



REQUEST FOR TENDER

TENDER FOR HIRING OF 50 PALLET DOLLIES FOR THE USE AT SRILANKAN AIRLINES LTD FOR 1 YEAR

TENDER NO : GSE/T03/2017

**GSE Procurement Section,
Commercial Procurement Department.
Airline Centre
SriLankan Airlines Ltd.
BIA,
Sri Lanka**

Date & Time of Issue : On 06.11.2017 at 1000 hours Sri Lankan time (GMT + 5:30 Time Zone)

Date & Time of Closure : On 17.11.2017 at 1400 hours Sri Lankan time (GMT + 5:30 Time Zone)

TABLE OF CONTENTS

This document here in referred as tender document comprise of following documents intended to provide guidelines to bidders on the forms to be used in preparing the bid documents and the procedures to be followed on submission of the tenders.

1. Invitation Letter
2. Instructions to bidders
3. Technical & General Specifications
4. Special notes to vendors
5. Documents to be enclosed with the tender proposal
6. Tender Forms
 - I. ANNEX I – Tender Acknowledgement Form
 - II. ANNEX II – Tender Application Form
 - III. ANNEX III - Vendor Information Form
 - IV. ANNEX IV - Bid Application Deposit Format
 - V. ANNEX V – Specification Forms
 - VI. ANNEX VI – Financial Offer
 - VII. ANNEX VII – Clientele Information Form
 - VIII. ANNEX VIII – Performance Bond Format
 - IX. ANNEX IX - Commitment to Ethical Manufacturing Practices
7. Draft Agreement

TENDER INVITATION LETTER

INVITATION TO TENDER FOR HIRING OF 50 PALLET DOLLIES FOR THE USE AT SRILANKAN AIRLINES LTD FOR 1 YEAR

TENDER NO : GSE/T03/2017

SriLankan Airlines hereby invites to tender for hiring of 50 pallet dollies for the use at SriLankan Airlines Ltd for 1 Year for the use at the Bandaranaike International Airport premises.

The tender document is attached herewith. The tender should be submitted in a sealed envelope with the tender number clearly marked on the top left corner of envelope addressed to Senior Manager Commercial Procurement, SriLankan Airlines Limited, Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka by 1400 hours (Sri Lankan time: GMT +0530 Time Zone) on 17/11/2017.

The tender acknowledgement form attached to the tender must be completed and returned by fax to +94 (0) 19733 5276 or e-mail to lakmini.jayasinghe@SriLankan.com and harenis@SriLankan.com 01 day prior to bid closing date.

Tender will be opened at 1430 hours (Sri Lankan time: GMT +0530 Time Zone) on 17/11/2017 at the Board Room, Airline Centre, BIA, Katunayake, Sri Lanka.

The evaluation shall be done in accordance with the "Two Envelop System". Hence only the technical proposals would be opened initially.

Tenderers or their authorized representatives are permitted to be present at the time of opening the technical proposals.

Yours Faithfully,

**SENIOR MANAGER COMMERCIAL PROCUREMENT
SRILANKAN AIRLINES LTD**

INSTRUCTIONS TO BIDDERS

INSTRUCTIONS TO BIDDERS

1.0 GENERAL INSTRUCTIONS

- 1.1 Bids are invited for the tender for hiring of 50 Pallet Dollies for the use at SriLankan Airlines Ltd for 1 year.
- 1.2 The following documents are included with this document in addition to instructions to bidders and form part of the tender document:
 - Technical & General Specifications
 - Special notes to vendors
 - Documents to be enclosed with the technical offer
 - Tender Forms
- 1.3 The Bidder's technical and financial proposals should be submitted in two separate sealed envelopes with the tender number clearly marked on the top left corner of the envelope addressed to:

Senior Manager Commercial Procurement,
Commercial Procurement Department,
SriLankan Airlines Ltd, Airline Centre,
Bandaranaike International Airport, Katunayake, Sri Lanka.
- 1.4 A soft copy of the Technical proposal also should be provided in a separate CD along with the hard copy.
- 1.5 Bids are to be received not later than 1400 Hours Sri Lankan time (GMT + 5:30 Time Zone) on 17/11/2017. Bids not received by this date and time shall be liable for rejection.
- 1.6 In submitting the bid, the Bidder shall comply with these instructions. **A bid that is incomplete or not submitted in accordance with these instructions shall be liable for rejection.**
- 1.7 In submitting the bid, the bidder acknowledges that:
 - 1.7.1 SriLankan Airlines will place reliance on the Bid submitted regardless of errors or omissions on the Bidder's part in the preparation of this bid.
 - 1.7.2 If awarded the contract through an order, the Bidder shall accept SriLankan Airlines' terms and conditions included herein and any subsequent discussion, followed by written confirmation of the discussion and order. No other terms or conditions shall be binding upon SriLankan Airlines unless accepted by SriLankan Airlines in writing.
 - 1.7.3 The delivery of goods can and shall be met. If any Bidder considers that delivery cannot be met, the bid shall clearly indicate the earliest dates for delivery.
 - 1.7.4 The bid constitutes a firm offer to SriLankan Airlines, which cannot be withdrawn within a period of seven (03) working days prior to the bid closing date.
- 1.8 Where conflicts appear between this document and industry standard specifications, the former shall take precedence.
- 1.9 Any exceptions or alternatives, whether to technical or commercial requirements, shall be clearly and specifically defined in a separate attachment to the bid entitled 'Exceptions'. Bidders are advised that any exceptions shall be liable to rejection or disqualification of their bid.

- 1.10 All prices shall be given in USD unless stated otherwise. (However a local supplier may quote their prices in LKR)
- 1.11 If a necessity arises to inspect the product at evaluation stage by SriLankan Airlines' personnel, same has to be arranged by the bidder at a mutually suitable location. The applicable expenses excluding Airfare may be borne by the bidder.
- 1.12 The successful bidder may need to arrange Pre Delivery Inspection by SriLankan Airlines personnel. The applicable expenses excluding Airfare shall be borne by the successful Bidder.
- 1.13 The bidder shall provide details of alternative arrangements available within the agreed cost and specifications of equipment in order to ensure continuity of supply of goods/Services to SriLankan Airlines in the event of a disruption to vendor's operations.
- 1.14 Upon delivery and/ or completion of installation of the Equipment, SriLankan Airlines shall perform prescribed tests to determine that the Equipment is/ are operating in conformance with SriLankan Airlines 's published performance specifications for the Equipment and any other requirements agreed to by the parties as indicated in the Specification Sheet.
- 1.15 If SriLankan Airlines find that the equipment does not comply with the Specifications stated in this Agreement, SriLankan Airlines in its discretion has the right to either reject or request modification to the Equipment to compliance with the Specifications. Modification will not affect the Warranty provided hereunder. If the Equipment are rejected SriLankan Airlines shall recover any and all money paid and any cost incurred due to redelivery of the Equipment to the Vendor.
- 1.16 If the delivered equipment is not in accordance with all agreed specifications with SriLankan Airlines, then SriLankan Airlines reserves the right to reject such equipment and recover all monies paid and cost of redelivery of the equipment to the vendor.
- 1.17 Any clarifications or queries raised by a Bidder relating to the documents or any of the bid requirements shall be submitted in writing as soon as possible and in no case later than 13/11/2017. These clarifications shall be made to the attention of **Commercial Procurement Manager (GSE) at Commercial Procurement Department, SriLankan Airlines Ltd, Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka** or by facsimile +94 (0) 19733 5276 or email lakmini.jayasinghe@SriLankan.com. SriLankan Airlines shall respond in writing in the form of a circular letter to all Bidders providing a clear response to the clarification or query
- 1.18 SriLankan Airlines reserves the right to reject any bid in whole or part without giving a reason and shall not be bound to accept the lowest offer of any bid and shall not be responsible for or pay any expenses or loss, which may be incurred by any Bidder in preparation and forwarding of its bid or samples.
- 1.19 No price increases shall be permitted upon submission of a bid.
- 1.20 A bid and any subsequent clarifications or amendments agreed by both parties shall form an integral part of the contract.
- 1.21 Any expenses involving in preparing the bid, obtaining bid bond etc. shall be borne by the bidder.

2.0 BID APPLICATION DEPOSIT

- 2.1 All bids shall require a minimum refundable application deposit of LKR 200,000/= (US\$ 2000) of the bid value. Bidders shall enclose this deposit with the bid. The deposit shall be in the form of an unconditional irrevocable bank guarantee drawn at sight in favour of SriLankan Airlines as stated in annex A. The Bank Guarantee shall be valid for a period of 180 days from the TENDER closing date.
- 2.2 Offers without a bid bond will not be considered, as per the standard tender conditions. However, principals/Manufacturers and their accredited agents are not required to furnish this refundable deposit. (Documentary proof to this effect should be sent along with the offer)
- 2.3 These deposits shall be returned to unsuccessful Bidders. However, this deposit shall be forfeited in the following events:
 - 2.3.1 The Bidder withdraws the bid within a period of seven (03) working days prior to the bid closing date.
 - 2.3.2 A bid is withdrawn after the successful applicant has been intimated of the acceptance of the bid.

3.0 SUPPLIER NOTIFICATION

- 3.1 The successful Bidder shall be required to send acceptance of the order with SriLankan Airlines within 2 days of award supply contract/order. If the successful Bidder fails to accept the order, SriLankan Airlines reserves the right without any further reference to the successful Bidder to award the supply contract to another Bidder. The Bidder failing to enter into order shall also forfeit its application deposit as mentioned in Clause 2.2.2 above. Additionally, the defaulting bidder shall also be debarred from future dealings with the Company.
- 3.2 All the required manuals specified under technical and general specifications if any should be provided along with order acknowledgement.
- 3.3 SriLankan Airlines reserves right to cancel the award based on the poor performance of the successful bidder of any other order placed with SriLankan Airlines or SriLankan Airlines group of companies.

4.0 PERFORMANCE BOND

- 4.1 The successful Bidder shall submit a Performance Bond amounting to a minimum of five percent (05%) of the bid amount to secure the award and performance of the contract. SriLankan Airlines Limited may change this amount, based on prevailing circumstances.
- 4.2 The Performance Bond, in the form of an unconditional irrevocable bank guarantee drawn at sight, shall be provided within two (02) weeks of the award of supply contract/order as set out in annex B. The bank guarantee shall be valid for 04 (four) weeks in excess of the contract period with an undertaking to meet all claims arising during the period of the contract.
- 4.3 The Performance Bond shall be retained by SriLankan Airlines for the duration of the contract and after deduction, if applicable, of any liquidated damages or set off, shall be returned to the supplier after completion of the contract.

