



**Government of Pakistan  
Ministry of Privatisation  
(Privatisation Commission)**

**REQUEST FOR PROPOSAL (RFP)**

**HIRING OF FINANCIAL ADVISOR FOR**

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# I. Letter of Invitation

Islamabad, the 8th September 2023

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Dear Sir /Madam

This Request for Proposals (RFP) has been addressed to the Interested Parties / IPs.

1) The Financial Adviser shall be selected under *Quality & Cost Based Selection*(QCBS) procedure as described in this RFP, in accordance with the provisions of Privatisation Commission (Hiring of Financial Advisers) Regulations, 2018 and the Public Procurement Consultancy Regulations, 2010.

2) The RFP includes the following documents:

- I. Letter of Invitation
- II. Instructions to Financial Advisors and Data Sheet
- III. Technical Proposal- Standard Forms
- IV. Financial Proposal - Standard Forms

## **Appendices**

- A. Terms of Reference
- B. Financial Advisory Services Agreement (FASA)

3) Interested Parties are also required to submit their Technical & Financial Proposal along-with non-refundable processing fee of USD 1,000 (United States Dollars One Thousand only) by banker's cheque or wire transfer to following bank account:

Bank Name:	National Bank of Pakistan
Account Title:	Privatisation Commission
CIF No:	2291607
Account No:	3035236082
IBAN:	PK72NBPA0341003035236082
Swift Code:	NBPAPKKA02I

Yours sincerely,

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Privatisation Commission

4<sup>th</sup> Floor, Kohsar Block, New Pak Secretariat,  
Constitution Avenue, Islamabad.

Phone No. +92-51-9204593

Email: [dgamc@privatisation.gov.pk](mailto:dgamc@privatisation.gov.pk)

WhatsApp: +92 336 1006 352

## II: Instructions to Financial Adviser / Interested Parties

*[Note: Instructions to Financial Adviser / Interested Parties shall not be modified.]*

### Definitions

- (a) “Client” means Privatisation Commission (the “PC”) established under section 3 of Privatisation Commission Ordinance, 2000;
- (b) “Data Sheet” means such part of the instructions to IPs used to reflect specific conditions of the transaction;
- (c) “Evaluation Committee” means a committee constituted by the Chairman, comprising not less than three persons with the purpose of evaluating the technical and financial proposals submitted by the interested parties;
- (d) “FA” means an external financial adviser hired by the Client to advise on a major privatisation as defined in the Privatisation Commission (Hiring of Financial Advisers) Regulations, 2018;
- (e) “Federal Government” means the Government of Pakistan;
- (f) “Financial Advisory Services Agreement” or “FASA” means the Agreement to be signed between the Client and the Financial Adviser;
- (g) “Interested Party” or “IP” means a body corporate or firm which has submitted the technical proposal and the financial proposal and paid the fee, if any;
- (h) “proposals” means both the technical proposal and the financial proposal;
- (i) “sub-contractor” means an entity to whom the IP intends to subcontract part of the services while remaining responsible to the Client during the performance under FASA;
- (j) “Terms of Reference” or “TOR” means the Terms of Reference attached with this RFP which explains the objectives, scope of work, activities, tasks to be performed and responsibilities of the Financial Adviser;
- (k) “third party” means any person or entity other than the Federal Government, the Client, the IP/ Financial Adviser or a sub-contractor; and
- (l) “working day” means an official working day, in which official business is conducted by the Client.

### 1. Introduction

- 1.1 The IPs are invited to submit the technical proposal and financial proposal for the performance of services under the Terms of Reference (TORs). The proposals should be made

in separate marked and sealed envelopes both for technical and financial proposals.

1.2 IPs should familiarize themselves with assignment conditions and take them into account in preparing their proposals. IPs may contact the Client to obtain any clarifications till 7 days prior to the last date for submission of proposals.

1.3 IPs shall bear all costs associated with the preparation and submission of their proposals and FASA negotiation. The Client is not bound to accept any proposal and reserves the right to annul the selection process at any time prior to award of FASA, without thereby incurring any liability to an IP.

**Conflict of Interest**

1.4 The Client requires that IP to provide professional, objective, and impartial advice and at all times hold the Client's interest's paramount, strictly avoid conflicts with other assignments or their own corporate interests.

1.5 IP has an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the IP.

**Fraud and Corruption**

1.6 The Client requires IPs participating in its assignments to adhere to the highest ethical standards, both during the selection process and throughout the execution of FASA. In pursuance of this policy, the Client:

(a) defines, for the purpose of this paragraph, the terms set forth below as follows:

“corrupt and fraudulent practices” includes the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official or the supplier or contractor in the procurement process or in contract execution to the detriment of the Client; or misrepresentation of facts in order to influence a procurement process or the execution of a contract, collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Client of the benefits of free and open competition and any request for, or solicitation of anything of value by any public official in the course of the exercise of his duty;

(c) will reject a proposal for award if it determines that the IP recommended for award has, directly or

through an agent, engaged in “corrupt and fraudulent practices” in competing for FASA; and

- (d) will sanction an IP, including declaring the IP ineligible, either indefinitely or for a stated period of time, to be awarded FASA if at any time it determines that the IP has, directly or through an agent, engaged in “corrupt and fraudulent practices” in competing for, or in executing FASA.

1.7 IP and its sub-contractors, if any, are not under a declaration of ineligibility for corrupt and fraudulent practices issued by the Client under paragraph 1.6.

