name, official email address and telephone number)</b>	<b>Numbers of vehicles deployed under the client</b>	<b>Service contract duration (in exact dates)</b>
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

**VENDOR INFORMATION FORM**

(To be filled by the Bidder)

<b>Section A – Basic information of the vendor</b>	
1. Registered Name of the Vendor :	
2. Date of Incorporation:	
3. Country of Incorporation:	
4. Nature of business :	5. Company type :
6. Telephone & Fax numbers : Tel: _____ Fax: _____	7. E-mail address :
8. Registered address :	
9. Other contact details (if any) :	
10. Registered Name and address of the agent (if any)	
<b>Section B – Details of Directors, Shareholders and related parties</b>	
1. Name(s) of Directors	

2. Name(s) of Shareholders	
3. Name (s) of Directors of Parent/Subsidiary who are also Directors of SriLankan Airlines	
4. Name(s) of Directors of Parent/Subsidiary who are also Employees of SriLankan Airlines	
5. Names of Close Family Members who are either Directors/Employees of SriLankan Airlines	

As the authorized representative of ..... [ name of the Vendor], I hereby confirm on behalf of .....[ name of the Vendor] that the information provided above are true and accurate and acknowledge that the bid of .....[ name of the Vendor] submitted herewith shall be rejected in the event all or any of the information submitted above is found to be incorrect.

**Details of vendor’s authorized signatory:**

Name:

Designation:

Date:

Signature & Company Rubber Stamp:

**Section C - Business verification : Duly signed and stamped copy of above document to be supported by the following documents**

✓ Tick the appropriate boxes

- |  |  |
|--|--|
| <input type="checkbox"/> A copy of the Certificate of Incorporation certified by the Company Secretary of the vendor Company   | <input type="checkbox"/> A copy of Form 15 (Sri Lankan Companies) certified by the Company Secretary or a letter from the Company Secretary confirming the shareholding.   |
| <input type="checkbox"/> A copy of Form 20 (Sri Lankan Companies) certified by the Company Secretary or a letter from the Company Secretary confirming the directors | <input type="checkbox"/> For Partnerships, list of partners confirmed by one of the partners, preferably by the most senior partner.<br><input type="checkbox"/> Audited financial statements of the vendor Company for the last two years |
| <input type="checkbox"/> For partnerships and sole proprietorships, certificate of business registration   | <input type="checkbox"/> Others (specify)  |

Annexure G : Sample Contract

**VEHICLE HIRE AGREEMENT**

**CONTRACT NUMBER -.....**

This Vehicle Hire Agreement is made on this ..... at Katunayake

By and between

**SriLankan Airlines Limited**, a company incorporated in the Democratic Socialist Republic of Sri Lanka, bearing the Company Registration number **PB 67** and having its registered office at the Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka (hereinafter referred to as "**SriLankan Airlines**" which term or expression shall include where the context so requires or admits mean and include the said **SriLankan Airlines Limited**, its successors in office and assigns) of the **One Part**;

And

..... incorporated in the Democratic Socialist Republic of Sri Lanka bearing the Company Registration number ..... and having its registered office at ..... (hereinafter referred to as "**the Service Provider**" which term or expression as herein used shall where the context so requires or admits mean and include the said [], its liquidators, successors in office and assigns) of the **Other Part**.

**WHEREAS** SriLankan Airlines is engaged in the operation of an international commercial air transport and is desirous of hiring ..... vehicles (as defined below) for its use as per the specifications (as defined below) provided in the Schedules attached herewith;

**WHEREAS** the Service Provider is in business of hiring out vehicles and is desirous to hire the vehicles to SriLankan Airlines on an exclusive basis according to the specifications mentioned herein;

**WHEREAS** the Service Provider has expressed its offer to hire out the vehicles to SriLankan Airlines according to the terms and conditions provided herein and which offer has been accepted by SriLankan Airlines;

**WHEREAS** prior to the said offer and the execution of the Agreement, the Service Provider has been apprised of the requirements and specification required by SriLankan Airlines for the hiring of the vehicles and to all other matters which might have influenced the Service Provider in making its Request for Quotation/Tender and has agreed to hire out the vehicles to SriLankan Airlines pursuant to the said requirements and specifications set forth in the Request for Quotation/Tender;

**AND WHEREAS** the Parties are desirous of entering into this Agreement in order to formalize the transaction and to be governed by the terms and conditions hereinafter mentioned

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES HEREINAFTER SET FORTH, THE PARTIES HERETO AGREE AS FOLLOWS:**

## 1. SERVICE PROVIDER'S OBLIGATIONS

### 1.1. The Service Provider shall:

1.

- 1.1.1. commencing from the Effective Date, (defined hereinafter), provide to SriLankan Airlines, ..... vehicles in accordance to the specifications of the vehicles as more fully described in Annex I, (hereinafter referred to as "Vehicles") for the exclusive use of SriLankan Airlines for the Period of Hire, ( defined hereinafter), on the terms and conditions more fully set forth under this Agreement;
- 1.1.2. make the Vehicles available to SriLankan Airlines for the duration of the Period of Hire to be collected from the Place of Collection on the Effective Date;
- 1.1.3. in the event any of the Vehicles are rejected by SriLankan Airlines at the Place of Collection due to non-conformity with the specifications in Annex I or defective in any material ways, make available an alternate Vehicle/s to the satisfaction of SriLankan Airlines or rectify the defective Vehicle/s, without any additional costs, as decided at the discretion of SriLankan Airlines;
- 1.1.4. at all times either:
  - have full, right, title and ownership to the Vehicles hired under this Agreement and the Vehicles are registered under its name;
  - or
  - have the legal entitlement and right to use and hire out the Vehicles to SriLankan Airlines for the duration of the Period of Hire. In the event any of the Vehicles are owned by a third party (at the Effective Date or during the Period of Hire), the Service Provider shall obtain a no-objection letter from the absolute owner of the Vehicles to hire the Vehicles to third parties which shall be provided to SriLankan Airlines at the time of execution of this Agreement;
- 1.1.5. grant SriLankan Airlines the exclusive use and possession of the Vehicles during the Period of Hire;
- 1.1.6. grant SriLankan Airlines quiet possession of the Vehicles without any interruptions and disturbance;
- 1.1.7. hire the Vehicles for use, for any given year, for a maximum mileage of 36,000 Kms per Vehicle ("Mileage") and for each additional kilometer in excess of the 36,000 kms per year, the Service Provider shall charge SriLankan Airlines the rates as set forth in Annex 3;
- 1.1.8. ensure that the Vehicles hired pursuant to this Agreement comply with the Specifications in Annex I hereof commencing from the Effective Date and for the duration of the Period of Hire;
- 1.1.9. ensure that the Vehicles are serviced, mechanically sound, roadworthy and in good condition, both internally and externally for the Period of Hire;
- 1.1.10. at its own cost, be responsible for the service, repair and fair wear and tear of the Vehicles for the Period of Hire;
- 1.1.11. ensure at its own cost and expense that the Vehicles are:
  - Eco Tested, licensed and insured annually in accordance with all applicable laws and regulations;
  - Duly registered and comply with all applicable Government or local Government laws, regulations pertaining to ownership or lease or hire of the said Vehicles;