5.0 LIQUIDATED DAMAGES

- 5.1 Liquidated damages shall be applied for late deliveries.
- 5.2 Liquidated damages shall be determined by the SriLankan Airlines and shall in any event be not less than the higher of (a) rate of one percent (01%) of the amount due for delivery per day (b) LKR 10,000 per day.

6.0 PRICING

- 6.1 Bidders shall quote their Best And Final Offer (BAFO) and no negotiations will be carryout thereafter.
- 6.2 Monthly hiring pricing shall be in the same unit of measure contained in the bid documents, showing extended totals for each of the line items and total price of the bid. Any exceptions to this shall be clearly highlighted.
- 6.3 Any prices, established as a result of, and based upon the bid, shall remain firm and fixed through delivery and completion of the supply contract/order.
- 6.4 Pricing shall be quoted on monthly hiring basis with 30 dates credit from the date of monthly invoices. The invoice date of the particular month should be after following month.
- 6.5 Quantities represented in this bid, or in any subsequent discussions resulting in an order, are estimated. These quantities may be adjusted upward or downward to meet actual requirements. It is understood that unit rates given in the bid shall not be altered as a consequence of any alteration to the quantities.
- 6.6 All applicable duties, taxes and fees shall be borne by the Bidder, including the forwarding of the bid (and samples if required).

7.0 PAYMENT

- 7.1 Terms of payment shall be minimum 30 days from date of monthly invoices. The invoice date of the particular month should be a date of the following month.
- 7.2 All documents, including properly executed and signed shipping documents, must be delivered with the material at the point of discharge, as defined in any order. Invoices shall reference the applicable order number and shall show shipping point, quantities shipped, description and prices.
- 7.3 Invoices received that do not agree with the provisions of the order shall be returned for correction without payment.
- 7.4 Invoices shall be in the unit of measure shown on the order.
- 7.5 Payment shall not be made until the service or ordered quantity has been completely received, including any documentation and certification required as part of the order.

TECHNICAL & GENERAL SPECIFICATIONS

SPECIFICATIONS OF 50 PALLET DOLLIES- HIRED (BRAND NEW/ USED)

All technical and general specifications are mentioned here are mandatory requirements to fulfil by the vendors and no any major/minor deviations are allowed.

Technical Specifications

1. Loading Platform - 3200 ± 100 mm x 2500 ± 100 mm
2. Height of upper edge of Roller - 508 - 510mm
3. Payload - (6800 – 7000) kg
4. Unladen Weight - (1000 -1300) kg
5. ULD Capability - Wide side towed pallet dolly and should capable for standard pallets 125" x 96", 125" x 88" 108" x 88 and two LD3 containers or one LD3 container (Locks may have to be positioned in the centre in relation to a width of 125" to facilitate carriage of single LD3 as well). Maximum distance between two side locks should be 56".
6. Stop Locks - Manual (Hinged flat type)
7. Parking Brake - Should be fitted with manual brake system acting on the rear wheels. Engage in the tow-bar in an upright position.
8. Wheels - 4.00 x 8 non pneumatic (solid rubber) two twin-wheeled swivelling castors at front with king-pin. Two twin fixed units at rear.
9. Steering- Control by two swivelling castors.
10. Towing Bar should be strong and rest in a horizontal position when it is unlocked and also be able to withstand the extra pressure when taking a sharp turn. Should be able to handle by a single person. This should fit in the longer length side of the main frame.
11. Hard rubber wheels should be strong enough to withstand the weight.
12. Should be in compliance with AHM 909, 913, 916 and 966.
13. Colour – 4 radius corners and tow-bar-yellow.

General Specifications

1. Product Brochures and drawings should be provided with the technical offer
2. Assembly at site (CAK) at vendors cost or provide complete sets.
3. All PDs should be mechanically sound in good working condition. Conformity will be checked during the inspection
4. All PDs should be same brand and model.
5. Supplier should bear all repairs, replacements and maintenance costs during the period of agreement.
6. Should maintain more than 85% serviceability level.
7. Offered PDs should not exceed 5 years from year of manufacture date.
8. Physical verification is required.

SPECIAL NOTES TO VENDORS

Special notes to vendors

- a. SriLankan Airlines requires to inspect the product at evaluation stage by SriLankan Airlines' personnel, same has to be arranged by the bidder at a mutually suitable location. All applicable expenses excluding Airfare may be borne by the bidder.
- b. The successful bidder should arrange Pre Delivery Inspection by SriLankan Airlines personnel at the relevant manufacturing factory. The applicable expenses excluding Airfare shall be borne by the successful Bidder.
- c. All the required manuals specified under technical/general specifications should be available in English Language at inspection.
- d. In order to ensure continuity of supply of goods/Services to SriLankan Airlines in the event of a disruption to vendor's operations, please provide details of alternative arrangements available within the agreed cost and specifications of product.
- e. Upon delivery and/ or completion of installation of the Equipment, SriLankan Airlines shall perform prescribed tests to determine that the Equipment is/ are operating in conformance with SriLankan Airlines 's published performance specifications for the Equipment and any other requirements agreed to by the parties (hereinafter "Specification) as indicated in the Specification Sheet.
- f. If SriLankan Airlines find that the equipment does not comply with the Specifications stated in this Agreement, SriLankan Airlines in its discretion has the right to either reject or request modification to the Equipment to compliance with the Specifications. Modification will not affect the Warranty provided hereunder. If the Equipment are rejected SriLankan Airlines shall recover any and all money paid and any cost incurred due to redelivery of the Equipment to the Vendor."
- g. If the delivered equipment is not in accordance with all agreed specifications with SriLankan Airlines, then SriLankan Airlines reserves the right to reject such equipment and recover all monies paid and cost of redelivery of the equipment to the vendor.
- h. Please state whether your company has appointed a local agent for SriLankan Airlines supply & delivery of goods and services to be procured under this tender. If so please submit a separate vendor information form including the information of local agent.
- i. SriLankan Airlines will not bear any cost incurred with transportation (inbound or outbound) Freight cost, custom duties and other applicable fares etc for transport the 50 Pallet Dollies from the vendor's premises to SriLankan Airlines and vice versa.
- j. Vendors shall quote best and final offer for hire of 50 Pallet Dollies for 1 year. No negotiations will be carried out thereafter.
- k. Maintenance of 50 Pallet Dollies can be done by the vendor or SLA. However all costs incurred with services, maintenance and repair including spare must be borne by the vendor.
- l. Draft agreement is attached. Vendors shall provide their comments on the agreement clauses along with the technical offer.

DOCUMENTS TO BE ENCLOSED WITH THE TENDER PROPOSAL

DOCUMENTS TO BE ENCLOSED WITH THE TENDER PROPOSAL

Documents should be enclosed with the technical offer

1. Bid Application Deposit Form
2. Vendor Information Form – (As per the attached form (ANNEX III)
3. Letter of Authorisation / Power of Attorney (For Authorised Agents only)
4. A copy of the Certificate of Incorporation certified by the Company Secretary of the vendor Company ;
5. A copy of form 15 certified by the Company Secretary or a letter from the Company Secretary confirming the shareholding;
6. A copy of form 20 certified by the Company Secretary or a letter from the Company Secretary confirming the directors ;(Clause 5.2 and 5.3 are applicable only for local companies.
7. Specification Sheet - (As per the attached form ANNEX V)
8. Photos of offered brand/model
9. Product brochures
10. Clientele Information Form with Contact details (company e-mail address, telephone) of Previous users of the equipment (Clientele) as per the attached form (ANNEX VII)
11. Commitment on ethical manufacturing practices – (ANNEX IX)
12. Vendor's Comments of the draft agreement

Documents should be enclosed with the financial offer

1. Financial Offer

TENDER FORMS

ANNEX I

TENDER ACKNOWLEDGEMENT FORM

IMPORTANT

**ALL SUPPLIERS SHALL COMPLETE AND RETURN THIS FORM WITHIN 3 DAYS (01 DAY PRIOR
TO CLOSING DATE) FROM RECEIPT OF THE TENDER DOCUMENTS**

Receipt of your **Tender No: GSE/T03/2017** is hereby acknowledged



You may expect to receive our proposal by courier on or

before.....



We do not intend to submit a proposal because

Since we do not intend to submit a proposal, Tender documents received from SriLankan Airlines shall be returned to SriLankan Airlines prior to the last date for submission of proposals.

Signed :

Title :

Company :

Date :

**TENDER APPLICATION FORM****TENDER NO: GSE/T03/2017****DESCRIPTION**

TENDER FOR HIRING OF 50 PALLET DOLLIES FOR THE USE AT SRILANKAN AIRLINES LTD FOR 1 YEAR

QUANTITY & SPECIFICATIONS : As per the attached schedule

DELIVERY/ COMPLETION DATES	TENDER CLOSING DATE	APPLICATION DEPOSITS	RATES OF LIQUIDATED DAMAGES PER DAY
As per the attached specifications	0200 hours (Sri Lankan time: GMT +0530 Time Zone) on 17/11/2017.	Please refer the document	"Instructions to Bidders" Clause 5.1 and 5.2

Vendor shall upon election be deemed to accept terms and conditions printed on this form and all other attachments herewith.

SENIOR MANAGER COMMERCIAL PROCUREMENT**APPLICANT'S NAME & ADDRESS**

I/we accept the terms & conditions as laid down on this form and all other attachments herewith.

I/we confirm that the refundable deposit of is enclosed.