**Proposal  
Validity**

1.8 The Data Sheet indicates how long IPs’ proposals must remain valid after the submission date. During this period, IP shall maintain the availability of professional staff nominated in the technical proposal. Client may request the IP to extend the validity period of its proposals. IP who agrees to such extension shall confirm that it will maintain the availability of the professional staff nominated in the proposal, or in its confirmation of extension of validity of the proposal, IP could submit new staff in replacement acceptable to the Client.

**2. Clarification of  
RFP Documents**

2.1 IP may request a clarification of any part of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing, or by standard electronic means to the Client’s address indicated in the Data Sheet.

2.2 At any time before the submission of proposals, the Client may amend the RFP by issuing/publishing an addendum in writing. To give IPs reasonable time in which to take an amendment into account in their proposals, the Client may, if the amendment is substantial, extend the deadline for the submission of proposals. If an IP has submitted its proposals / bid before the amendment of RFP, it is entitled to the return of unopened proposals from the Client before the last date fixed for the submission of proposals. An IP is not entitled to the return of proposal if no amendment in the RFP is made after the submission of the proposal.

**3. Preparation of  
Proposals**

3.1 The proposal, as well as all related correspondence exchanged by the IP and the Client, shall be written in the language specified in the Data Sheet.

3.2 In preparing their proposals, IPs are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested or

making a proposal conditional may result in rejection of the proposal.

**Technical Proposal Format and Content**

- 3.3 The technical proposal shall provide the information indicated in the following paragraphs from (a) to (d) using the attached Standard Forms. A page is considered to be one printed side of A4 or letter size paper.
- (a) A brief description of the IP’s organization and an outline of recent experience on assignments of a similar nature is required in Form TECH-2.
  - (b) A description of the approach, methodology and work plan for performing the assignment covering the following subjects: technical approach and methodology, work plan, and organization with profile of key professional staff. Guidance on the content of this section of the technical proposals is provided under Form TECH-3.
  - (c) The list of the proposed professional staff team by area of expertise. (Form TECH-4).
  - (d) CVs of the key professional staff signed by the staff themselves or by the authorized representative of the professional staff (Form TECH-5).

**Taxes**

- 3.4 The FA will be subject to all applicable taxes on amounts payable by the Client under FASA. IPs shall submit proposals inclusive of all applicable taxes.

**4. Submission, Receipt, and Opening of Proposals**

- 4.1 The original proposal (technical and financial proposals) shall contain no interlineations or overwriting. Submission letters for both technical and financial proposals should be in the format of attached Forms.
- 4.2 An authorized representative of the party shall initial all pages of the original Technical and Financial proposals. The authorization shall be in the form of a written power of attorney accompanying the proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed technical and financial proposals shall be marked “ORIGINAL”.
- 4.3 The technical proposal shall be marked “ORIGINAL” or “COPY” as appropriate. The proposals shall be sent to the addresses referred to in paragraph. 4.5 and in the number of copies indicated in the Data Sheet. All required copies of the technical proposal are to be made from the original. If there are discrepancies between the original and the copies of the technical proposal, the original shall prevail. [electronic submission of proposals/ copies may be

considered with password protection. Separate dates and time may be given for sharing of password. ]

- 4.4 The original and all copies of the technical proposal shall be placed in a sealed envelope clearly marked “TECHNICAL PROPOSAL” followed by the name of the assignment. The original financial proposal shall also be placed in a sealed envelope clearly marked “FINANCIAL PROPOSAL” followed by the name of the assignment. The envelope(s) containing the technical and financial proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and title of the Assignment, clearly marked “**DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED, BEFORE SUBMISSION DEADLINE**”. The Client shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and marked as stipulated. Any violation of these instructions may lead to rejection of the proposal.
- 4.5 The proposals must be sent to the address indicated in the Data Sheet and received by the Client no later than the time and the date indicated in the Data Sheet, or any extension to this date in accordance with paragraph. 2.2. Any proposal received by the Client after the deadline for submission shall be returned unopened.
- 4.6 The Client will open the technical proposals on the date and time mentioned in Data Sheet after the deadline ends for their submission, in the actual or virtual presence of representatives of bidders, if opt to be present.

## **5. Proposal Evaluation**

- 5.1 From the time, the technical proposals are opened to the time the financial proposals are opened, the IPs should not contact the Client on any matter related to its technical or financial proposals. Any effort by an IP to influence the Client in the examination, evaluation, ranking of proposals, and recommendation for award of FASA may result in the disqualification of the IP and rejection of its proposals.

## **Evaluation of Proposals**

- 5.2 The evaluation committee shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the Data Sheet. Each responsive proposal will be given a technical score (St). A proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet. The evaluation committee may require the IPs to make powerpoint presentation for the technical proposal.

- 5.3 After the technical evaluation is completed, the Client shall notify those parties / IPs whose proposals are considered non-responsive to the RFP and TORs or do not meet the minimum qualifying technical score, that their financial proposals will be returned unopened after completing the selection process and signing of FASA. The Client shall simultaneously notify in writing those parties that have achieved the minimum qualifying technical score and inform them of the date, time and place for the opening of the financial proposals. The party's attendance at the opening of the financial proposals is optional and is at the party's choice.
- 5.4 The financial proposals shall be opened by the Client in the actual or virtual presence of the representatives (who opt to be present) of those whose proposals have passed the minimum qualifying technical score. At the opening, the names of the parties, and the overall technical scores, including the break-down of criterion, shall be read aloud. The financial proposals will then be inspected to confirm that they have remained sealed and unopened. These financial proposals shall then be opened, and the financial bid shall be read aloud and recorded.