- 1.1.12. at its own cost and expense, duly pay and continue to pay all applicable taxes ,duties and fees in respect of the Vehicles.
- 1.1.13. at its own cost insure and keep the Vehicles comprehensively insured with a reputable insurance company as more fully described in Clause 7 for the Period of Hire;
- 1.1.14. ensure that a duly certified photocopies of the registration documents including the Certificate of Registration pertaining to the respective Vehicles and all original registration documents (Except Certificate of Registration of the Vehicles) pertaining to the Vehicles are forwarded to SriLankan Airlines for retention during the Period of Hire;
- 1.1.15. provide a designated contact person who is stationed in Colombo and contactable throughout the Period of Hire of this Agreement on a 24 X 7 X 365 basis;
- 1.1.16. make available all Vehicles or a sample vehicles -for inspection (including a test drive) by SriLankan Airlines personnel at a location, time and date specified by SriLankan Airlines.; SriLankan Airlines shall notify the Service Provider four working dates prior the intended inspection date.. Once SriLankan Airlines agree for the Vehicles or the sample vehicle upon inspection, under any circumstances, the Service Provider shall not change any conditions or specifications of the Vehicles inspected by SriLankan Airlines.. In the event only a sample vehicle is inspected, the Service Provider shall ensure that it provides the same type/specified vehicles without any changes.
- 1.1.17. The full fleet shall consist similar vehicles (same make , model)
- 1.1.18. carry out or cause to be carried out at its own expense all routine maintenance and servicing and cleaning of Vehicles in accordance with the manufacture's given schedules as set out in Annex 2 hereto, to a service level acceptable to SriLankan Airlines;
- 1.1.19. carry out all minor/major repairs and maintenance in respect of the Vehicles including tyre replacements , at its own cost, in a timely manner, whether or not such replacement, repair or maintenance is scheduled or unscheduled or due to any incident or accident in the course of use or leasing of the Vehicles by SriLankan Airlines. All minor/major repairs have to be attended and carried out by the Service Provider within Two (02) days from the date of notification by SriLankan Airlines and shall be completed by the Service Provider within a reasonable period of time. Service Provider shall collect Vehicle from the place where vehicle is defected / SriLankan Airlines' transport division and shall provide replacement vehicle as described in clause 1.1.19.
- 1.1.20. in the event of any accidents, incidents, emergencies, breakdowns, theft and/or where Vehicle repair(minor/major) and maintenance work is being carried out on the Vehicle, or when the user has been deprived of the use of the Vehicle for a consecutive period of over three (03) hours the Service Provider shall at its own cost:
  - i) provide replacement vehicle(s) of similar standard and Specifications of the replaced Vehicle(s) to SriLankan Airlines satisfaction within two (02) hours from time of intimation of the incident, accident, emergencies, breakdowns, theft and/or where Vehicle(s) repair and maintenance work or other non-availability if within Colombo and within four (04) hours if out of Colombo (irrespective of the duration being consecutive or not). Subject to the above, the Service Provider will endeavour to provide a replacement vehicle(s) immediately with minimum inconvenience to SriLankan Airlines and/or its employees. For avoidance of doubt any place in between Katunayake and Colombo along the main A3 road is considered as Colombo for the purpose of this Clause. The replacement vehicle(s) should be of the same standard as the Vehicle(s) that is being replaced and to the satisfaction of SriLankan Airlines and shall be provided to SriLankan Airlines until the Vehicle(s) is repaired

and returned to SriLankan Airlines. No payments shall be payable by SriLankan Airlines for the replacement vehicle provided hereunder.

In the event the Service Provider is unable to provide a replacement vehicle(s) within the time frame stipulated above, SriLankan Airlines shall make arrangements to hire an alternate replacement vehicle(s) of the same standard as the Vehicle(s) that is being replaced and all cost for the aforementioned shall be borne by the Service Provider; provided however that the daily hire rental in respect of such replacement vehicle(s) shall not exceed a sum of Rupees ..... [ (monthly hiring rental / 30) x 116 % ] (Rs...../-) which said sum is subject to a 5% increase per annum. In the event the Service Provider is unable to provide a replacement Vehicle within the time frame stipulated above, and if SriLankan Airlines do not hire an alternate replacement vehicles, Service Provider shall pay SriLankan Airlines liquidated damages of LKR 6,000.00 per day per Vehicle.