SIGNATURE & COMPANY SEAL**DATE:**

ANNEX III**VENDOR INFORMATION FORM**

(To be filled by the vendor)

Section A – Basic information of the vendor	
1. Registered Name of the Vendor :	
2. Nature of business :	
3. Registered address :	
4. Telephone number :	
5. Fax number :	
6. E-mail address :	
7. Other contact details (if any) :	
Section B -Business verification : To be supported by the following documents	
<input checked="" type="checkbox"/> 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 20 (Sri Lankan Companies) certified by the Company Secretary or a letter from the Company Secretary confirming the directors	
<input type="checkbox"/> For partnerships and sole proprietorships, certificate of business registration	
<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"/> For Partnerships, list of partners confirmed by one of the partners, preferably by the most senior partner.	
<input type="checkbox"/> Audited financial statements of the vendor Company for the last three years	
<input type="checkbox"/> Others (specify)	
Section C – Declaration of related party information	
1. Name (s) of Directors of Parent/Subsidiary who are also Directors of SriLankan Airlines	
2. Name(s) of Directors of Parent/Subsidiary who are also Employees of SriLankan Airlines	
3. Names of Close Family Members who are either Directors/Employees of SriLankan Airlines	

Details of vendor's authorized signatory:

Name:

Designation:

Date:

Signature & Company Rubber Stamp

ANNEX IV

BID APPLICATION DEPOSIT FORMAT

WHEREASof(Hereinafter referred to as " The Bidder") will be submitting a written Bid to SriLankan Airlines Ltd, Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka, for the supply of(Hereinafter referred to as the "Bid")

AND WHEREAS it is one of the conditions of the said Bid that the Bidder should furnish a Bank Guarantee drawable in Sri Lanka in the sum of(.....) in respect of the above referred to Bid.

AND WHEREAS the Bidder has requested.....(The Bank)..... to furnish the requisite Bank Guarantee and whereas(The Bank).....has agreed to furnish same.

The(The Bank)Hereinafter called the "Bank" a banking corporation incorporated inand having its registered office at(Address of Business)in consideration of the Bid as aforesaid and other good and valuable consideration hereby guarantees, undertakes, binds and obliges itself to pay SriLankan Airlines on demand sum or sums not exceeding(.....) or its equivalent in respect of the Bid. The bank hereby confirms that payment under this guarantee will not be denied by reference to the beneficium excussionis sue ordinis and/or any other benefits privileges and exceptions to which sureties are by law entitled.

The obligation of the Bank hereunder shall be unconditional and irrevocable and shall not be amended or affected by any indulgence or forbearance of SriLankan Airlines Limited in connection with the said Bid.

If the Bidder shall have the Bid accepted and shall enter into a contract with SriLankan Airlines Limited and furnish the required bond guaranteeing the faithful performance of the contract then this guarantee shall be void otherwise to remain in full force and effect.

This Guarantee shall be valid up to and including theday of 2017

This guarantee shall be governed by the laws of Signed in
.....on thisday of 2017.

ANNEX V**SPECIFICATION SHEET – 50 PALLET DOLLIES**

Kindly ensure that all information required as per the tender document is provided at the time of submitting the bids.

Name of the Bidder :
Name of the Principle :
Name of the Manufacturer :
Brand :
Model :
Country of Origin :
Year of Manufacture :

Please provide detailed information where necessary of the Brand/Model mentioned above, against the required technical specifications in below tables.

Technical Specification

Running No	Required Specification	Bidder's Specification in detail	Remarks
01.	Loading Platform - 3200± 100 mm x 2500± 100 mm		
02.	Height of upper edge of Roller - 508 - 510mm		
03.	Payload - (6800 – 7000) kg		
04.	Unladen Weight - (1000 -1300) kg		
05.	ULD Capability - Wide side towed pallet dolly and should capable for standard pallets 125" x 96", 125" x 88" 108" x 88 and two LD3 containers or one LD3 container (Locks may have to be positioned in the centre in relation to a width of 125" to facilitate carriage of single LD3 as well).Maximum distance between two side locks should be 56".		
06.	Stop Locks - Manual (Hinged flat type)		

Running No	Required Specification	Bidder's Specification in detail	Remarks
07.	Parking Brake - Should be fitted with manual brake system acting on the rear wheels. Engage in the tow-bar in an upright position.		
08.	Wheels - 4.00 x 8 non pneumatic (solid rubber) two twin-wheeled swivelling castors at front with king-pin. Two twin fixed units at rear.		
09.	Steering- Control by two swivelling castors.		
10.	Towing Bar should be strong and rest in a horizontal position when it is unlocked and also be able to withstand the extra pressure when taking a sharp turn. Should be able to handle by a single person. This should fit in the longer length side of the main frame.		
11.	Hard rubber wheels should be strong enough to withstand the weight.		
12.	Should be in compliance with AHM 909, 913,916 and 966.		
13.	Colour – 4 radius corners and tow-bar-yellow.		

General Specification

Running No	Required Specification	Bidder's Specification in detail	Remarks
01.	Product Brochures and drawings should be provided with the quotation		
02.	Assembly at site (CAK) at vendors cost or provide complete sets.		
03.	All PDs should be mechanically sound in good working condition. Conformity will be checked during the inspection		
04.	All PDs should be same brand and model.		
05.	Supplier should bear all repairs, replacements and maintenance costs during the period of contact.		
06.	Should maintain more than 85% serviceability level.		
07.	Offered PDs should not exceed 5 years from year of manufacture date.		
08.	Physical verification is required.		

FINANCIAL OFFER

Tender for hiring of 50 pallet dollies for the use at SriLankan Airlines Ltd for 1 year

Tender No: GSE/T03/2017

Name of the Bidder:

Name of the Principle:

Name of the Manufacturer:

Item / Description	Make & Model	Year of Manufacture	Country of Origin	Qty	Monthly rental per unit	Total rental per month

Provide following information as well;

1. Lead time :
2. Payment term : (At least 1 month credit from the date of invoice is mandatory)
.....

Please ensure to submit your best and final offer. No negotiations will be carried out their after.

ANNEX VII**CLIENTELE DETAILS****TENDER FOR HIRING OF 50 PALLET DOLLIES FOR THE USE AT SRILANKAN AIRLINES LTD FOR 1 YEAR****TENDER NO: GSE/T03/2017**

Company Name	Company Representative's Name	Company Representative's Contact Details		Year of Purchase/remarks	Make/Model
		E-mail Address	Telephone Number		
1	I)				
	II)				
2	I)				
	II)				
3	I)				
	II)				
4	I)				
	II)				
5	I)				
	II)				
6	I)				
	II)				
7	I)				
	II)				
8	I)				
	II)				
9	I)				
	II)				
10	I)				
	II)				
11	I)				
	II)				
12	I)				
	II)				
13	I)				
	II)				
14	I)				
	II)				
15	I)				
	II)				

Note:-In addition to above information please provide your clientele of **all** equipment

ANNEX VIII

PERFORMANCE BOND (BANK GUARANTEE)

WHEREAS of(Hereinafter referred to as " The Supplier ") has agreed to enter in to a(hereinafter referred to as the "Agreement") with SriLankan Airlines Ltd, Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka,

AND WHEREAS it is one of the conditions of the said Agreement that the Supplier should furnish a Bank Guarantee drawable in Sri Lanka in the sum of
(.....) in respect of the above referred to Agreement.

AND WHEREAS the Bidder has requested(The Bank)..... to furnish the requisite Bank Guarantee and whereas(The Bank)..... has agreed to furnish same.

The(The Bank).....(Hereinafter called the "Bank") a banking corporation incorporated inand having its registered office at(Address of Business) in consideration of the Agreement as aforesaid and other good and valuable consideration hereby guarantees, undertakes, binds and obliges itself to pay SriLankan Airlines on demand a sum or sums not exceeding
.....(.....) or its equivalent in respect of the Supplier's obligations under the Agreement , despite any contestation on the part of the supplier. The bank hereby confirms that payment under this guarantee will not be denied by reference to the *beneficium excusationis* sue ordinis and/or any other benefits privileges and exceptions to which sureties are by law entitled.

The obligation of the Bank hereunder shall be unconditional and irrevocable and shall not be amended or affected by any indulgence or forbearance of SriLankan Airlines Limited in connection with the said Agreement.

any Payment made by the Bank to SriLankan Airlines Limited pursuant to this guarantee below(.....)

Shall be pro tanto discharge of the liability of the Bank hereunder and this guarantee shall remain valid and effectual in respect of the remainder.

This Guarantee shall be valid up to and including theday of 2017.

This guarantee shall be governed by the laws of Sri Lanka Signed inon thisday of 2017.

ANNEX IX

COMMITMENT ON ETHICAL MANUFACTURING PRACTICES

TENDER FOR HIRING OF 50 PALLET DOLLIES FOR THE USE AT SRILANKAN AIRLINES LTD FOR 1 YEAR

TENDER NO: GSE/T03/2017

We (Company Name)
having our registered address at.....

..... hereby wish to certify that we and our sub-contractors have conformed to ethical manufacturing practices broadly specified below in manufacturing and supplying goods under the above mentioned tender to SriLankan Airlines.

- Legal Compliance: Compliance with all applicable legal requirements related to business operations, labour, product quality and environmental protection.
- Ethical Labour : _Nonuse of child labour, non-use of forced, bonded, prison or illegal labour and non-discrimination or harassment against individuals
- Health and Safety : Provide the workers with a safe working environment, including prevention of exposure to chemical, biological and physical hazards.,

We hereby consent to provide SriLankan Airlines any further information as evidence of adherence to above mentioned ethical manufacturing practices, and agree to provide similar certification of ethical manufacturing practices from time to time. We also consent to provide opportunities to inspect our manufacturing facilities to examine our compliance levels with above standards, if requested by SriLankan Airlines.

We hereby acknowledge that SriLankan Airlines reserves the right to terminate the contract for supply of goods under this tender, and/or blacklist our Company from conducting business with SriLankan Airlines, if there is evidence to the effect that we have misrepresented our compliance levels with regard to the above mentioned ethical practices.

Signed on this day of in

Name :

Designation:

Company Name:.....

DRAFT AGREEMENT

LEASE RENTAL AGREEMENT

BETWEEN
[]

AND

SRI LANKAN AIRLINES LIMITED

[This Agreement is a DRAFT provided only for the purposes of furthering negotiations between the parties. No party will be legally bound unless and until this Agreement is executed by the parties and any actions taken in anticipation of such formal execution is at the risk of the person taking them.]