**6. Negotiations & Award of Contract**

- 6.1 The negotiations with the top ranked IP shall be limited to the issues related to milestones and phases, deliverables, contract duration and procedures for disbursements. The invited top-ranked IP shall, as a pre-requisite for attendance at the negotiations, confirm availability of all professional staff or seek their replacement under paragraph 6.2. Failure in satisfying such requirements within the time fixed by the Client may entitle the Client to initiate negotiations with the next-ranked IP. Representatives conducting negotiations on behalf of the qualified IP must have written authority to negotiate and conclude FASA.

**Availability of Professional staff**

- 6.2 Having selected the FA on the basis of, among other things, an evaluation of proposed professional staff, the Client expects to negotiate FASA on the basis of the professional staff named in the technical proposal. Before FASA negotiations, the Client will require assurances that the professional staff will be actually available. The Client will not consider substitutions during FASA negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable. The Client may consider substitution of any member of professional staff only based on the IP's written request and due to circumstances outside the reasonable control of the IP.

- In such case, the IP shall provide an equally qualified and experienced replacement acceptable to the Client.
- Association of a Sub-contractor**
- 6.3 If an IP considers that it may enhance its expertise for the assignment by associating with any party as sub-contractor, it may do so by associating any sub-contractor in the proposal.
- Third Party**
- 6.4 An IP may make provision in the out of pocket expenses for engagement of a third party necessary or likely to be necessary for the transaction.
- Only One Proposal**
- 6.5 The IP (including individual members of any consortium) shall submit only one proposal. If a party including any member of IP or sub-contractor submits or participates in more than one proposal, all such proposals shall be disqualified and rejected.
- Conclusion of the negotiations**
- 6.6 After negotiations under paragraph 6.1, the Client and the FA shall initial (actual or electronic) the FASA. If negotiations with top ranked IP fail, the Client will invite the IP whose proposals received the second highest score for negotiations under paragraph 6.1.
- 7. Award of FASA**
- 7.1 The Client shall award FASA to the selected IP and promptly notify all others who have submitted proposals.
- 7.2 The FA is expected to commence the assignment on the date and at the location specified in the Data Sheet.
- 7.3 The Transaction shall be implemented in accordance with the TORs and continuation of transaction advisory services shall be subject to satisfactory performance of the Financial Adviser ('FA') as determined by the Client.

## Instructions to IP

### DATA SHEET

Paragraph Reference										
1.8	Proposals must remain valid for 90 days after the last submission date.									
2.1	<p><b>Clarifications may be requested not later than seven <u>(07) working</u> days prior to the last date of submission of proposals.</b></p> <p>The contact information for requesting clarifications is on the following official email or in writing to: Email: <a href="mailto:dgamc@privatisation.gov.pk">dgamc@privatisation.gov.pk</a></p> <p>Director General (I&amp;T/P&amp;U) Privatisation Commission 4<sup>th</sup> Floor, Kohsar Block, New Pak Secretariat, Constitution Avenue, Islamabad, Pakistan.</p>									
3.1	Proposals shall be submitted in the <u>English language</u> .									
4.3	IP must submit the original (hard/soft with password protection) and password protected soft copies of the proposals.									
4.5	<p><b>The Proposal submission address is:</b></p> <p>Privatisation Commission 4<sup>th</sup> Floor, Kohsar Block, New Pak Secretariat, Constitution Avenue, Islamabad, Pakistan. Telephone: <a href="tel:+92519204593">+92 (51) 9204593</a> Email: <a href="mailto:dgamc@privatisation.gov.pk">dgamc@privatisation.gov.pk</a></p> <p>Proposals must be submitted on or before <b>09<sup>th</sup> October 2023</b> till <b>1530</b> hours Pakistan Standard Time (PKT).</p>									
4.6	The Client will open the technical proposals on the last date of submission at 1600 hours PKT.									
5.2	<p>Criteria, sub-criteria, and point system for the evaluation of the full technical proposals: -</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">S. No.</th> <th style="text-align: center;">Evaluation criteria</th> <th style="text-align: center;">Weightage</th> </tr> <tr> <th style="text-align: center;">1</th> <th style="text-align: center;">2</th> <th style="text-align: center;">3</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">(a)</td> <td><b>Experience of the IP related to the assignment: -</b></td> <td style="text-align: center;"><b>30%</b></td> </tr> </tbody> </table>	S. No.	Evaluation criteria	Weightage	1	2	3	(a)	<b>Experience of the IP related to the assignment: -</b>	<b>30%</b>
S. No.	Evaluation criteria	Weightage								
1	2	3								
(a)	<b>Experience of the IP related to the assignment: -</b>	<b>30%</b>								

	<p>I. Global Ranking of IP in any of the Globally Recognised League Tables for North America/USA during the last 05 years (10 marks)</p> <p>II. Ranking in any of the Globally Recognised League Tables for Real Estate Sector for North America/USA during last 05 years (10 marks)</p> <p><u>Marking scheme for I &amp; II above criteria:</u></p> <ul style="list-style-type: none"> <li>• Ranked amongst Top 10 – 10 marks</li> <li>• Ranked amongst 11 - 15 – 5 marks</li> <li>• Ranked amongst 16 - 20 – 3 marks</li> <li>• Not Ranked – 0 marks</li> </ul> <p>III. Successfully completed similar Transaction Advisory mandates in Real Estate, preferably in North America during the last 10 years (Only mention successfully completed mandates) (10 Marks)</p> <p><i>Note: Globally Recognised League Tables for this criteria means the league tables as published by Bloomberg; Thomson Reuters; Dealogic; and Merger Market.</i></p>	
(b)	<p><b>Competence of Team (Key Professionals)</b></p> <p><b>FA Designated Team (15 marks)</b></p> <p>a) Nominated Project Director (10 marks)</p> <p><u>Marking scheme for Project Director:</u></p> <ul style="list-style-type: none"> <li>• 3 or more similar mandates completed – 10 marks</li> <li>• 1-2 similar mandates completed – 6 marks</li> <li>• NIL similar mandates completed – 0 marks</li> </ul> <p>b) FA Designated Team Profile (05 marks)</p> <p><b>Sub- Contractor(s) of FA (15 marks)</b></p> <p>c) Law Firm Ranking in any of the Globally Recognized league Tables for North America / USA (preferably New York and Real Estate Sector) during the last 5 years (10 marks)</p> <p><u>Marking scheme for above criteria:</u></p>	<b>30%</b>