- 1.1.21. Acknowledge and agree that the Vehicles hired by SriLankan Airlines under this Agreement will be used by employees of SriLankan Airlines for their official and personal use;
- 1.1.22. At SriLankan Airlines' request provide additional Vehicles to SriLankan Airlines for use by its employees on the terms and conditions stated herein. Such vehicles shall be added by a separate Agreement duly signed by both Parties.
- 1.1.23. In the event the Service Provider ceases to have legal entitlement to hire any of the Vehicles at any time during the Period of Hire Service Provider shall provide SriLankan Airlines a replacement vehicle of similar standard and specifications of the replaced vehicle. In the event the Service Provider is unable to provide a replacement vehicle(s) within a reasonable time period stipulated above, SriLankan Airlines shall make arrangements to hire an alternate replacement vehicle(s) of the same standard as the Vehicle(s) that is being replaced and all cost for the aforementioned shall be borne by the Service Provider.
- 1.1.24. In the event the Service Provider fails to comply with the obligations under this Agreement, the Service Provider shall pay SriLankan Airlines liquidated damages of Sri Lanka Rupees Two Thousand (LKR 2,000/-) per each day during the period of non-compliance and until such obligation has been complied with.
- 1.1.25. All vehicles should be maintained according to the manufacture's given schedules. The Service Provider shall operate on its own the service maintenance schedule and programme and repair obligations more fully set forth in Annex 2.
- 1.1.26. The Service Provider shall record the mileage and the fuel mark at the time of accepting the Vehicle(s) for service , maintenance or repairs and the Service Provider shall ensure that the fuel mark is at the same level at the time of returning the Vehicle to SriLankan Airlines. At the time of returning the Vehicle to SriLankan Airlines, if the fuel mark is reduced from the fuel mark recorded at the time of acceptance as mentioned herein, the Service Provider shall reimburse the cost of the fuel so reduced to SriLankan Airlines.
- 1.1.27. The Service Provider shall obtain, keep valid and subsisting at all times during the Period of Hire, and comply with the terms and conditions of, all permissions, permits, registrations, licenses, authorizations and consents as may be required from time to time in order to carry on its business and perform its obligations hereunder.
- 1.1.28. The Service provider shall perform its obligations under this Agreement with due care, diligence and prudence practices in the industry and shall be performed in a reliable and professional manner in conformity with good industry practices.
- 1.1.29. The Vehicle should be replaced with identical type of vehicle if mechanical breakdowns occur more than 3 occasions per month.

1.1.30. During the entire Period of Hire the Vehicle offered shall not exceed 7 years from the year of manufacture.

1.1.31. In case of a breakdown Service Provider shall be responsible for removing vehicle from the incident site.

## 2. SRILANKAN AIRLINES' RIGHTS AND OBLIGATIONS

### 2.1. SriLankan Airlines shall:

2.1.1. Pay the Service Provider for the hiring of the Vehicles at the rates set out in Annex 3 and in the manner set out in Clause 3 of the Agreement;

2.1.2. make use of the Vehicles during the Period of Hire in accordance with terms of this Agreement and will return the Vehicles to the Place of Return on or before the Return Date with the same fuel level as when the Vehicle was taken by SriLankan Airlines;

2.1.3. have the right to inspect the Vehicles at the Place of Collection and reject the Vehicles that are not according to the Specifications in Annex 1 or is otherwise defective in any material way and either require alternate Vehicles to be provided by the Service Provider to the satisfaction of SriLankan Airlines or request the rectification of defective Vehicles, at the discretion of SriLankan Airlines for no additional costs;

2.1.4. Ensure that the Vehicle is operated at all times during the Period of Hire hereof by qualified drivers and is driven in a competent and reasonable manner ;

2.1.5. Ensure that the Vehicles are released for maintenance according to the maintenance Schedule in Annex 2. Service Provider will be informed as and when servicing and cleaning of any Vehicles is required.

2.1.6. Endeavour to inform the Service Provider's designated officer forthwith in the event of an accident, incident, loss, damage or theft in respect of the Vehicle;

2.1.7. should ensure that in the event of any accident or incident involving the Vehicles, all necessary formalities are attended to including police statements and notification given to insurers and that all necessary reports documents and notices are submitted expeditiously to the Service Provider to enable the Service Provider to process its insurance claims, repairs or litigation as the case may be.

2.1.8. At the expiry of the Period of Hire or early termination of the Agreement howsoever occasioned, SriLankan Airlines shall notify the Service Provider, the date and location for the return the Vehicles to the Service Provider, together with the Insurance Certificate, Licence, and Eco Certificate. Notwithstanding anything contained under this Agreement, SriLankan Airlines shall not be responsible for the condition of the Vehicles due to any maintenance, servicing and repair on the Vehicles carried out by the Service Provider or omitted to carry out by the Service Provider.

2.1.9. In the event SriLankan Airlines does not comply with the requirements of Clause 2.1.8, on the return of any of the Vehicles, SriLankan Airlines shall pay the Service Provider additional fees calculated at Sri Lanka Rupees One Thousand (LKR 1000/=) per each day in addition to the normal fees and rates payable as stated in Annex 3 until the return of the Vehicle in accordance to the requirements set forth in Clause 2.1.8

2.1.10. In the event, the Service Provider fails to accept the return of the Vehicles as notified by SriLankan Airlines pursuant to Clause 2.1.8 above, SriLankan Airlines shall not be responsible

or liable for the Vehicle(s) or any loss or damage to the said Vehicle(s) in the possession of SriLankan Airlines from the scheduled Return Date.

- 2.1.11. In the event of a theft of Vehicle component or total loss, SriLankan Airlines would lodge a complaint with the Police station and inform the Service Provider. The Police report and all required details are provided to the Service Provider for processing of the insurance claim.
- 2.1.12. Not to use the Vehicle/s for the purpose of racing, trials or for testing purposes. In the event such prohibited acts take place, SriLankan Airlines shall bear the total cost of damages incurred (if any).
- 2.1.13. SriLankan Airlines shall have the right to hire vehicles similar to the Vehicles hired under this Agreement from other service providers, during the Period of Hire.
- 2.1.14. SriLankan Airlines shall have the right to charge liquidated damages not as a penalty from the Service Provider as set forth under this Agreement for the breach by the Service Provider of its obligations under this Agreement.
- 2.1.15. SriLankan Airlines shall have the right to return one or more Vehicles hired under this Agreement at any time during the Period of Hire.
- 2.1.16. SriLankan Airlines may require the Service Provider to provide additional vehicles during the Period of Hire and the Service Provider shall take all attempts to accommodate such requests of SriLankan Airlines.