Lease Rental Agreement

This Lease Rental Agreement ("hereinafter referred as "**Lease**") is made on [] day of [] 2017

Between

SRILANKAN AIRLINES LIMITED, a company duly incorporated in the Democratic Socialist Republic of Sri Lanka, bearing company registration number PB 67 and having its registered office address at Airline Centre, Bandaranaike International Airport, Katunayake in the said Republic of Sri Lanka (hereinafter called "**Lessee**" which term or expression shall mean **SRILANKAN AIRLINES LIMITED**, its successors and assignees) of the **ONE PART**;

And

[], a company duly incorporated in [], bearing company registration number [] and having its registered office address at [] (hereinafter called "**the Lessor**" which term or expression shall mean [], its successors and permitted assignees) of the **OTHER PART**;

(The Lessee and Lessor shall be collectively referred to as "**Parties**" and individually as "**Party**")

WHEREAS the **Lessee** is engaged in the operation of international commercial airline and is desirous of taking on lease the Equipment (as defined below) for its use for its operations at Bandaranaike International Airport, Sri Lanka as per the Specifications (as defined) below provided in the Annexes attached herewith to the Agreement;

WHEREAS the **Lessor** is in business of leasing ground handling equipment to its clients and is desirous to lease the Equipment to the Lessee in accordance to the Specifications set forth in this Agreement;

WHEREAS the **Lessor** has expressed its offer to lease the Equipment to the **Lessee** on an exclusive basis and has represented itself as having the capability and facilities of providing such Equipment to the Lessee according to the terms and conditions provided herein and which offer has been accepted by the Lessee;

WHEREAS prior to the said offer and the execution of the Agreement, the **Lessor** has been apprised of the requirements and Specification required by Lessee for the leasing of the Equipment and to all other matters which might have influenced the **Lessor** in making its Tender and has agreed to lease the Equipment to Lessee pursuant to the said requirements and Specifications set forth in the 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. SCOPE OF THE AGREEMENT

- 1.1 The Lessor shall deliver and lease to the Lessee the Equipment listed in Annex 1 attached hereto as per the Specifications set forth thereunder for the Lessee's use for the duration of the Term in accordance to the terms and conditions of this Agreement.
- 1.2 The Lessee shall be entitled to use the Equipment on an exclusive basis for the Term and for any agreed extension of the Term as mutually agreed by the Parties.

2. OBLIGATIONS OF THE LESSOR

- 2.1 The Lessor shall deliver the Equipment to the Sites according to the Specifications and in quantities ordered by SriLankan Airlines in accordance with the terms and conditions of this Agreement.
- 2.2 The Equipment delivered by the Lessor and accepted by the Lessee pursuant to this Agreement shall be without any encumbrance, liens thereon.
- 2.3 The Lessor shall deliver the Equipment to the Lessee pursuant to the Date of Completion of Delivery.
- 2.4 The Lessor shall ensure that the Equipment is made operational for the use by Lessee and for its intended purpose prior to the delivery of the Equipment to the Lessee at the Sites.
- 2.5 The Lessor shall comply with any of Lessee reasonable directions and delivery instructions in delivering the Equipment.
- 2.6 The Lessor shall be deemed to have appraised itself fully of the provisions of this Agreement.
- 2.7 The Lessor shall deliver the Equipment in accordance with the Lessor's Warranties in Clause 6 of the Agreement.
- 2.8 The Lessor shall deliver the Equipment in accordance with any sample inspected equipment provided by the Lessor during the selection process or thereafter and approved by the Lessee.
- 2.9 Subject to Clause 8.4 of the Agreement, the Lessor shall bear all loss or damages in respect of the Equipment up to acceptance of the Equipment by the Lessee at the Sites. Notwithstanding anything contained under this Clause, the Lessor shall be responsible and liable for any loss, damages in respect of the Equipment, if such loss or damage is due to the failure by the Lessor to perform maintenance or service the Equipment.

- 2.10. The Lessor shall at its own cost comply with all requirements of any governmental or local governmental or regulatory laws and regulations (particularly with those pertaining to Board of Investment of Sri Lanka, Customs in Sri Lanka or any other country, safety, health, labour, clearing and security) and shall indemnify and hold harmless the Lessee, its directors, officers, employees, representatives from and against any loss, damages, claim, suits, proceedings, penalties, costs and expenses that may arise or imposed due to the non-compliance with any such governmental or local governmental or regulatory laws and regulations.
- 2.11. The Lessor shall repair, remedy and rectify any Defective Equipment as and when informed by the Lessee pursuant to Clause 7, at the sole cost of the Lessor.
- 2.12. The Lessor shall carry out all maintenance of the Equipment, service of the Equipment and as and when informed by the Lessee at the sole cost of the Lessor.
- 2.13. The Lessor shall ensure that the Equipment can be operated in good mechanical and working order at any given time and accordingly Lessor shall, at its own cost and expense be responsible for the routine and day to day servicing and maintenance of the Equipment as well as all carrying out repairs and all major repairs at its own cost in accordance with manufacturer's specifications. The Lessor shall bear all costs in respect of the aforementioned which shall include but not limited to the cost of spare parts, labour and necessary material for such maintenance, servicing and repairs.
- 2.14. The Lessor shall provide all spare parts necessary for the service, maintenance and/or repair of the Equipment at its own cost and expense in order to maintain the Equipment in good mechanical and working order.
- 2.15. The Lessor shall ensure that each Equipment has a serviceability of more than 85% during any calendar month. The serviceability of each of the Equipment shall mean the number of hours the same is in a proper operational and working condition. For example, in a 30-day month, each type of equipment would need to be serviceable for 24 Hrs. x 30 Days x 85% Serviceability = 612 hours. Whenever, a full calendar month is not applicable, the serviceability shall be measured on a proportional basis for the period lesser than a calendar month.
- 2.16. In the event the Lessor fails to maintain a serviceability of 85% for each type of Equipment for a calendar month or a pro-rated period, Lessee shall be entitled to hire or lease an Equipment from a third party for the Lessee's purposes, at the sole cost of Lessor. The Parties shall endeavor to immediately to discover and ascertain the reason for the malfunction of any such Equipment and if it is ascertained that the reason for such malfunction of any Equipment is due to an inherent defect as a result of the maintenance of the Equipment and or lack of maintenance of the Equipment by the Lessor, the Lessee shall not pay rents pertaining to the specific Equipment which is inoperable for the duration of the period that the Equipment remains inoperable. The Lessor shall be liable to pay the difference in the cost of hiring or leasing such substitute or alternate Equipment by the Lessee. The Lessee shall be entitled to the service credit at the rate of 10% of the rental applicable for an hour multiplied by the number of hours by which the serviceability fell short of the required level of 85%, up to the point the Equipment is made operational. However this service credit shall commence only after a particular Equipment has been inoperable for 30 days. For Example, if a particular Equipment has

been inoperable for 33.5 days, then the service credit would be (33.5-30) x 24 x 10% of the hourly rental. For the purpose of ascertaining the rental per hour, a 30-day month, and a 24-hour day shall be considered.

- 2.17. The Lessor shall not interfere and disrupt quiet possession enjoyment, use and possession of the Equipment by Lessee during the period of the Term except to the extent that such interference is required in order to perform Lessor's obligations under this Agreement.
- 2.18. The Lessor warrants that the Lessor has complied with all laws and regulations relating to acquiring the ownership of the Equipment and that the Lessor is duly entitled and has the power to lease the Equipment to the Lessee.
- 2.19. If the Lessor cannot comply with any of its obligations under Clause 2 of the Agreement, the Lessor must notify Lessee in writing immediately.

3. DELIVERY OF EQUIPMENT, DAMAGED EQUIPMENT, LOST EQUIPMENT, WRONGLY SUPPLIED EQUIPMENT AND SHORT DELIVERED EQUIPMENT

- 3.1 The Lessor shall arrange for the transportation of the Equipment to the Sites with least possible delay.
- 3.2 The Lessor shall be responsible for the expeditious handling, clearing and transportation of the Equipment to the Sites, and cost shall be borne by the Lessor. This cost shall include but not limited to any cost of freight, transport, packing, labour, assembly, and assembling of the Equipment, other service costs and for dispatch of Equipment from the country of origin or any other destination to the Sites. No additional cost shall be borne by the Lessee.
- 3.3 The Lessor shall bear all costs associated in delivering the Equipment to the Sites and making the Equipment operational including freight, transport, packing, dismantling, assembly and other service costs. No additional costs in respect of the aforementioned shall be borne by the Lessee.
- 3.4 The Lessor shall obtain at its own risk and expense all necessary/required licenses, approvals and authorizations to import the Equipment to Sri Lanka and deliver the Equipment to the Lessee as envisaged under this Agreement.
- 3.5 The Lessor must obtain any export licence or import license or other official authorisation and carry out, where applicable all customs formalities necessary for the import of the Equipment to Sri Lanka.
- 3.6 The Lessor shall clear, pay all custom duties and obtain all export clearance documents and import clearance documents for the Equipment in order to ship the Equipment to Sri Lanka and deliver the Equipment to the Lessee.
- 3.7 The Lessor shall be responsible for payment of all custom clearance duties and applicable government taxes in Sri Lanka and clear and transport the Equipment from the Port in Sri Lanka to the Sites. The Lessee will not accept responsibility for any additional expenses the Lessor may incur by way of double handling rent, crane hire at the port in Sri Lanka.
- 3.8 **Short Packing of Equipment:** In case of short packing or short shipment of Equipment less than quantities in the invoice, the Lessor shall make good all Equipment short

packed or shipped and delivered to the Lessee and also bear all duplicate payments of Customs Duty and other charges resulting thereof.

3.9 In the case of damage to or loss of any items of Equipment prior to the transfer of risk as set forth in Clause 5, then the Lessor shall make good such damage or loss to the items of Equipment and make the Equipment operational within a reasonable time and not later than 14 days after the acceptance of the Equipment.

3.10 The Lessor shall arrange at his own expense for the covered storage of all Equipment and their protection against corrosion and mechanical damage during storage prior to the acceptance of the Equipment by the Lessee.

3.11 **Damaged Equipment, Lost Equipment and Wrongly Supplied Equipment:** In the event of any item/units of the Equipment being damaged at any stage prior to the handing over of the Equipment to the Lessee at the Sites or if any item of the Equipment are lost during transit from the Lessor's warehouse to the Sites or if any item of the Equipment are wrongly supplied, the Lessor shall replace the said damaged, lost or wrongfully supplied item of Equipment with new ones and shall ensure that supply and delivery of same is affected speedily and no later than Four (04) weeks from the date of notification by Lessee ("Replacement"), at its own cost. The Lessee shall not be liable for any damage or deterioration caused or occurring to the wrongly supplied items of Equipment under Clause 3.10 of the Agreement while in the custody of the Lessee. In the event the Lessor fails to provide any of the item of Equipment within a reasonable period of time, the Lessee shall be at liberty to hire or lease such items of Equipment from another source and the Lessor shall reimburse the Lessee for any cost incurred in respect of same.