	<ul style="list-style-type: none"> <li>• <i>Ranked amongst Top 10 – 10 marks</i></li> <li>• <i>Ranked amongst 11 - 15 – 5 marks</i></li> <li>• <i>Ranked amongst 16 - 20 – 3 marks</i></li> <li><i>Not Ranked – 0 marks</i></li> </ul> <p>d) Ranking &amp; Profile of other Sub-Contractor(s) identified by FA/IP (05 marks)</p> <p><i>Note: Globally Recognised League Table for this criteria means the league table as published by Chambers and Partners; Legal 500; Bloomberg; IFLR 1000; Am Law 200; NLJ 500; and Global 200.</i></p>	
(c)	<p><b>Technical Approach and Methodology &amp; Work Plan</b> (25 marks)</p> <p>a) Understanding of the sector and contextualization of envisaged Transaction (08 Marks)</p> <p>b) Comparative analysis of the Transaction Structuring options and recommendation to successfully complete the Transaction; and (07 Marks)</p> <p>c) Identification of prospective investor(s) and effectiveness of IP’s conceived marketing strategy. (10 Marks)</p> <p><i>NOTE: Marks will be distributed on clarity of methodology, relevance and nexus to TORs; realistic and implementable work plan; balance and skill mix of overall team composition; proper input of experts in the work plan as per FORM TECH-3.</i></p>	<b>25%</b>
(d)	<p><b>Effectiveness of presentation</b></p> <p>a. Elaboration as to how IP will undertake the Transaction besides showcasing reasonability of implementation schedule of activities/tasks of the Transaction, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and tentative delivery dates of the reports/key milestones.</p> <p>b. Due consideration will be made in assessing the understanding of the mandate by the IP, besides, acquaintance with legal &amp; regulatory regime/framework, identification of key issues, including market dynamics, identification of</p>	<b>15%</b>

	<table border="1" data-bbox="411 203 1369 309"> <tr> <td data-bbox="411 203 539 309"></td> <td data-bbox="539 203 1193 309">potential investors and effectiveness of conceived marketing strategy.</td> <td data-bbox="1193 203 1369 309"></td> </tr> </table> <p data-bbox="392 383 1294 454"><b>Total Points for the three criteria: 100%</b> <b>The minimum technical score required to pass is: 70 Points</b></p>		potential investors and effectiveness of conceived marketing strategy.	
	potential investors and effectiveness of conceived marketing strategy.			
<p data-bbox="212 521 256 555"><b>5.2</b></p>	<p data-bbox="392 521 1002 555"><b>Scoring of technical and financial proposals:</b></p> <p data-bbox="392 562 1393 629">The technical proposal shall be assigned a score (Str) which shall be scaled up to constitute a final technical score (St) in the following manner:-</p> $St = Str \times 100 / St_{max}$ <p data-bbox="488 707 1353 741">where <math>St_{max}</math> = Score of the highest ranked IP on technical criteria.</p> <p data-bbox="392 779 1393 813">The financial score (Sf) shall be calculated in the following manner, namely:-</p> $Sf = 100 \times (F_{min} / F_f)$ <p data-bbox="488 891 935 925">where <math>F_{min}</math> = Lowest total fee bid and <math>F_f</math> = Total fee bid by the IP under consideration.</p> <p data-bbox="392 1003 1385 1070">The combined technical and financial proposal (Sc) shall be calculated in the following manner, namely: -</p> $Sc = 0.80 \times St + 0.20 \times Sf$			
<p data-bbox="212 1193 256 1227"><b>7.2</b></p>	<p data-bbox="392 1193 1126 1227"><b>Expected date for the commencement of the Services:</b></p> <p data-bbox="392 1234 895 1267">Within <u>05</u> days after signing of FASA.</p>			

### **III: Technical Proposal - Standard Forms**

*[Comments in brackets [] provide guidance to the IPs for the preparation of their technical proposals; they should not appear on the technical proposals to be submitted.]*

TECH-1 Technical Proposal Submission Form

TECH-2 IP's Organization and Experience

A IP's Organization

B Experience

TECH-3 Description of the Approach, Methodology and Work Plan for Performing the Assignment

TECH-4 Team Composition and Task Assignments

TECH-5 Curriculum Vitae (CV) of Key Professional Staff

[Location, Date]

To: [Name and address of Client]

Dear Sir,

We, the undersigned, offer to provide the advisory services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date]. We are submitting our proposals which includes this technical proposal and financial proposal in separate envelopes.

We are submitting our proposals in association with: [Insert a list with full name and address of each associated sub-contractor]

We declare that all the information and statements made in our proposals are true and accept that any misinterpretation contained in it may lead to our disqualification.