### 3. PAYMENT

- 3.1. The Service Provider shall invoice SriLankan Airlines monthly on an arrears basis in respect of the Vehicles hired by the Service Provider to SriLankan Airlines for the preceding month pursuant to this Agreement at the monthly fees specified in Annex 3 of this Agreement. If one or more Vehicles are returned by SriLankan Airlines pursuant to Clause 2.1.15 above mid-way of a month the monthly fee shall be prorated accordingly.
- 3.2. The Service Provider shall invoice SriLankan Airlines for the excess Mileage in respect of any of the Vehicles at the end of every 12 month period commencing from the Effective Date in accordance to the rates set out in Annex 3.
- 3.3. SriLankan Airlines shall settle all invoices submitted by the Service Provider within forty five (45) days after the receipt of the invoices. Provided however, in the event an invoice relating to fees and rates are disputed, SriLankan Airlines shall pay to the Service Provider the undisputed amount under the invoice within the payment period referred in this Clause. The Parties shall endeavour to resolve the dispute on the invoice amicably within 30 days of notification or any other period mutually agreed and where the Parties fail to resolve the dispute amicably, Parties shall resort to the dispute resolution mechanism provided in this Agreement as a mean to resolve the dispute. If the dispute is resolved in the Service Provider's favour, the amount payable to the Service Provider shall be payable within thirty (30) days of the resolution of the dispute.
- 3.4. SriLankan Airlines shall be entitled to withhold or deduct from any payments due to the Service Provider any sums of money required to be withheld by SriLankan Airlines and/or under any law or regulation for the time being in force and/or pursuant to this Agreement. In the event the amounts to be withheld or deducted exceed the amount payable to SriLankan Airlines at the relevant time, the Service Provider shall pay such amount to SriLankan Airlines within 14 days of demand

- 3.5. All payments to be paid by SriLankan Airlines to the Service Provider pursuant to this Agreement shall be in Sri Lankan rupees by cheque drawn in favour of the Service Provider as stated in Annex 3.
- 3.6. The agreed fees and rates specified in Annex 3 hereto shall remain fixed for the Period of Hire, unless otherwise agreed to in writing by both Parties.

#### **4. BANK GUARANTEE**

- 4.1. the execution of this Agreement, the Service Provider shall furnish SriLankan Airlines a bank guarantee for a sum of Sri Lanka Rupees ..... [5% from the total contract value] as an irrevocable and unconditional bank guarantee drawable on demand in Sri Lanka, from a bank acceptable to SriLankan Airlines in a form and substance acceptable to SriLankan Airlines as security for the due and proper performance of by the Service Provider of its obligations hereunder. All applicable bank charges (including any charges at the time of encashment or enhancement) on such bank guarantee shall be borne by the Service Provider). Such bank guarantee shall remain in force for the Period of Hire and 90 days after the expiry of the Agreement.
- 4.2. In the event the number of Vehicles provided under this Agreement is increased, the Service Provider shall furnish to SriLankan Airlines a fresh Bank Guarantee for such Vehicle/s in accordance to the terms set forth in Clause 4.1 upon the commencement of the hire of such Vehicle/s.
- 4.3. The proceeds of the Bank Guarantee shall be payable to SriLankan Airlines as compensation for any loss resulting from the Service Provider's failure to complete its obligations under the Agreement.
- 4.4. In the event, that the Service Provider fails to pay any monies due to SriLankan Airlines (or any part thereof) as and when the same become payable under this Agreement, SriLankan Airlines shall be entitled to adjust or deduct any monies due to SriLankan Airlines from the Bank Guarantee accordingly. In the event of an adjustment or deduction of the Bank Guarantee by SriLankan Airlines against any sums due from the Service Provider, the Service Provider shall immediately submit to SriLankan Airlines the amount adjusted or deducted by SriLankan Airlines and restore the Bank Guarantee to its original amount.
- 4.5. The Bank Guarantee will be discharged by SriLankan Airlines and returned to the Service Provider within 90 days of the expiry of this Agreement or within 90 days following the date of completion of Service Provider's obligations under the Agreement, whichever is later, less monies due to SriLankan Airlines and/or as SriLankan Airlines is entitled to deduct/set-off under this Agreement.
- 4.6. SriLankan Airlines shall not make any payments under this Agreement to the Service Provider until SriLankan Airlines has received the Bank Guarantee as stipulated under Clause 4 hereof.
- 4.7. SriLankan Airlines' rights with respect to the Bank Guarantee shall be in addition to any other rights or remedies available to SriLankan Airlines.

#### **5. TAXES**

- 5.1. Either Party shall be responsible for payment of any applicable taxes under this Agreement imposed by statutory and/or regulatory bodies of Sri Lanka enacted through legislations and/or regulations.
- 5.2. Value Added Tax (VAT) are excluded from the rates and prices set forth in Annex 3 and shall be payable by SriLankan Airlines as per Annex 3.

- 5.3. SriLankan Airlines is not obliged to pay any inland taxes, personal income tax and corporate income tax of the Service Provider and/or the Service Provider's employees. Taxes that arise on the income of either Party will be the responsibility of each such Party.
- 5.4. Withholding taxes or any similar statutory taxes chargeable by the Government of Sri Lanka (if applicable) shall be deducted from the payment to due to the Service Provider as per the tax laws of Sri Lanka.
- 5.5. Personal income tax and corporate income tax of the Service Provider, the Service Provider's employees payable in Sri Lanka shall be borne by the Service Provider.

## 6. LIABILITY AND INDEMNITY

- 6.1. The Service Provider shall be liable for and shall indemnify and hold harmless SriLankan Airlines, its directors, officers, agents, employees, in respect of all losses, costs, expenses, claims and liabilities (including reasonable attorney fees) directly or indirectly, whether or not involving a third party claim, which arise out of or relates to:
  - 6.1.1. an accident, death or injury to any person, passengers or employees or agents of SriLankan Airlines or the Service Provider due to any act or omissions of the Service Provider and/or any of its personnel or any other person acting for or on behalf of the Service Provider (whether such act is negligent or not) including the performance of the obligations of the Service Provider and/or the existence of a defect, fault or roadworthy condition of the Vehicles, save and except where such death, injury is due to wilful misconduct or gross negligence of SriLankan Airlines, its directors, officers, agents or employees;
  - 6.1.2. the loss of or damage to any property, property of SriLankan Airlines or property of any of its officers, agents, employees or any third party or the Service Provider, whether arising in contract or in tort, due to any act or omissions of the Service Provider and/or any of its personnel or any other person acting for or on behalf of the Service Provider (whether such act is negligent or not); save and except where such loss or damage is due to the wilful misconduct or gross negligence of SriLankan Airlines, its directors, officers, agents or employees;
  - 6.1.3. third party claims in respect of any of the Vehicles, claims in respect to legal ownership of any of the Vehicles or leasing of the Vehicles;
  - 6.1.4. alleged infringement or violation of any laws, regulations or rights of any party by any act or omission of the Service Provider and/or its personnel;
  - 6.1.5. breach of any obligations, representations and warranties, or any other covenants by the Service Provider or its personnel or inability of the Service Provider to discharge its obligations hereunder.
- 6.2. The protection of the indemnities to be provided under Clauses 6.1 above shall be deemed to survive the termination of this Agreement howsoever occasioned.
- 6.3. In no event shall SriLankan Airlines be liable to the Service Provider for any action or claim for punitive, exemplary, special, indirect, incidental or consequential or special loss or damages, loss of profits or lost business opportunities or loss of use of the Vehicles suffered by the Service Provider in any way arising out of or relating to this Agreement.
- 6.4. In no event shall SriLankan Airlines aggregate liability to the Service Provider in connection with this Agreement, however caused, exceed any amount payable by SriLankan Airlines for the hiring of the Vehicles from the Service Provider under this Agreement save as to the extent the use of the Vehicles by SriLankan Airlines for illegal or immoral purposes.