3.12 Any item/unit of the Equipment damaged or wrongly supplied under the Agreement, will be rejected at the option of the Lessee. The Lessor shall, upon receipt of the Lessee's notification, effect Replacement within the time stipulated by Lessee at its own cost.

3.13 In any such circumstances as set forth in Clause 3.11 of the Agreement, the Lessee shall open a Letter of Credit and assist the Lessor to deliver the Equipment to the Lessee. All charges incurred by Lessee as payments including but not limited to cost of the lost/damaged Equipment, Letter of Credit and related bank charges, carrier, insurance, clearance, taxes, duties and transportation shall be reimbursed by Lessor to Lessee's, on actuals upon Lessee's demand.

3.14 **Short Delivered Equipment:** Upon written notification by Lessee, the Lessor shall, within the time stipulated by Lessee, effect delivery by air at his own cost of any short-delivered items of the Equipment. In the event of the Lessor fails to provide any item of Equipment within a reasonable period of time, Lessor shall be at liberty to hire or lease such item of Equipment from another provider or supplier and the Lessor shall reimburse Lessee's costs incurred in respect of same on demand.

3.15 In the event of wrongly supplied or short delivered Equipment, the Lessor shall:-

3.15.1 be liable for all damages for late delivery of such items/units of the Equipment and/or as is required by, in accordance with terms and conditions hereof;

- 3.15.2 pay liquidated damages to the Lessee at the rate of 150% of the Monthly Rental for each applicable Equipment that is wrongly supplied or short delivered, calculated from the date the said Equipment is delivered until the replacement Complying Equipment is delivered;
- 3.15.3 collect the wrongly supplied or delivered items/units of Equipment within One (1) month from the date of written notification failing which, the Lessee reserves the right to charge the Lessor all expenses incurred including storage fee of any such wrongly supplied or delivered item of Equipment until collection by the Lessor.

4 OWNERSHIP AND RISK

- 4.1 Title and ownership in the Equipment shall remain with the Lessor despite the acceptance of the Equipment by the Lessee in accordance with Clause 5 of the Agreement.
- 4.2 The Lessor shall bear the risk in the Equipment until the Lessee has inspected and accepted the Equipment pursuant to Clause 4 of the Agreement.
- 4.3 Notwithstanding that risk in whole or in part of the Equipment may have passed to the Lessee pursuant to Clause 4.2 of the Agreement, the Lessor shall remain and be responsible to the Lessee to make good any loss or damage to such Equipment until the acceptance of the Equipment in accordance with Clause 5 of the Agreement.

5. ACCEPTANCE OF THE EQUIPMENT

- 5.1 The Equipment shall be accepted as a whole in accordance with the Specifications as provided for in the Agreement.
- 5.2 During the Compliance Test Period, the Lessee may perform Compliance Tests.
- 5.3 The Lessee have the right to inspect and reject the Equipment (or any part thereof) provided under this Agreement if in its opinion it decides that such Equipment (or any part thereof) fail to meet the Specifications required by the Lessee under this Agreement or does not comply with the Warranty under Clause 6. The Lessee's right to inspect and where necessary, reject the Equipment (or part thereof) after the Equipment arrival at the Sites or after the issuance of Equipment Delivery Acceptance Certificate shall in no way be limited or waived by reason of the Equipment having previously been inspected and passed by the Lessee or its representative prior to the Equipment delivery to the Lessee.
- 5.4 **Compliance Tests:** When the Equipment are received at the Sites, the Lessee shall conduct a quality, safety, operability and quantity inspection of the Equipment and shall accept the Equipment at the Sites, subject to terms and conditions under Clause 5.
- 5.5 If the Equipment fail a Compliance Test:
 - 10.5.1 the Lessee must provide written notice of the non-compliance ("Non Compliance Notice") and shall have the right to reject the non-complying Equipment; and
 - 10.5.2 The Lessor must provide replacement Complying Equipment within the Replacement Period (at the Lessor' cost);
 - 10.5.3 Lessee may obtain substitute equipment for the rejected Equipment of the same standard, technical capacity and Specification as the rejected Equipment and the

Lessor shall reimburse to Lessee all costs incurred by the Lessee in respect of same; and

10.5.4 The Lessor shall pay liquidated damages to the Lessee at the rate of 150% of the Monthly Rental for each applicable Equipment, calculated from the date set forth in the date of Non Compliance Notice until the replacement Complying Equipment is delivered.

5.6 The Lessor shall bear the total cost of the replacement Complying Equipment of which cost shall include the cost of the components, Equipment or materials requiring replacement, the cost of any additional Equipment necessary to effect the replacement, the cost of labour and assistance or development required to make the replacement, and all associated costs, such as, but not limited to, shipping and customs and services that may be required to deliver the replacement Complying Equipment to the Lessee in order to be leased pursuant to this Agreement.

5.7 If the Lessor provides replacement Goods, the Lessee may perform Compliance Tests on the replacement Equipment in accordance with Clause 5.2 and 5.4 of the Agreement subject to Clause 5.5 of the Agreement.

5.8 The Lessee must accept the Equipment (in whole or in part) when satisfied that the Equipment are Complying Equipment. On acceptance, the Lessee must provide the Lessor with a written Equipment Delivery Acceptance Certificate that includes the Acceptance Date in the form set forth in Annex 3.

5.9 If the Goods fail the Compliance Test and the Lessor does not provide replacement Complying Equipment pursuant to Clause 5.5 of the Agreement, the Lessee may terminate this Agreement, and the Lessor must remove the Equipment from the Sites. If the Lessor does not remove the Equipment, the Lessee may (but is not obliged to):

- 5.9.1 fix the Equipment itself or contract with any other person to fix the non-complying Equipment so that they become Complying Equipment and the Lessor must reimburse to the Lessee for all costs incurred in fixing the Equipment;
- 5.9.2 return the Equipment to the Lessor (at the Lessor's cost);
- 5.9.3 move the non-complying Equipment to a storage place (at the Lessor' cost); or
- 5.9.4 dispose of the Equipment at Lessee's discretion.

5.10 In the event the only a part of the Equipment are accepted, the Lessee shall only make payments for the lease of the part of the Equipment that are accepted and shall not be liable for any failure to make payments for the entire Equipment delivered and leased pursuant to this Agreement.

5.11 The Lessor shall provide replacement Complying Equipment in respect of all non-complying Equipment within the Replacement Period, so as to ensure full conformity with the requirements of the Agreement and so long as any such items of Equipment are outstanding, the Lessor shall continue to carry the risk in respect of such non-complying Equipment and shall be responsible for its maintenance and storage.

5.12 As from the date of passing of risk as determined in accordance with Clause 5.8 abovementioned, the Lessee shall assume the risk in respect of all parts of the Equipment (except in respect to non-complying Equipment) as more fully set forth under this Agreement.

6. **WARRANTY**

- 6.1 The Lessor shall warrant to Lessee that the Equipment delivered and leased under the Agreement will comply strictly with the Agreement, and shall be first class in every particular case and shall be free from defects.
- 6.2 The Lessor warrants that the Equipment:
 - 6.2.1 are new (unless otherwise specified);
 - 6.2.2 conform with any description applied and any sample inspected equipment provided by the Lessor during the selection process or thereafter and approved by the Lessee;
 - 6.2.3 conform with the Specifications;
 - 6.2.4 shall be in good mechanical and working condition for the duration of the Term;
 - 6.2.5 are free from defects in materials, manufacture, workmanship
 - 6.2.6 conform to any legally applicable standards or international standards other standards nominated in this Agreement;
 - 6.2.7 are of merchantable quality;
 - 6.2.8 are fit for their intended purpose;
 - 6.2.9 meet industry standards in respect of the Equipment.
- 6.3 The Lessor warrants that it has good and unencumbered title to the Equipment.
- 6.4 The Lessor warrants that the Equipment are manufactured or delivered without infringing any person's Intellectual Property Rights.
- 6.5 The Lessor shall replace and restore the Equipment to the requirements of the Agreement or such other performance levels agreed upon by the Lessee, if the Equipment shall fail to meet such requirements at any time during the Term or has developed a pattern of failure or pattern of degradation that is likely to cause Equipment and to fail to meet such requirements.
- 6.6 This Clause shall survive the expiration and termination of this Agreement.

7. **DEFECTIVE EQUIPMENT**

- 7.1 If an Equipment is a Defective Equipment:
 - 7.1.1 the Lessor must replace the Defective Equipment with a replacement Equipment of the same standard, technical capacity and Specification as the Defective

Equipment within 14 calendar days (or such other time as is agreed) from the notification by Lessee under this Clause with the consent of the Lessee; and

- 7.1.2 The Lessee shall not make any payments for the Defective Equipment for the duration the Defective Equipment is unusable or inoperable by the Lessee and until a replaced Equipment is provided to the Lessee;
- 7.1.3 Lessee may obtain substitute equipment for the Defective Equipment and the Lessor shall reimburse to Lessee all costs incurred by the Lessee in respect of same.

8. OBLIGATIONS AND RIGHTS OF LESSEE

- 8.1 Lessee shall have the right to use, possess, operate the Equipment on an exclusive basis during the Term of the Agreement in accordance to the terms of the Agreement.
- 8.2 The Lessee agrees to use the Equipment only for the purpose for which the Equipment is designed and intended and shall not misuse the Equipment.
- 8.3 The Lessee shall be responsible for damage or loss to the Equipment while it is in the Lessee's custody (except for any damage or loss to the Equipment caused due to any act or omission of the Lessor its employees, agents or sub-contractors) and the Lessee will pay to the Lessor the value of the lost or damaged Equipment as stated in Annex 6 less depreciation at the rate of 10% per annum.
- 8.4 The Lessee shall have quiet possession, enjoyment, use of the Equipment for the Term of the Agreement.