Our proposals are binding upon us.

We understand you are not bound to accept any proposal, you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

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## FORM TECH-2 IP'S ORGANIZATION AND EXPERIENCE

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### **A - Organization**

*[Provide here a brief (two pages) description of the background and organization of your entity (including organogram) and each sub-contractor for this assignment.]*

## B - Experience

*[Using the format below, provide information on each successfully concluded assignment/mandate for which your entity, and each sub-contractor for this assignment, was legally contracted as an entity or as part of the consortium, for carrying out services similar to the ones requested under this Assignment. Use maximum 5 pages. Please provide Client's certification and/or evidence of the contract agreement.]*

Title of the assignment:	Value of the agreement (in USD):
Name of Client:	Region / location of successfully completed assignment:
Duration of Assignment:	
Name of senior professional staff engaged / worked on the assignments and major task(s) performed by them:	

## FORM TECH-3 DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

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*[Technical approach, methodology and work plan are key components of the technical proposal. You are suggested to present your technical proposal divided into the following three chapters:*

- a) Technical Approach and Methodology;
- b) Work Plan; and
- c) Organization and Staffing.

a) Technical Approach and Methodology. In this regard, you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Work Plan. In this regard, you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here.

c) Organization and Staffing. In this regard, you should propose the composition of your key professional staff including sub-contractors and should list the main disciplines of their assignment.

*Note: Please avoid repetition of provided TORs.*

**FORM TECH-4 KEY PROFESSIONAL STAFF OF FA AND SUB-CONTRACTORS**

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<i>Key Professional Staff</i>			
Name of Staff	Organisation	Area of Expertise	Position Assigned

**FORM TECH-5 CURRICULUM VITAE (CV) FOR PROPOSED KEY PROFESSIONAL STAFF**

1. **Proposed Position/ Role:** \_\_\_\_\_

2. **Name of Entity** [*Insert name of entity proposing the staff*]: \_\_\_\_\_  
 \_\_\_\_\_

3. **Name of Staff** [*Insert full name*]: \_\_\_\_\_

4. **Years of Experience:** \_\_\_\_\_ **Nationality:** \_\_\_\_\_

5. **Education:**

<i>Degree</i>	<i>Major/Minor</i>	<i>Institution</i>	<i>Date (MM/YYYY)</i>

6. **Membership of Professional Associations:** \_\_\_\_\_  
 \_\_\_\_\_

7. **Other Training** [*Indicate significant training since degrees under 6 - Education were obtained*]: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

8. **Languages** [*For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing*]: \_\_\_\_\_  
 \_\_\_\_\_

9. **Employment Record** [*Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.*]:

<i>Employer</i>	<i>Position</i>	<i>From (MM/YYYY)</i>	<i>To (MM/YYYY)</i>

## 11. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned

*[Among the successfully concluded assignments/mandates in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]*

- 1) Name of assignment or project: \_\_\_\_\_  
Year: \_\_\_\_\_  
Location: \_\_\_\_\_  
Client: \_\_\_\_\_  
Main project features: \_\_\_\_\_  
Positions held: \_\_\_\_\_  
Activities performed: \_\_\_\_\_
  
- 2) Name of assignment or project: \_\_\_\_\_  
Year: \_\_\_\_\_  
Location: \_\_\_\_\_  
Client: \_\_\_\_\_  
Main project features: \_\_\_\_\_  
Positions held: \_\_\_\_\_  
Activities performed: \_\_\_\_\_
  
- n) Name of assignment or project: \_\_\_\_\_  
Year: \_\_\_\_\_  
Location: \_\_\_\_\_  
Client: \_\_\_\_\_  
Main project features: \_\_\_\_\_  
Positions held: \_\_\_\_\_  
Activities performed: \_\_\_\_\_

**13. Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any misstatement may lead to my disqualification or dismissal, if engaged.

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member or authorized representative of the staff]* *Day/Month/Year*

Full name of authorized representative: \_\_\_\_\_

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## **IV. Financial Proposal - Standard Forms**

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal.

FIN-1 Financial Proposal Submission Form

FIN-2 Summary of Costs

FIN-3 Out of Pocket Expenses

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**FORM FIN-1**  
**FINANCIAL PROPOSAL SUBMISSION FORM**

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{Location, Date}

To: [Name and address of Client]

Dear Sir(s):

We, the undersigned, offer to provide the services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our technical proposal.

Our attached financial proposal is for the amount of {Indicate the corresponding to the amount(s) currency(ies)} {Insert amount(s) in words and figures} excluding the success fee, inclusive of *all direct or indirect taxes*.

Our financial proposal shall be binding upon us up to expiration of the validity period of the proposal, i.e. before the date indicated in Clause 1.8 of the Data Sheet.

We understand you are not bound to accept any proposal, you receive.