## 7. INSURANCE

7.1. Without prejudice to the generality of Clause 6, the Service Provider shall maintain and keep valid at all times at its own cost and expense suitable comprehensive motor vehicle insurances policy covering own vehicle damage and third party coverage in respect of the Vehicles provided under this Agreement including but not limited to cover the following.

### I. Death/Bodily Injury Insurance Coverage

- (a) Unlimited Third Party Legal Liability insurance covering legal liability for death of or bodily injury to any person including but not limited to the driver, passengers, employees and agents of SriLankan Airlines Limited.
- (b) Personal Accident Benefit Insurance Cover (inclusive of Strike, Riot & Civil Commotion and Terrorism) for the licensed seating capacity of the vehicle including the Driver for amount of LKR 200,000 (Rupees Two Hundred Thousand) per seat.
- (c) Legal liability for passengers and goods for not less than LKR 500,000 (Rupees five hundred thousand) per person.

### II. Third Party Property Damage Liability Coverage

Third Party Legal Liability Cover against Loss of or Damage of any Property including the property belonging to SriLankan Airlines Limited and/or its Employees and agents or any other third party for an amount of not less than LKR. 2,000,000 (Rupees Two Million).

III. Loss of or damage to the vehicles coverage, should, in addition to the comprehensive coverage, include riot & strike, terrorism, natural perils, self-ignition, and include cover for, but not be restricted to, paint work, external fixations, buffers, lights and the like. The vehicle shall be insured on a hiring, self-drive, basis and the value covered shall not be less than its current market value including the value of all non-factory fitted accessories.

7.2. Service provider shall also maintain a workmen's compensation insurance policy covering any service providers employee(s) or representatives involved in performing this contract. The policy shall cover the risks of riot and terrorism. Notwithstanding this clause the Company shall not be liable for any injury / disease / death to the driver or any employee of the Owner howsoever caused.

7.3. Insurance policies referred to in Clause 7.1 and 7.2 above shall be arranged with a reputable insurance company with Island wide coverage that facilitates on the spot claims that is acceptable to SriLankan Airlines Limited

7.4. Waive rights of subrogation or action against SriLankan Airlines or its employees, agents, or persons travelling in the vehicle provided by the Service Provider pursuant to this Agreement in connection with any losses or claim resulting from the performance of services by the Service Provider.

7.5. The Service Provider shall also within 15 days of the execution of this Agreement and at each consequent renewal (or renewal of insurances whichever shall occur first) produce an Insurance Policy/Certificate/Endorsement evidencing coverage as per the requirements of Clause 7.1 and 7.2.

7.6. The insurance coverage required by Clause 7.1 and 7.2 shall at all times be valid and adequate to meet all the obligations set out above and any other obligations required by law. Failure to maintain insurance coverage to the required level will be considered by SriLankan Airlines as a fundamental breach of this Agreement.

- 7.7. Under no circumstances shall SriLankan Airlines, its directors, officers, Agents or employees be held responsible for any loss of or damage to the vehicle or its accessories or spares except in circumstances due to gross or willful negligence by SriLankan Airlines.
- 7.8. SriLankan Airlines agrees to ensure that all terms and conditions of the insurance policy are strictly complied with, and in the event of the insurer not meeting any claim or part thereof due to the failure of SriLankan Airlines to comply with the terms and conditions of the said insurance policy, SriLankan Airlines shall indemnify in full the Owner for any loss or damage to the Vehicle/s incurred during the Period of the Hire.

## **8. NON PERFORMANCE**

- 8.1. In the event the Service Provider fails to discharge or perform its obligations under this Agreement, SriLankan Airlines may at its discretion and without prejudice to any other rights it has under this Agreement, take any action and whatever steps necessary in order to claim the cost of all remedial action from the Service Provider.
- 8.2. It shall be lawful to SriLankan Airlines to claim from the Service Provider any costs, rentals, fines, penalties, charges imposed on or incurred by SriLankan Airlines as result of the Service Provider's failure to discharge or perform its obligations under this Agreement. Provided however that the above shall be without prejudice to the remedies/relief/rights available to SriLankan Airlines elsewhere in this Agreement.

## **9. TERM AND TERMINATION**

- 9.1. This Agreement shall commence on the date SriLankan accepts the last Vehicle from the number of Vehicles specified in the Specification from the Service Provider (hereinafter referred to as "Effective Date") and continue to be valid for a period of Five (05) years unless terminated earlier ( "Period of Hire")
- 9.2. Notwithstanding anything to the contrary stated herein, SriLankan Airlines shall have the right to terminate this Agreement in whole or in part, without penalty or without assigning any reasons whatsoever by giving the Service Provider 30 days' prior written notice of termination of this Agreement.. Such termination shall take effect on the expiry of such notice period.
- 9.3. Notwithstanding anything to the contrary stated herein, either Party may terminate this Agreement forthwith by written notice in the event of:
  - 9.3.1. breach of this Agreement by the other Party and such breach is not remedied by the other Party within 30 days of receipt of notification for remedy or immediately, if such breach is incapable of remedy; or
  - 9.3.2. bankruptcy, liquidation or appointment of a receiver in respect of the other Party; or
  - 9.3.3. the other Party shall cease substantially to carry on its trade or shall threaten to cease substantially to carry on its trade; or
  - 9.3.4. the Service Provider ceases to have the legal entitlement to hire any of the Vehicles to SriLankan Airlines or loses the ownership to the Vehicles at any time during the Period of Hire or Service Provider license to operate its' business is revoked/cancelled/seized.
- 9.4. SriLankan Airlines shall have the right to terminate this Agreement upon providing 14 days written notice to the Service Provider in the following circumstances:
  - 9.4.1. if the Service Provider is engaged in any conduct/activity which in the opinion of SriLankan Airlines is prejudicial to SriLankan Airlines' business or corporate image;
  - 9.4.2. repeated breach of this Agreement by the Service Provider despite such breach are remedied by the Service Provider;
  - 9.4.3. if SriLankan Airlines ceases to operate its business or its license to operate the airline business ) is revoked/cancelled/seized.