9. RETURN AND REDELIVERY OF EQUIPMENT

- 9.1 Upon expiration or early termination of this Agreement, the Lessee shall return the Equipment to the Lessor in working condition except normal wear and tear at a location determined by the Lessee. The Lessee shall submit to the Lessor a Return Delivery Acceptance Certificate the format of which is provided in Annex 4 of this Agreement as provided by the Lessor at the time of returning the Equipment to the Lessor.
- 9.2 The Lessor shall upon the execution of the Return Delivery Acceptance Certificate, to immediately re-export the Equipment from Sri Lanka to the country of origin or any other destination in accordance to the BOI/Custom regulations of Sri Lanka at its own cost which shall include but not limited to cost for freight, transport, packing, assembling, labour, other service costs, dismantling of the Equipment, or cost of shipment from the Redelivery Location to country of origin or any other destination. No costs shall be borne by the Lessee in respect of same.
- 9.3 The Lessor shall not keep the Equipment in Sri Lanka for whatsoever reason or purpose upon the execution of the Return Delivery Acceptance Certificate.
- 9.4 The Lessor shall complete the documentation required for re-exportation of the Equipment from Sri Lanka to the country of origin or any other destination at its own cost and submit copies of the same to the Lessee immediately. Until such document is submitted by the Lessor to the Lessee, the Lessee shall keep the Equipment in its possession at the cost of Lessor, without incurring any further liability in whatsoever manner, until the copies of the documents necessary for the re-exportation are shared with the Lessee. The Lessor hereby undertakes to indemnify and hold harmless any penalty, loss, costs, legal fees

incurred by the Lessee due to any non-compliance of the Lessor with its obligations under this Clause.

- 9.5 The Lessor must obtain at his own risk and expense any export licence or other official authorisation and carry out, where applicable all customs formalities necessary for the export of the Equipment from Sri Lanka.
- 9.6 The Lessor shall be responsible for payment of all custom clearance duties and applicable government taxes at Colombo and clear the Equipment for shipping from Sri Lanka to the country of origin or any other destination.
- 9.7 Upon the expiry of the Agreement and redelivery of the Equipment to the Lessor, the Lessor shall clear, pay all custom duties and obtain all export clearance documents and import clearance documents for the Equipment in order to ship and redelivery the Equipment to the country of origin.
- 9.8 Upon the expiry of the Agreement and redelivery of the Equipment to the Lessor, the Lessor shall obtain at its own risk and expense all necessary/required licenses, approvals and authorizations, export licenses, import license to export and redeliver the Equipment to the country of origin.

10. INDEMNITY AND LIMITATION OF LIABILITY

- 10.1 The Lessee agrees to defend, indemnify and hold the Lessor harmless from any loss, liability, damage, claim, demand, action or suit of whatsoever nature, including injury or death to person or damage to property caused by gross negligence or willful misconduct of the Lessee, its representatives and agents in particular any damage, claims, costs, or suits caused to the Equipment pursuant to any acts of theft, pilferage, and /or sabotage to the Equipment by Lessee during the period that the Equipment is in Lessee's possession; provided however, the Lessee shall not be liable for any losses, claims, costs, suits or damages to the Equipment due to any acts of theft, pilferage, and/or sabotage when the Equipment is in the possession of Lessor/Agent and/or during any period where maintenance or servicing work is carried out by the Agent.
- 10.2 The Lessor shall indemnify and hold harmless the Lessee, its directors, officers, employees, agents, sub-contractors free and clear from and against any and all losses, costs, expenses including legal fees, claims, damages and liabilities, whether direct or indirect, to the Lessee, its directors, agents, employees, sub-contractors representatives or any third parties that may arise pursuant to this Agreement, in particular pursuant to any:
 - a) claims in by any employees of the Lessor and Agent made pursuant to this Agreement and/or under the Workmen's Compensation Ordinance No. 19 of 1934 as amended or any other law or any failure of the Lessor and /or Agent to discharge its responsibilities or obligations towards its employees, representatives and personnel;
 - b) accident, injury or death caused to any person including employees, agent and sub-contractors of the Lessee or loss or damage to any property including properties of the Lessee, arising out of any act, negligence, willful misconduct or omissions of the Lessor and/or the Agent and/or any of its personnel save and except where such accident,

injury or death or any damage to any property is caused due to the gross negligence and/or willful misconduct of the Lessee;

- c) acts of theft, pilferage of property or other acts committed by the Lessor and the Agent or its personnel which cause financial loss or are likely to bring the Lessee into disrepute;
- d) due breach of any terms and conditions of this Agreement including any representation or warranty of contained in this Agreement;
- e) failure by the Lessor to perform or otherwise fulfil any covenant or other obligation hereunder or any breach or violation of any covenant or other obligation or duty of Lessor under this Agreement or under applicable law;
- f) due to any acts or omission of the Lessor or its servants, agents employees or representatives, subcontractors or any person acting for or on behalf of the Lessor;
- g) due to taxes/charges/cess/levies (and interest or penalties assessed thereon) against SriLankan Airlines that are obligations of the Lessor pursuant to this Agreement;
- h) due to any violation of any laws, regulations, claims by government regulators or agencies for fines, penalties, sanctions or other remedies arising from or in connection with the failure to comply with its regulatory/legal requirements and compliances;
- i) any loss or damage any person or property arising out of or related to the maintenance and/or servicing of the Equipment and/or defect in the Equipment leased under this Agreement ;
- j) due to the Equipment provided to Lessee are not suitable for the use intended and/or does not meet the Specifications set out in this Agreement including alleged illness, injury, death or damage as a result of the use of any the Equipment leased by the Lessor save as to the extent due to acts and omission of gross negligent or willful misconduct of Lessee;

10.3 Notwithstanding anything to the contrary in this Agreement, in no event will either Party shall be liable to the other Party herein for any damages resulting from loss of goodwill; loss of revenues; loss of data, loss of business; loss of profits; or for any incidental, special, exemplary, or consequential damages.

10.4 Notwithstanding anything to the contrary, the Lessee maximum liability to the Lessor for any cause whatsoever under this Agreement shall be limited to any payments due and payable to the Lessor under the Agreement.

10.5 Nothing in this Agreement shall exclude or limit either Party's liability for fraudulent misrepresentation; death, personal injury caused by negligence; Confidentiality obligations; or any liability which cannot be excluded by law or the operation of this Agreement.

11 INSURANCE

The Lessor agrees to arrange and keep in place the undernoted policies of insurance;

- 11.1 An all risk insurance covering the leased equipment for their replacement value including but not restricted to fire/lightning, riot, malicious damage, explosion, terrorism, natural perils, burglary and accidental damage.
- 11.2 A workmen's compensation insurance policy covering all employees involved in the performance of this agreement. The policy shall be extended to cover the perils of riot and terrorism.
- 11.3 A public liability insurance policy with a limit of liability of not less than LKR 2,500,000 per event. The policy shall be extended to cover liability arising out of fire and explosion.

12 TERM & TERMINATION

- 12.1 This Agreement shall be valid for a period of 6 months commencing from [] until [], unless terminated earlier (hereinafter referred to as "**Term**"). The Parties may mutually agree to extend the Term of the Agreement upon the Lessee issuing 30 (thirty) days written notice to the Lessor prior to the expiry of this Agreement and the Lessor communicates its agreement to extend the Term of the Agreement within 10 days of the date of the receipt of such written notice.
- 12.2 The Lessee is entitled to terminate the whole or part of the Agreement forthwith without any penalty at any time: (a) if the Equipment becomes mechanically inoperable, and as a result the Lessee cannot use the Equipment for the intended purpose of the Equipment; or (b) if the serviceability of one of the Equipment in a month remains below 90% for three consecutive months or (c) if the serviceability of one of the Equipment in a month remains below 80% for two consecutive months (d) if Lessor fails to deliver the Equipment in required conditions for the delivery on the Date of Delivery Completion.
- 12.3 Termination of the Agreement shall be without prejudice to the accrued rights and responsibilities of the parties and unless otherwise provided the Lessee shall be liable to pay the Rentals only for the period that the Equipment was operational, and used by the Lessee, less any accrued service credits.
- 12.4 The Lessee may terminate the Agreement with 30 days written notice to the Lessor on whatsoever ground and upon such termination, the Lessee shall pay the Lessor the Monthly Rentals due and payable to the Lessor until the date of termination of this Agreement. The Lessor hereby irrevocably renounces its right to terminate this Agreement without reasons during the period of this Agreement.
- 12.5 Either Party shall have the right to terminate this Agreement at any time by giving written notice to the other Party upon the happening of any of the following events:
 - 12.5.1 if the other Party is in breach of any of the terms or conditions of this Agreement and fails to rectify same within 30 days of the written notice of the breach to the defaulting Party or immediately if the breach is incapable of remedy;
 - 12.5.2 if the other Party shall cease substantially to carry on trade or shall threaten to cease substantially to carry on trade;

12.5.3 if the other Party's license to carry out its business is revoked, cancelled or ceased (for the Lessor its business of leasing of Equipment and for Lessee its airline business)

12.6 The Lessee may at any time terminate the Agreement by giving written notice to the Lessor, without compensation to the Lessor, if the Lessor becomes bankrupt or otherwise insolvent (voluntarily or by law), provided that such termination will not prejudice, affect any right of action or remedy which has accrued or will accrue or will be accrued thereafter to Lessee.

12.7 On termination or expiration of this Agreement, the Lessor shall only be entitled to receive the payment of monies (less any monies as Lessee is entitled to deduct/set-off under this Agreement) for Equipment leased under this Agreement in accordance with the terms of this Agreement until the date of termination or expiration of this Agreement. The Lessor 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 Lessor (including its agents, employees and representatives) as a result of this Agreement.

12. RENT AND PAYMENT

13.1 The Monthly Rental Charges set out in Annex 5 are inclusive of the costs of maintenance and service of the Equipment as agreed in this Agreement. The Lessee shall commence payment of the Monthly Rental Charges upon acceptance of all the Equipment pursuant to this Agreement. No other payment apart from the Monthly Rental Charges (if applicable) shall be payable by the Lessee to the Lessor upon redelivery of the Equipment to the Lessor.

13.2 Commencing from the acceptance of the Equipment, Lessee shall pay the Lessor the Monthly Rental Charge applicable for each type of Equipment as set out in Annex 5 hereto in consideration for the use and lease of the Equipment and maintenance services and servicing provided by the Lessor under the Agreement.

13.3 The Lessee shall pay the Monthly Rental Charges in Sri Lanka Rupees using the conversion rate published by the Central Bank of Sri Lanka applicable on the date of payment. The Lessor shall commence invoicing the Lessee after the Equipment have been made operational for the use by Lessee and the Lessor shall invoice the Lessee for a payment period of 30 days.

13.4 Lessor shall invoice Lessee monthly on arrears basis and send the invoice on or before 10th day of the following month with 30 days credit. Lessee shall settle the invoices within 30 days of the receipt of invoices. In the event an invoice is disputed, the Lessee shall pay the undisputed amount as stated herein and the disputed amount shall be payable within fourteen (14) days of the resolution of the dispute.