We remain,

Yours sincerely,

Authorized Signature {In full and initials}: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

In the capacity of: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail: \_\_\_\_\_

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## FORM FIN-2 SUMMARY OF COSTS

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Item	Bid/Cost
<b>Cost of the Financial Proposal</b>	
Including:	
(1) <b>Milestone Based Retainer Fee in USD</b> {May separately specify estimated fee of the proposed sub-contractor(s) before total of the retainer fee.}	Total _____
(2) <b>Out of pocket Expense in USD</b> (note 1) {Should match the amount in Form FIN-3}	Total _____
(3) <b>Success Fee</b> {% of notional value of expected sale proceeds of the proposed transaction}(note 2)	Only write % in this field (USD value will be calculated on announcement of notional value by Client immediately before the opening of the financial proposals).
<b><u>Total Bid / Cost / Fee of the Financial Proposal:</u></b> {Should match the amount in Form FIN-1}	

***Note 1:** Cost incurred pertaining to advertisement and marketing roadshows (including travel costs for nominated PC officials) for soliciting interest from prospective investors and hiring of third party (ies) shall be borne by the Financial Adviser from out of pocket expenses with the prior approval of the PC. Please note that all third parties will be finalized/appointed after consulting and acquiring approval from PC.*

***Note 2:** The IP shall provide details for all remuneration pertaining to lead member(s) & sub-contractor(s) and out of pocket expenses associated with successful accomplishment of the transaction process and the client shall not assume responsibility of incurring additional cost on any of the activity. Any disclaimer by the IP in this regard shall lead to disqualification.*

***Note 3:** IPs shall submit proposals inclusive of all applicable taxes.*

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### FORM FIN-3 BREAKDOWN OF OUT OF POCKET EXPENSES

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The above-mentioned out-of-pocket expenses, paid at cost shall consist of following, where relevant, and be reasonably incurred by the Financial Adviser and its sub-contractor(s) in the performance of the Services:

S. No.	Type of Out of Pocket Expenses	Cost (USD)
1		
2		
3		
	<b>Total</b>	

**NOTE:**

Out of pocket expenses shall not exceed the sum stated above and on actuals.

## APPENDIX –A

### **TERMS OF REFERENCE (TORs) FOR APPOINTMENT OF FINANCIAL ADVISER (FA) FOR LEASING OF ROOSEVELT HOTEL, MANHATTAN - NYC (Property), AN ASSET OF PIA INVESTMENT LTD (PIA-IL), FOR SETTING UP A JOINT VENTURE PROJECT FOR PROSPECTIVE MIXED-USE DEVELOPMENT**

#### **1. Property Description and Ownership Structure**

Roosevelt Hotel (Roosevelt) is located in Midtown East on Madison Avenue and East 45th Street (in the Grand Central Subdistrict) Manhattan, New York City, USA. Roosevelt is one of the elite hotels in Manhattan, NYC. It was named in honor of President Theodore Roosevelt and was opened on September 22, 1924. The property is 1025-room full service hotel having 19 stories having covered area of approx. 600,000 square feet.

Roosevelt is owned by PIA Investments Ltd (PIAIL), a 100% owned subsidiary of Pakistan International Airlines Corporation Limited (PIACL), a company owned and managed by the Government of Pakistan. PIAIL is registered in British Virgin Islands under International Business Companies Ordinance, 1984 (now BVI Business Companies Act 2004) (PIAIL hereinafter referred to as Owner).

#### **2. Envisaged Transaction and Appointment of Financial Advisor (FA)**

The Owner intends to lease the Property site for setting up a joint venture project for prospective mixed-use development, through the best suited mode of privatization as delineated in the Privatisation Commission (PC) Ordinance 2000 (“Transaction”).

For successful completion of the Transaction, Privatisation Commission (PC) invites Technical & Financial Proposals from Investment Bank and/or Realty Company/Firm, acting either exclusively or jointly as a consortium, having proven experience of successful completion of similar transaction(s) in New York metropolitan area (more specifically in Manhattan–NYC) or any other metropolitan city of USA to act as Financial Advisor (FA). It is understood that for successful completion of the Transaction, FA, while acting as single point of contact for PC, will associate qualified professional firms/company(s)/organizations with proven experience in accounting, tax, law, project feasibility & valuation and any other support deemed appropriate for successful completion of Transaction, as sub-contractors or third party agents.

FA will be appointed through a competitive process in accordance with the Privatisation Commission (Hiring of Financial Advisors) Regulations, 2018 and any other laws/rules /regulations applicable in Pakistan during hiring/appointment process of FA.

### **3. Scope of Financial Advisory Services (FAS)**

This section is designed to identify some of the activities that the Owner feels need to be mentioned here and should not in any way be construed as the complete set of activities required under any contract resulting from these TORs. Although PC has substantial experience in privatization of public sector enterprises, interested party(s) is required to provide proposals that are not only compliant with the requirements of this section but also demonstrate interested party's understanding of the overall scope of work.

As detailed below, FA's scope of work will be all encompassing and will be carried out in two phases:

- (i) Phase-I (Preparation of the Transaction)  
Conducting financial, legal, technical, etc., related due diligence of the Property and prospect for mixed-use development leading to Recommendation on Transaction structure; and
- (ii) Phase – II (Implementation of the Approved Transaction Structure)  
Implementation of approved Transaction structure including marketing; soliciting bids from investors, negotiations; finalization and execution of the legally binding agreement with the potential JV partner, completing underlying legal and regulatory formalities including seeking approvals of authorities, where deemed required, leading to successful financial closure.

The FA will be required to provide details of all assumptions, reasoning and evaluations used to arrive at specific recommendation(s) (all such material should be provided to the PC in the form of hard and soft copies). All reports, documents, data and information generated or collected during the course of the Transaction, whether in a soft or a hard copy form, would be exclusive property of PC.

### **4. PHASE – I (Preparation of the Transaction)**

#### **4.1 Due Diligence**

As part of the due diligence, PC expects the Financial Adviser to review in a comprehensive manner the commercial real-estate sector including mixed-use development prospects in Manhattan-NY and positioning of the Property, Manhattan-NY real-estate regulatory & legal affairs and its impact on the Transaction, marketing aspects besides accounting, financial, tax, environmental and labor-related aspects to assess its impact on the Transaction. Management of PIA-IL would also be available to assist the FA in conducting its due diligence. Wherever, loan guarantee and lenders consent are involved, the FA would work with legal counsel to coordinate/facilitate in obtaining consents. FA will perform necessary due diligence required to prepare the Information Memorandum and assist prospective JV partners/Investors in their due diligence.