- 9.5. The termination of this Agreement pursuant to the provisions of this clause shall be without prejudice to the accrued rights and liabilities of either Party prior to the date of termination or expiration of this Agreement.
- 9.6. On the termination or expiration of this Agreement or the hire of the Vehicle(s) hired hereunder howsoever occasioned, or on the non-renewal of this Agreement, the Service Provider shall not be entitled to make any claim on SriLankan Airlines for compensation whatsoever or further costs, fees, loss or damage in respect of goodwill or consequential or special damages, loss of profits or revenue claimed to have been suffered by the Service Provider (including its agents, employees and representatives) as a result of this Agreement save and except their legal claim (if any) hereunder.
- 9.7. In the event this Agreement is terminated by either Party, SriLankan Airlines shall pay to the Service Provider the rates and fees for the Vehicles hired by the Service Provider to SriLankan Airlines pursuant to this Agreement, calculated pro-rata up to the date of termination of the Agreement less any monies to be deducted pursuant to this Agreement. The Service Provider shall not be entitled to any further costs, remuneration consequential or special damages, loss of profits or revenue claimed to have been suffered by the Service Provider (including its agents, employees and representatives) as a result of this Agreement. No payment whatsoever shall be payable by SriLankan Airlines to the Service Provider or any of the employees of the Service Provider apart from payment due to the Service Provider as provided under Clause 9.

## **10. ASSIGNMENT AND SUB-CONTRACTING**

- 10.1. Subject to the rights of SriLankan Airlines under Clause 2 of this Agreement the Parties shall not assign or sub contract rights or obligations under this Agreement without the prior written approval of the other. Any assignment or sub-contracting of rights in contrary to the above Clause shall be null and void against the non-assigning or non-subcontracting party as of the date of the purported assignment or sub-contracting. The assignment or sub-contracting of rights and obligations by the Service Provider shall not increase obligations of SriLankan Airlines or diminish the rights of SriLankan Airlines.
- 10.2. The sub-contracting by either Party of its obligations under this Agreement shall not relieve the subcontracting Party from liability or obligation under this Agreement and shall be responsible for the subcontracted work and the acts, defaults and negligence of the subcontractor, his agents, employees or workmen, as fully, as if they were the acts, defaults or negligence of the subcontracting Party.

## **11. FORCE MAJEURE**

- 11.1. In the event that either Party shall be wholly or partly unable to carry out its obligations under this Agreement by reasons or causes beyond its control, including by way of illustration acts of God or the public enemy, fire, floods, explosions, epidemics, insurrection, riots or other civil commotion, war, Government order which it could not be reasonably be expected to foresee or avoid (excluding, however, strikes, lockouts or other labour troubles), then the performance of its obligations in so far as they are affected by such force majeure cause shall be excused during the continuance of any inability so caused. Such force majeure cause(s) shall however as far as possible be remedied by the affected Party with all reasonable dispatch. However, it is hereby stated that in the event the Service Provider is unable to provide the Service pursuant to this Agreement in a situation enumerated above, the payment to be made pursuant to Clause 3 hereof shall be proportionately reduced taking into account the Fees and Rates set out in Annex 3.
- 11.2. Notwithstanding the above each Party shall give the other Party, as soon as possible, notice of the occurrence or imminent occurrence of an event as indicated above and where such notice is given verbally, it shall be followed immediately in writing. Unless otherwise directed by the non-affected Party in writing, the affected Party shall continue to perform its obligations under the Agreement as far as is reasonable and practical, and shall seek all reasonable alternative means

for performance not prevented by the force majeure event If the period of delay or non-performance continues for 4 weeks, the Party not affected may terminate this Agreement immediately by giving 14 days' written notice to the affected Party.

## **12. NO PARTNERSHIP; INDEPENDENT CONTRACTOR**

12.1. Nothing contained in this Agreement and no activity by either Party in the performance hereof shall constitute, create, or deemed to constitute or create between either Party or between or among either Party and any of its officers, directors, employees, an agency or representative, employer-employee relationship or a partnership, joint venture or association, nor shall this Agreement or any activity by either Party hereunder create or be deemed to create any express or implied right, power or authority of either Party to enter into any agreement or commitment, or to incur any liability or obligation, on behalf of the other Party; it being understood and agreed that each Party is and shall remain an independent contractor with respect to the other.

## **13. REPRESENTATION AND WARRANTIES**

13.1. Each of the Parties hereto represents and warrants that:

- I. it has the corporate power and authority to enter into this Agreement;
- II. it has obtained all necessary licenses, approvals and consents to enter into this Agreement and discharge the obligations set out herein in the manner set out herein;
- III. it will comply with all representations, obligations, covenants and agreements and perform all of its obligations and responsibilities herein contained and comply with all applicable laws in the exercise of its rights and the performance of its obligations hereunder.

13.2. The Service Provider represents and warrants that it owns the Vehicles or has the legal right to hire these Vehicles to SriLankan Airlines pursuant to the terms of this Agreement, and that such Vehicles are not subject to any liens whatsoever.

## **14. GOVERNING LAW AND DISPUTE RESOLUTION**

14.1. This Agreement shall be governed by the laws of the Democratic Socialist Republic of Sri Lanka and subject to jurisdiction of the courts in Sri Lanka.

14.2 In case of any dispute arising between contracting Parties, a serious attempt shall be undertaken by both Parties towards an amicable settlement.

## **15. GENERAL**

15.1. The rights and remedies of SriLankan Airlines against the Service Provider for the breach of any conditions and for any obligations undertaken by the Service Provider shall not be prejudiced or deemed to be waived by reason of any indulgence or forbearance by SriLankan Airlines.

15.2. Nothing in this Agreement shall prevent either Party from availing itself of any remedies provided under the general law in addition to the remedies stipulated in this Agreement.