13.5 The Lessee is entitled to deduct or set off from the Monthly Rental Charges any payments or service credits due from the Lessor to the Lessee and withhold any payment required by law to be made in paying the Monthly Rental Charges in terms of Clause 6 hereof.

12.6 All payments to be made hereunder by the Lessee to the Lessor shall be made to the following bank account:

Account Name : []

Account Number : []

Bank Details : []

14 GOVERNING LAW AND JURISDICTION

- 14.1 This Agreement shall be governed by the laws of Sri Lanka and subject to the jurisdiction of the Courts in the Western Province of Sri Lanka.
- 14.2 If any dispute or difference whatsoever arises between the parties concerning matters relating to this Agreement or any provision thereof, the Parties herein shall endeavor to resolve the dispute amicably.
- 14.3 Failing amicable resolution of any dispute, the aggrieved party may refer the dispute to the courts in the Western Province of Sri Lanka.

15 FORCE MAJEURE

- 15.1 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 reasonable control, including by way of illustration Acts of God or the public enemy, fire, floods, explosions, epidemics, tsunami, landslides, earthquakes, insurrection, riots or other civil commotion, war, Government order or by any other cause (excluding, however, strikes, lockouts or other labour troubles), which it could not be reasonably be expected to foresee or avoid, then the performance of its obligations in so far as they are affected by such cause shall be excused during the continuance of any inability so caused. Such cause(s) shall however as far as possible be remedied by the affected Party with all reasonable dispatch.
- 15.2 The affected Party shall give the other Party as soon as possible notice of the occurrence or imminent occurrence of a force majeure event as indicated above and where such notice is given verbally it shall be followed immediately in writing.
- 15.3 In the event the force majeure event relates to delivery of Equipment by the Lessor, unless otherwise directed by the Lessee in writing, the Lessor 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. In case of delays in the completion of delivery in accordance to the Date of Completion of Delivery due to any of the force majeure event mentioned above, the Date of Completion of Delivery for the delivery of Equipment shall be extended accordingly.
- 15.4 Neither Party shall be liable to the other for loss or damage sustained by such other Party arising from any force majeure event referred to in this Clause 14 above or delay arising from such force majeure event.

15.5 In the event that either Party shall be rendered wholly or partly unable to carry out its obligations under this Contract as a result of strikes, lockouts and labour troubles, then such Party so incapacitated shall compensate such other for damage and/or loss suffered by such other Party as a result of such strike, lockout or labour trouble.

16 CONFIDENTIALITY

16.1 The Lessor shall not or shall not allow without Lessee's prior written consent, disclose, use, publish, disseminate or otherwise communicate directly or indirectly in whole or in part at any time or in any manner the Agreement, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Lessee, any information relating to the business and operations of Lessee ("Confidential Information") in connection therewith to any person other than a person employed by the Lessor in the performance of the Agreement. Disclosure to any such employed person 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. Such persons shall not disclose, use, publish, disseminate or otherwise communicate directly or indirectly in whole or in part at any time or in any manner any of the Confidential Information without Lessee's prior written consent and the Lessor shall be liable for any disclosure of Confidential Information in breach of this Clause.

16.2 The Lessor shall not, without Lessee's prior written consent, make use of any document or information enumerated in Clause 15.1, except for purposes of performing the Agreement.

16.3 Any document, other than the Agreement itself, enumerated in Clause 15.1 shall remain the property of the Lessee and shall be returned to Lessee on the expiry or termination of this Agreement, if so required by the Lessee.

16.4 There will be no breach of the obligations of the Lessor under this Agreement if the Confidential Information is legally required to be disclosed divulged by any court, tribunal or governmental authority with competent jurisdiction to which the Lessor is subject or the circumstances of its disclosure are permitted by this Agreement.

16.5 The Lessor shall indemnify Lessee against any loss or damage which Lessee may suffer or for which Lessee may become liable as a result of:

- 16.5.1 any disclosure or use of Confidential Information in breach of this Agreement by the Lessor; or
- 16.5.2 any unauthorised disclosure or use of Confidential Information by an authorised persons of the Lessor

16.6 This Clause shall survive the termination and expiry of the Agreement.

17 INTELECTUAL PROPERTY RIGHTS

17.1 The Lessor warrants that the Equipment delivered and leased under this Agreement to the Lessee do not, alone or in combination with each other, infringe any Intellectual Property Rights and the Lessor shall indemnify and hold indemnified Lessee, its affiliates, directors, employees, agents, representatives, subcontractors completely harmless at all times from and any and all claims, demands, damages, liabilities, losses, suits,

proceedings, settlements, judgements, costs, expenses (including reasonably counsel and attorney fees) and expenses arising out of or in connection with any alleged or actual violation or infringement of Intellectual Property Rights in respect to the of Equipment delivered and leased under this Agreement:

- 17.2 The Lessor shall defend Lessee at the Lessor's own cost at any or all such suits or proceedings instituted against Lessee in respect to the Equipment. In the event the Lessor fails to defend the Lessee as aforementioned, the Lessee shall have the right to defend or admit liability in respect of such actual or alleged infringement or violation of any Intellectual Property Rights with regard to the Equipment as set forth in Clause 16.1, and the Lessor shall immediately on demand, indemnify and reimburse to Lessee any losses, costs, damages, liabilities, settlement or judgements imposed or incurred or arising in respect of such actual or alleged infringement or violation of any Intellectual Property Rights in the Equipment.
- 17.3 If the Equipment or any item thereof supplied and delivered under the Agreement is held to constitute an infringement in such action, the Lessor at his own expense will have the choice of taking one or more of the following courses of action;
 - 17.3.1 replace the infringing Equipment (in whole or in part) with a non-infringing Equipment; or
 - 17.3.2 procure for Lessee the right to continue to use such Equipment ; or
 - 17.3.3 if the solutions in either of the two preceding paragraphs cannot be achieved on reasonable terms:
 - (i) refund any advance Rental paid by the Lessee for the use of the infringing Equipment; and
 - (ii) pay to Lessee the amount of any loss or damage sustained as a result of the loss of the Equipment.
- 17.4 Lessee does not grant the Lessor any right, title or interest in any of its Intellectual Property Rights except as expressly authorized in writing by Lessee and the Lessor shall not have any right, title or interest in the said Intellectual Property Rights of Lessee other than the right to use it for purposes of this Agreement for the Term hereof only with the express written consent of the Lessee.
- 17.5 The Lessor shall comply with any and all instructions issued by Lessee in relation to the display of any Intellectual Property Rights of Lessee. Upon expiry or earlier termination of this Agreement, the Lessor shall immediately cease and desist for all times from any use of or reference to Lessee' Intellectual Property Rights and shall return to Lessee' copies or materials containing such Intellectual Property Rights.

18 GENERAL

- 18.1 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, 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. This Agreement may not be assigned by either Party without prior consent of the other Party. Any assignment hereof by either Party shall not diminish the rights of Lessee and increase of the obligations of the Lessee. Any cost of assignment shall be borne by the assigning Party.

- 18.2 This Agreement including Annex 1, 2, 3, 4, 5 and 6 and shall constitute the entire agreement and understanding of the Parties and shall supersede all prior agreements, whether written or oral between the parties hereto concerning the subject matter hereof. No variation in, or modifications of, amendment to the terms of the Agreement shall be binding on the Parties except by written amendment signed by both Parties.
- 18.3 The Lessor shall not assign, transfer (in whole or in part) its obligations under this Agreement, except with Lessee prior written consent. Any assignment or transfer of its obligations shall not increase the obligations of the Lessee or diminish the rights of the Lessee.
- 18.4 Subcontractors:
 - 18.4.1 The Lessor shall notify the Lessee in writing of all subcontracts awarded in respect of the performance of the Agreement if not already specified in the Tender. Such notification, shall not relieve the Lessor from any liability or obligations under the Agreement and the Lessor shall be responsible for the acts, defaults and negligence of any Subcontractor, its agents, servants or workmen as fully as if they were the acts, defaults or negligence of the Lessor. The Lessor shall remain fully liable to Lessee for the proper performance of subcontracted work as if no such sub-contract had been entered into.
 - 18.4.2 The Lessor shall ensure that all subcontracts entered into with sub-contractors for the performance of the sub-contracted work shall be in accordance to the terms and conditions of this Agreement and the Parties agree that any such parts or portions of the subcontracts that are not in conformity with the Agreement shall deem to be invalid and no force in law.
 - 18.4.3 The Lessor shall be responsible for its sub-contractor's compliance with all provisions of the Contract in respect to the sub-contracted work, including the provisions of "Confidentiality".
 - 18.4.4 The Lessor warrants that it will comply with its own payment obligation toward its subcontractors and suppliers in accordance with relevant contractual terms and conditions and in compliance with applicable laws. If it fails to do so, the Lessor shall indemnify, defend and hold Lessee harmless from any claims, actions, suits, liabilities, costs and expenses (including legal costs) arising from and in connection with the payment claims, direct payment, action for recovery of property or indemnification in relation therewith brought by the subcontractors/suppliers against Lessee.
 - 18.4.5 Notwithstanding anything contained in this Agreement, the sub-contracting of sub-contracted work shall not in any event increase the Lessee's obligations or diminish the Lessee's rights under this Agreement.
- 18.5 The right and remedies of the Lessee against the Lessor for the breach of any condition and for obligations undertaken by the Lessor under this Agreement shall not be prejudiced or deemed to be waived by reason of any indulgence or forbearance of the Lessee.
- 18.6 Notice:
 - 18.6.1 Except otherwise as specified 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 served or given in writing and in the English language and shall be sent or delivered by hand delivery or by registered mail or by email or facsimile transmission in the case of either Party to the designated officer and address set out below:

In the case of the Lessee to:

Name: Lakmini Jayasinghe

Designation: Commercial Procurement Manager

Address: SriLankan Airlines Ltd, Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka.

Tel: +94 (0)1 9733 2773

In the case of the Lessor to:

Name:

Designation:

Address:

Tel:

18.6.2 A notice shall become effective as follows:

- (i) in the case of hand delivery on delivery;
- (ii) in the case of courier or registered mail five (05) Business Days upon sending the registered mail;
- (iii) in the case of courier three (03) Business Days upon sending the courier;
- (iv) in the case of facsimile or email transmission, 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.