#### **4.2 Review of Financial Statements**

PIA-IL has been preparing accounts of Roosevelt Hotel in accordance with US GAAP for the last several years. The FA will be required to review these audited accounts (and subsequent accounts, if available) prepared by PIA-IL as part of the Transaction. The FA shall also review these accounts to identify additional disclosures required for Information Memorandum or due diligence purposes.

#### **4.3 Preliminary Project Feasibility & Valuation Assessment**

The FA, in collaboration with appointed sub-contractors and third party agents, will prepare a project feasibility and valuation analysis, employing a modular approach, to evaluate the Property and envisaged Mixed-Use Development feasibility keeping in view its development potential, future earnings, development costs and other business considerations to ascertain development potential. In light of international best market practices, most relevant valuation techniques would be identified and employed by the FA to assess the value of the enterprise/project/mixed-use development including Property. The report should detail valuations basis and approach including assumptions, methods and inputs, etc.

The valuation model would undertake a sensitivity analysis to highlight the impact of changes in different variables on the overall enterprise value and asset, growth potential in relation to the overall growth of the economy and the resulting demand should be specifically evaluated in the process. Preliminary Valuation analysis should align with the scenarios/options presented in the Transaction Structure Report.

#### **4.4 Legal, Tax and Regulatory Framework**

The FA in association with Legal Counsel and Tax Consultant will also review the existing legal, tax and regulatory framework and agreements relevant to the Transaction to determine and advise PC on their adequacy and impact on the Transaction process and suggest ways to facilitate the Transaction while minimizing the tax burden in order to maximize the proceeds/cash flow to the Owner.

#### **4.5 Transaction Structure Report**

On the basis of due diligence conducted and preliminary valuation assessment, FA is required to propose alternate Transaction Structures, options for mixed-use development while identifying risks and restrictions to be addressed. Undertake analysis of the investment requirements, advise policies/procedures inclusive of regulatory approvals and indicative pricing of Air Rights, financing options and development costs, etc., in order to generate a comprehensive analysis of options and their impact on the value of the enterprise so as to identify the optimal recommendation that generates the maximum value for the Owner.

The FA, in conjunction with its legal counsel and other retained advisors, is required to undertake a detailed review of all possible relevant options and make clear recommendations to the PC/Owner on the most preferred option regarding Transaction Structure that maximizes the net proceeds to the Owner for its interests in the company or asset. The recommended preferred option should indicate the net benefits and conformance to the Owner's objectives.

It is mandatory that the Report should include specific recommendations of the FA on the: (a) detailed structure of the transaction in light of financial, tax, legal, technical, HR and any other aspects; (b) detailed investment plan including investment commitments to be required, their nature and management and likely proceeds to the owner; (c) target investor profile; (d) implementation plan, regulatory approvals required and schedule of activities; and (e) other related aspects including operations, management and human resource.

## **5. PHASE – II ) Implementation of the Approved Transaction Plan**

### **5.1 Conducting the Approved Transaction Structure / Process**

The FA will be responsible for undertaking all activities for successful completion of Transaction including preparation of relevant documentation, agreements and undertakings, comprehensive information package for prospective JV partners and engaging with/assisting prospective JV partners in their due diligence efforts. These activities would include:

- Clear definition and identification of the rights, liabilities, etc. of the stakeholders/partners;
- Recommendations to the PC on the bidding parameters;
- Conducting and managing the marketing process;
- Handling of pre-qualification and bidding processes of prospective investor(s); and
- Handling of post-bid issues and close of Transaction including signing of legally binding agreement with the selected JV partner and any other supplementary agreements and undertakings.
- FA will obtain necessary legal and regulatory approvals for conclusion of successful transaction and financial closure. This includes preparation and submission of documents to the respective forums. PC will liaise for arranging information and obtaining approvals as required.

### **5.2 Marketing Strategy:**

The FA will develop and implement an effective marketing strategy with the approval of PC. The FA will develop and implement a plan for introducing the Roosevelt's site and projecting its image to bolster the value of the same, enabling expression of interest in the property from prospective JV partner(s). The FA will be required to arrange meetings with potential JV partners in order to develop a better understanding of JV

partner's profiles and the investment climate. FA will share marketing and advertisement material for approval of PC.

### **5.3 Solicitation of Expressions of Interest and Pre-Qualification:**

The FA will be required to solicit Expressions of Interest (EOI) and Pre-Qualify potential JV partner(s) for the Transaction. In this regard, FA would develop the Preliminary Information Memorandum (PIM) and Pre-qualification Criteria would be developed by FA for approval of PC and relevant data would be widely disseminated among interested parties to foster a competitive process. Where relevant, the FA's should effectively engage with shortlisted potential JV partner(s) in order to perceive the best possible plan for mixed used development. It shall be the responsibility of the FA to best protect and maximize the interests of the Owner in all such plan(s). FA's discussion should also encompass the minimum lease period acceptable to potential JV partner(s). FA shall also present to PC/owner options available at the end of lease before discussion with prospective JV Partner(s).