15.3. If any term or other provision of this Agreement is determined to be invalid, illegal or incapable of being enforced by any rule or law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

15.4. This Agreement including Annex 1, 2, 3 and 4 contains the entire agreement and understanding between the Parties and shall supersede all prior agreements, whether written or oral between

the Parties hereto concerning the subject matter hereof. The terms and conditions of this Agreement shall not be altered or varied or modified otherwise than by an instrument in writing executed by the duly authorized signatories of SriLankan Airlines and the Service Provider.

- 15.5. Except as otherwise required in the Agreement, all notices, requests, demands, or other communications required or pursuant to this Agreement to be served or given by either Party to the other shall be in writing and in the English language and shall be sent or delivered personally or sent by registered mail, or by facsimile or email transmission in the case of SriLankan Airlines and the Service Provider to the designated officer and address set out in Annex 4 and to the address or address as either Party shall specify from time to time by written notice to the other. A Party to this Agreement must notify the other Party of any changes to the address or any of the other details specified under Annex 4 provided, however, that such notification shall only be effective on the date specified in such notice or five (5) working days after the notice is given, whichever is later
- 15.6. Neither failure nor delay on the part of SriLankan Airlines to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise by SriLankan Airline of any right, remedy, power or privilege preclude any other or further exercise of the same of any other right, remedy, power or privilege, nor shall any waiver by SriLankan Airline of any right, remedy, power or privilege with respect to any occurrence or the breach of any condition and obligations undertaken by the Service Provider under this Agreement be construed as a waiver thereof with respect to any other occurrence. A waiver by SriLankan Airlines of any breach or default by the Service will not be construed as a continuing waiver of the same or any other breach or default under the Agreement.
- 15.7. Intellectual Property Rights:
- (a) SriLankan Airlines does not grant the Service Provider any right, title or interest in any of its designs, labels, know-how, trade names, trademarks, service marks, logos and other distinctive brand features or business identifiers, logo, copyright or any other intellectual property rights of SriLankan Airlines except as expressly authorised in writing by SriLankan Airlines and the Service Provider shall not have any right, title or interest in the said Intellectual Property Rights of SriLankan Airlines other than the right to use it for purposes of this Agreement for the Period of Hire hereof only with the express written consent of the SriLankan Airlines.
- 15.8. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 15.9. Time is of essence in the performance each and every obligations of the Service Provider.
- 15.10. The Service Provider shall not issue any press release or other public announcement related to this Agreement, written or oral, without the prior written consent of SriLankan Airlines, except as required by law or a court order. For avoidance of any doubt, the Service Provider shall not make, give or issue any press release or other press activity involving or referring to SriLankan Airlines or any of its affiliates or their services or operations, without SriLankan Airlines prior written approval.
- 15.11. The Service Provider shall maintain in confidence, in accordance with the standards of care and diligence that it utilises in maintaining its own Confidential Information, any and all Confidential Information received by it from SriLankan Airlines in connection with or in the course of performance of this Agreement. The Service Provider shall not and shall ensure its agents, employees, assistants or representatives do not disclose, divulge, use, publish or disseminate to any person any confidential information of SriLankan Airlines including information which it has obtained relating to the business affairs of SriLankan Airlines by reason of this Agreement without the prior written consent of SriLankan Airlines or unless required under the law. Disclosure to any such officers, directors, employees and representatives of the Service Provider shall be made in confidence and shall extend only so far, as may be necessary

for the purposes of such performance of the portion of the Agreement. The Service Provider shall be liable for failure of any of its officers, directors, employees, agents and representatives to comply with this Clause 15.11 of this Agreement.

15.12. Termination or expiration of the Agreement for any reason:

(i) shall not relieve either Party of any rights and obligation which expressly or by implication survives termination (including Clause 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14);

(ii) except as otherwise provided in any provision of the Agreement expressly limiting the liability of either Party, will not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such termination or expiration or arising out of its obligations as to portions of the obligations already performed.

## 16. DEFINITIONS

16.1. In this Agreement, unless otherwise specified, the expressions set forth below have the meanings set opposite them when such expressions are used in this Agreement:

- (i) **“Agreement”** means this Agreement and Annex 1, 2, 3 and 4 duly executed by the Parties;
- (ii) **“Place of Collection”** means the location as informed by SriLankan Airlines to the Service Provider that the Vehicle shall be made available to SriLankan Airlines to be collected from the Service Provider;
- (iii) **“Return Date”** means the date as informed by SriLankan Airlines that the Vehicle shall be returned to the Service Provider;
- (iv) **“Place of Return”** means the location as informed by SriLankan Airlines to the Service Provider that the Vehicle shall be returned to the Service Provider.

16.2. In this Agreement unless the context otherwise requires:

- i) headings herein contained are inserted merely for convenience of reference and shall be ignored in the interpretation and the construction of any of the provisions herein contained;
- ii) references to any enactments, legislations shall include references to such enactments, legislations as re-enacted, amended, modified or extended and any sub-ordinate legislation made under it;
- iii) references to one gender include all genders and the singular includes the plural and vice versa;
- iv) A warranty, representation or obligation of more than one person binds them jointly or severally;
- v) references to persons include includes natural persons, companies, corporations or any other juristic person or other corporate entity, partnerships, associations, and other organizations whether or not having a separate legal personality;
- vi) **“including”** means **“including without limitation”** and shall not be interpreted so as to limit the meaning of any word or term to the same genus or class as the examples given.

**IN WITNESS WHEREOF** the Parties hereto have caused their authorized representatives to set their hands hereunto and to one other of the same tenor on the date first written above.

FOR AND ON BEHALF OF  
**SRILANKAN AIRLINES LIMITED**

FOR AND ON BEHALF OF

.....  
 Name :  
 Designation :

.....  
 Name :  
 Designation :

Witness :

Witness :

.....  
 Name :  
 Designation :

.....  
 Name :  
 Designation :

**ANNEX 1**

**SPECIFICATIONS OF THE VEHICLES**

**ANNEX 2**

**MAINTENANCE SCHEDULE**

*[SAMPLE ONLY]*

Please indicate the Service Station & Service Date for the Service Records.

