

Hong Kong, December 12/2024 Our Ref: SKA 2405.02

Managing Director
Pakistan Ordnance Factory
Filling Wah Cantt / Pakistan

Your Ref: Contract No. 0022/FP/Fill/54/Fill Dtd. 20-11-2024

For Magnesium Powder

Dear Sir,

We thank you for your draft contract. However, we have observed some errors. The same should be rectified / amended allowing us to accept the contract. The details are as follows:

Clause 11: Country of Origin

It should be "China or Turkey" instead of "China" & port of shipment should also be China/Turkey.

Clause 12 (b) sub clause (vi), Under Heading Terms of Payment:

You have mentioned under clause (vi) "Copy of Declaration form Annex 'B' (Duly signed & Stamp)" to be provided to obtain payment. It is not related with the payment release, so we would request you to delete this clause.

Clause 13: Performance Bond

Please mention in the clause-13 of the contract to "provide a Bank Guarantee to the tune of 10% of FOB instead of C&F value". As you know the BG is always applicable on FOB value and not on sea freight charges. Freight is directly payable to shipping company and we have nothing to do with it.

Kindly amend the above clauses. An earlier and positive response will be highly appreciated.

Yours faithfully

John Edward Manager