### **5.4 Offering Memorandum and Bid Documents:**

The FA together with the legal counsel and others will be responsible for preparation of an Offering Memorandum and the Bid Documents. This would require review of technical evaluation and legal documentation including but not limited to Transaction agreement(s), development of evaluation criteria for bidders etc. The FA would prepare drafts of Offering Memorandum and Bid Documents for review and approval of PC, revise the documents as deemed appropriate, and finalize Bid Documents for final bidding. The FA will ensure that all documents are prepared in accordance with respective jurisdiction's disclosure requirements and should be in accordance with the best business practices.

### **5.5 Bidding Process and Financial Closure:**

The FA will manage the entire bidding process, on behalf of the Owner/PC, including, but not limited to facilitation of interested parties due diligence, revision of bidding documents (if necessary), solicitation of bids and, recommendations on award, and post-bid activities (including coordinating all tax formalities and compliance with corporate, procedural and legal formalities necessary under the circumstances and in consultation with the legal counsel), etc. The FA would also assist in conducting meetings with the qualified JV partners and arrange financial closure of the Transaction and will manage investor bids/presentations to the PC. The FA in conjunction with the legal counsel will also arrange compliance with terms of agreement(s), and ensure transfer of initial/upfront proceeds to PC designated bank account(s). The FA in conjunction with the legal counsel will oversee the financial closure, through the completion of all post-bid legal and tax related formalities.

#### **5.3.5 Overall Leadership:**

While the FA consortium may comprise of the investment bank and/or realty firm, accounting firm, legal firm, tax adviser and others, it is required that the FA appointed by PC will take the lead and be responsible for all the activities of the Consortium members.

This leadership role would enable it to conceptualize the entire work, ensure that all members of the consortium perform according to an agreed plan, provide overall guidance to all concerned, handle any unforeseen eventualities, and be the single point of contact for the Client.

#### **5.3.6 Other Activities Incidental to the Transaction:**

The above-defined set of activities pertains to a standard process: however, it is recognized that there may be other requirements for the successful implementation of this Transaction, for which the Financial Adviser shall be primarily responsible. The FA will be required to draw upon its experience in similar transactions and prevailing best practices.

## **6. REPORTS & DELIVERABLES**

Following is an indicative list of reports and deliverables for the assignment:

### **6.1 Due Diligence Reports:**

Respective Due Diligence Reports on legal, technical, financial, HR and risks assessments will inter-alia include the following:

- **Legal aspects, including:**
  - Land access and use rights of the Property;
  - Local regulatory regime applicable to the Property; and
  - Approvals required for undertaking the Transaction.
- **Financial aspects, including:**
  - Discussion on income and cost components;
  - Discussion on proposed contract type;
  - Proposed project structure and sources of funding;
  - Payment mechanism;
  - Report on loans & liabilities of the Roosevelt Hotel, if any. If affirmative, then an analysis of contractual covenants and its impact, if any, including recommendations on the approach to negotiations with lenders, creditors and employees for obtaining requisite consent, etc.
  - Project cost-benefit analysis including net present value (NPV), Internal Rate of Return and Income and Assets (Book and revalued) based valuation; and
  - Discussion on all assumptions made in the construction of the model including inflation rate, discount rate, depreciation, tax and VAT.
- **HR aspects, including:**

- Discussion on legal, regulatory and organizational HR policies;
- Financial and non-financial obligations arising out of Transaction including FA's recommendations thereon and customary practices in similar scenarios; and
- Key challenges and risks along with suggestion on mitigation / solution.
- **Risk assessment, including:**
  - Comprehensive risk matrix for all project risks. The following are some of the risks that need to be considered and should not be construed as exhaustive list:
    - (i) geophysical/geological risk; (ii) market risk; (iii) operation risk; (iv) political risk; (v) legal risks; (vi) fiscal/macro-economic risks; (vii) regulatory risk; (viii) environmental risks; and (ix) force majeure risks).

Following should be well discussed, besides other information:

    - a. identify the risks that the project may face;
    - b. who among the stakeholders (owner, investors, and other financiers) would be negatively affected in the event of the risk materializing; and
    - c. summary of the retained and transferable risks.
- **Technical including economic aspects**
  - Post COVID-19 trends and impacts on offices, apartments and retail spaces.
  - Market appetite for the project.

## 6.2 Transaction Structure Report

- Available options
- The FA's recommend preferred option that generates the maximum value and net benefits for the owner, without involving any further investment on part of owner, except the lease of Site for setting up JV.
- Type of contract to be used (e.g., lease concession, etc.)
- Assessment of owner's role in the proposed project. How the owner's role will be established in project vehicle (e.g., voting rights, management, etc.)
- The post lease / Joint venture scenario should also be well covered based upon prevailing laws and possible circumstances.

## 6.3 Marketing-related Work:

- Information Memorandum;
- Data room setting up and management;
- Confidentiality Agreements, if required for disclosing any confidential information to prospective JV partners;

- Offering Document;
- Pre-Qualification criteria for JV partners;
- Recommendation reports of potential JV partner(s);
- Presentation of material to potential JV partners;
- Presentation of Offering Memorandum highlighting the opportunity.

**6.4 Transaction-related Work:**

- Bid Documents;
- Pre-bid meetings;
- Transaction Agreement(s) and related necessary drafting, approvals and filing requirements with respective forums.
- Financial closure including facilitation for transfer of first instalment to the designated bank account(s).

**6.5 Post Financial Closure-related Work:**

- Financial and operational plan including systematic payment(s) to owner/PC throughout lease term and the types and mechanism for periodic operational and financial reports to owner/PC;
- Report on options available at the end of lease and recommendations of FA.

**7. Duration**

It is expected that the assignment will commence immediately after signing of FASA and will conclude as per mutually agreed timelines according to Financial Advisory Services Agreement.