▪ **SERVICING  
 SERVICE SCHEDULE**

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Engine Oil	C	R	R	R	R	R	R	R	R	R	...
2	Engine oil Filter	C	R	R	R	R	R	R	R	R	R	...
3	Engine Coolant	C	C	C	C	C	C	C	C	R	C	...
4	Spark Plugs	C	C	C	C	R	C	C	C	R	C	...
5	Air Cleaner Filter	C	C	C	C	R	C	C	C	R	C	...
6	Fuel Filter	C	C	C	C	C	C	C	C	R	C	...
7	Power Steering Fluid	C	C	C	C	C	C	C	C	R	C	...
8	Brake Fluid	C	C	C	C	C	C	C	C	R	C	...
9	Brake Inspection	C	C	C	C	C	C	C	C	C	C	...

10	Transmission Oil (Auto)											R	...
11	Differential Gear Oil					C						R	...
12	....												...
...													...

C-Check/Inspect                      R-Replace

**SERVICE RECORD**

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Engine Oil											...
2	Engine oil Filter											...
3	Engine Coolant											...
4	Spark Plugs											...
5	Air Cleaner Filter											...
6	Fuel Filter											...
7	Power Steering Fluid											...
8	Brake Fluid											...
9	Brake Inspection											...
10	Transmission Oil (Auto)											...
11	Differential Gear Oil											...
12	....											...
...												...

-The Lubricating Service needs to be done in every 5000km or six months period whichever occurs first. - There should be a service centre in Colombo.

▪ **CLEANING**

**CLEANING SCHEDULE**

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Interior				P							...
2	Exterior									P		...
3	Engine									P		...
...												...

P-Perform

**CLEANING RECORD**

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Interior											...
2	Exterior											...
3	Engine											...
...												...

Note: interior Cleaning is due in every six months

▪ **AIR CONDITION SERVICE**

**AIRCONDITION SERVICE SCHEDULE**

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Routine Service							P				...
2	Detailed Service									P		...

...												
-----	--	--	--	--	--	--	--	--	--	--	--	--

P-Perform

### AIRCONDITION SERVICE RECORD

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Routine Service											...
2	Detailed Service											...
...												

**Note:** Auto Air-condition Service is due in every one year

### TYRE REPLACEMENT

#### TYRE REPLACEMENT SCHEDULE

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Tyres & Inflation Pressure	C										...
2	Tyre Rotation			P		P		P		P		...
3	Tyre Replacement						P					...
4	Wheel Alignment		P	P	P	P	P	P	P	P	P	...
...												

C- Check/Inspect

P-Perform

### TYRE REPLACEMENT RECORD

DATE:

MAKE & BRAND OF THE REPLACED TYRE:

No.	Odo metre reading (in 1000 km)	1	5	10	15	20	25	30	35	40	45	...
1	Tyres & Inflation Pressure											...
2	Tyre Rotation											...
3	Tyre Replacement Front Wheels Rear Wheels Spare Wheels											...
4	Wheel Alignment											
...												

Notes:

1. Tyres replacement has to be done with Brand New Tyres of a reputed brand and should be in pairs i.e. Front or Rear or Both
2. Tyre replacement should be done in a timely manner and should be done before the existing tyres get bald.
3. Wheel Balancing after every Tyre Replacement

Note: For all above Services:

Spares Replacement should be done with the Manufacturer’s Original or Compatible spare parts. IF found not done in accordance with this SriLankan Airlines shall the replace the part and deduct the cost from the next rental.

**1. REPAIRS RECORD**

GARAGE:

DATE:

REASON FOR THE REPAIR:

REPAIRS DONE:

- Engine overhaul diesel and petrol
- Auto spray painting
- Tinkering
- Auto electrical repair
- Spray printing
- Upholstering works
- Spares Replacement should be done with the Manufacturer’s Original or Compatible spare parts only. IF found not done accordance with this the vehicle shall be return to get the same done.

Note: In the case of theft of parts, badges, accessories, etc. of the Vehicle, the same should be replaced.

**ANNEX 3**

**SCHEDULE OF RATES AND FEES**

Rates & Fees

1.1 SriLankan Airlines shall pay the Service Provider a rental of Sri Lankan Rupees ..... (exclusive of taxes) per Vehicle subject to [specify applicable tax/s], on a monthly basis (“Monthly Fees”) for the Period of Hire.

Excess Rates

1.2 SriLankan Airlines shall pay the Service Provider Sri Lanka Rupees ..... (exclusive of taxes) subject to ..... for each additional kilometers in excess of the 36,000 Mileage per year in respect of any of the Vehicles hired under this Agreement. Notwithstanding anything contained under this Agreement all additional kilometres in excess of the Mileage per each Vehicle will be invoiced by the Service Provider at the end of every 12 months period commencing from the Effective Date.

**2. Bank Details**

1.3 All payments to be made hereunder by SriLankan Airlines to the Service Provider shall be by a way of a cheque drawn in favour of the Service Provider to the following Bank Account:

Payee - .....



Name of the bank - .....

Account Number - .....

## ANNEX 4

### NOTICES

1.1 All notices to be sent by the Service Provider to SriLankan Airlines as set forth under Clause 15.5 of the Agreement shall be as follows:

In the case of SriLankan Airlines to :

Operational matters -  
Daham Gunasekera  
Logistics & Properties Department (Transport Section),  
SriLankan Airlines Ltd,  
Bandaranaike International Airport,  
Katunayake  
-  
Tel: 0197332890  
E-mail: daham.gunasekera@srilankan.com

Contract matters -  
Chintana Devapriya  
Commercial Procurement Department  
SriLankan Airlines Ltd,  
Airline Centre,  
Bandaranaike International Airport,  
Katunayake  
Tel: 0197332773  
E-mail: chintana.devapriya@srilankan.com

Invoicing & Payment matters -Manager Financial Services  
Financial Services Department,  
SriLankan Airlines Ltd,  
Airline Centre,  
Bandaranaike International Airport,  
Katunayake.  
Tel: 0197332702  
E-mail:  
Attention:

In the case of the Service Provider to :

Name:

Company name:

Company Address:

Tel:

E-mail:

1.2 A notice shall become effective as follows:

- i) In the case of personal delivery, on delivery
- ii) In the case of delivery by Courier, three days after posting;
- iii) In case of registered mail, five days upon sending the mail;

- iv) In the case of Facsimile, twenty-four (24) hours after confirmed transmission, unless such transmission was outside of normal business hours/business days or on public holiday, on the time of resumption of normal business hours;
- v) In the case of email upon successful delivery, unless such delivery was outside of normal business hours/business days or on public holiday, on the time of resumption of normal business hours