18.7 The Lessor shall not issue any press release or other public or media announcement or activity related to this Agreement or the Equipment leased under this Agreement or referring to SriLankan Airlines or any of its affiliates or their services or business, whether written or oral, without the prior written consent of Lessee, except as required by law or a court order.

18.8 Time shall be of essence with respect to each and every obligation of the Lessor hereunder and under the Agreement.

18.9 Neither failure nor delay on the part of either Party 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 either Party of any right, remedy, power or privilege preclude any other or further exercise of the same or any other right, remedy, power or privilege, nor shall any waiver by either Party of any right, remedy, power or privilege with respect to any occurrence or the breach of any condition and obligations undertaken by the other Party under this Agreement be construed as a waiver thereof with respect to any other occurrence. A waiver by either Party of any breach or default by the other Party will not be construed as a continuing waiver of the same or any other breach or default under the Agreement.

19 DEFINITIONS

19.1 In this Agreement, unless otherwise required, the following terms shall be interpreted as indicated:

"Agreement" means this Lease Rental Agreement entered between the Parties including all Annexures and all documents incorporated by reference therein and any amendments made to the Agreement by the Parties from time to time; ***"Acceptance Date"*** means the date the Equipment is accepted by the Lessee as set forth in Clause 5.8 of the Agreement in order to be leased for the duration of the Term;

"Business Day" means any day that is not a Saturday or Sunday or a public holiday in Sri Lanka;

"Complying Equipment" are Equipment that comply with the Lessor's warranties in Clause 6 of the Agreement and as set forth under this Agreement;

"Compliance Tests" means tests performed on the Equipment to ensure they comply with the Lessors warranties in Clause 6 of the Agreement and as set forth under this Agreement;

"Compliance Test Period" means the 14 calendar days from the Date of Completion of Delivery;

"Lessor" means [] who is delivery and leasing the Equipment to the Lessee under this Agreement

"Date of Completion of Delivery" means the date informed by the Lessee to the Lessor, by which the Equipment or part thereof shall be delivered and leased to the Lessee, taking into account all changes of the delivery period as mutually agreed by the Parties in writing;

"Defective Equipment" means Equipment that do not comply with the Lessor's warranties in Clause 6 of the Agreement and/or any defects, inherent defects, breakdowns, mechanical breakdowns, technical defects, inoperability of the Equipment as and when informed by the Lessee;

"Equipment" means the ground handling equipment as more fully set forth in Annex 1 required to be delivered and leased by the Lessor under the Agreement; ***"Intellectual***

Property Rights" means all rights in the nature of copyright, design rights, patents, trade-marks, trade names, logos, data base rights, labels, service marks, other distinctive brand features or business identifiers, applications for any of the above, moral rights, know-how, domain names or any other intellectual or industrial property rights (and any licences in connection with any of the same) whether or not registered or capable of registration and whether subsisting in Sri Lanka or any other part of the world;

"Party" means individually SriLankan Airlines Limited or the Lessor and ***"Parties"*** means collectively SriLankan Airlines Limited and the Lessor; ***"Lessee"*** means SriLankan Airlines Limited, its successors and permitted assigns;

"Port" means Port/Airport as the case may be;

"Specifications" means Specification for the Equipment as set forth under Annex 1 of the Agreement, which the Lessor is required to deliver to the Lessee and lease to the Lessee under the Agreement and design criteria as may be developed from time to time by Lessee or Lessor and approved by Lessee in respect to the Equipment.

"Subcontractor" means a natural or juridical person who has entered into an agreement with the Contractor to carry out certain parts of the Contract on behalf of the Contractor and with the written consent of SriLankan Airlines;

"Sites" means the Delivery and Redelivery Locations set forth in Annex 2;

"Tender" means the Lessor's offer to the Lessee for the delivery and leasing of the Equipment;

19.2 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 signatories to place their hands hereunto and to one other of the same tenor on this [] day of [] 2017.

For SRILANKAN AIRLINES LIMITED

For []

Signature

Signature

Name and Designation

Name and Designation

Witnessed By

Signature

Signature

Name & Designation

Name & Designation

Annex 1

Pallet dollies and Specifications of the Equipment

1.1 List of Equipment:

1.1.1 The List of Equipment to be leased to the Lessee by the Lessor pursuant to this Agreement:

Name of the equipment	Quantity
Pallet Dollies	50

1.1.2 The Lessor shall freshly paint all Equipment set forth under Clause 1.1 of Annex 1 leased to the Lessee pursuant to the Agreement in the colour white prior to delivery of the Equipment to the Lessee.

1.2 The Specifications of the Equipment:

Annex 2

Delivery Location:

The Equipment shall be delivered by the Lessor to Bandaranaike International Airport, Sri Lanka, as specified by the Lessee.

Date of Completion of Delivery

by []

Redelivery Location

At the expiry or termination of the Agreement the Equipment shall be taken charge of at Bandaranaike International Airport by the Lessor on the date and at the location as determined/instructed by the Lessee to the Lessor.

Annex 3

Delivery Acceptance Certificate

[Sample]

Pallet Dollies

Delivery Condition

Defects/ Faults

The Lessee hereby certify acceptance of the Equipment subject to the above conditions of the Equipment and in accordance to the terms and conditions of the Agreement dated between SriLankan Airlines Limited, []

For SRILANKAN AIRLINES LIMITED

Signature:

Name:

Designation:

For []

Signature:

Name:

Designation:

Annex 4

RETURN DELIVERY ACCEPTANCE CERTIFICATE

[Sample]

[] ("Lessor") hereby acknowledges that on this _____ day of January 2017, SRILANKAN AIRLINES LIMITED ("Lessor") did deliver for inspection and acceptance by Lessee under the Lease Rental Agreement made between Lessor, Lessee and First Aviation Services (Private) Limited dated as of (as amended and supplemented time to time) ("Lease") the Equipment, as described below in accordance with the Lease. Capitalised terms used but not defined herein shall have the meanings given such terms in the Lease.

1. 50 Pallet Dollies

2. Acceptance of Re-Delivery of Equipment

- (a) Lessor hereby confirms to the Lessee on at at , Sri Lanka the acceptance of the above described Equipment is in accordance with the terms and conditions for re-delivery set forth in the Lease and, is satisfactory in all respects that the Equipment is in the good working order and in proper working condition required for re-delivery of the Equipment as set forth under the Lease.
- (b) Lessor confirms that the Equipment has been examined by its duly appointed and authorised representatives and the same conforms to the information set forth above.
- (c) The Lessor and the Lessee acknowledges and agrees that all obligations of the respective parties under the Lease including any payment obligations of the Lessee expired on upon the termination or expiry of the Lease.
- (d) The Lease and the obligations of every kind and nature thereunder in respect to the re-delivery of the Equipment has been fully, duly and timely performed by the Lessee and the Lessee's obligations under the Lease have been discharged with effect from and the Lessor has no claims, offsets, deductions, set-offs or defenses of any kind or nature in connection with the Lease in respect to the Equipment.
- (f) The execution and acceptance of the re-delivered Equipment pursuant to this Return Delivery Acceptance Certificate by Lessor (i) signifies Lessor's absolute and irrevocable acceptance by Lessor of the Equipment under the Lease with effect from , (ii) constitutes conclusive and irrebuttable proof that the

Equipment is delivered in good working order and in proper working condition required by the Lease, (iii) Lessor hereby expressly waives any right it may have to revoke acceptance of the redelivery of the Equipment pursuant hereto for any reason, notwithstanding any nonconformity, discovered, difficult of discovery, or undiscovered, on the date hereof, and (iv) Lessor hereby unconditionally and irrevocably waives its right to revoke acceptance of re-delivery of the Equipment.

- (g) The Lessor and the Lessee agree that the Equipment were imported by the Lessee for its use under the Lease availing its concessions under the law. Therefore, the Lessor undertakes that upon the execution of this Return Delivery Acceptance Certificate that the Lessor shall re-export the Equipment from Sri Lanka to the country of origin in accordance to the BOI/Custom regulations of Sri Lanka immediately at its cost and that it shall not keep the Equipment in Sri Lanka for whatsoever reason or purpose. Accordingly, the Lessor shall complete the documentation required for re-exportation of the Equipment at its cost and submit copies of the same to the Lessee immediately. The Lessor hereby agrees that the Lessee shall keep the Equipment in its possession at the cost of Lessor, without incurring any further liability in whatsoever manner, until the copies of the documents necessary for the re-exportation are shared with the Lessor. The Lessor and the Lessee hereby agree that notwithstanding the execution of this Return Delivery Acceptance Certificate, the Lessee is under no obligation to release or handover the Equipment to the Lessor under the Lease until the documents necessary for re-exportation of the Equipment are shared with the Lessee to its satisfaction. The Lessor hereby undertakes to indemnify and hold harmless any penalty, loss, costs, legal fees incurred by the Lessee due to any non-compliance of the Lessor with its obligations under Clause (g) of this Return Delivery Acceptance Certificate.
- (h) The Lessor and the Lessee agree that the outbound shipment cost payable by the Lessee for the transportation of the Equipment after the release and handing over of the Equipment is USD [.....] and upon the payment of the said sum, the Lessee is fully discharged from its obligations under the Lease in respect of any payment of costs to the Lessor for freight, transportation, dismantling, assembling of the Equipment and any other related services to transport the Equipment from Sri Lanka to the country of origin.

3. Governing Law

THIS RETURN DELIVERY ACCEPTANCE CERTIFICATE (AND ANY NON-CONTRACTUAL OBLIGATIONS ARISING OUT OF OR IN CONNECTION THEREWITH) SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF SRI LANKA.

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Return Delivery Acceptance Certificate to be duly executed by their duly authorised representatives on the date first above written.

SRILANKAN AIRLINES LIMITED
Lessee Lessor

By: _____ By: _____
Name: _____ Name: _____
Title: _____ Title: _____

WITNESS:

1. _____ 2. _____

Name: _____ Name: _____

Title: _____ Title: _____

Annex 5

Part 1: Rental Charges

- 1.1 The Lessee shall pay the Lessor a sum of as Total Monthly Rental Charges for the lease of the Equipment pursuant to this Agreement during the Term.
- 1.2 The Monthly Rental Charges applicable for each of the leased Equipment is as follows:

Annex 6

MARKET VALUE OF GROUND SUPPORT EQUIPMENT