



Request for Quotation (RFQ)

Issued on **29 November 2019**

**Millennium Challenge Account Nepal**  
on behalf of  
**The Government of Nepal**  
funded by  
**The United States of America**  
Through  
**The Millennium Challenge Corporation**

For

**Procurement of Supply and Delivery  
of 7 Motorcycles and 3 Scooters**

**\*\*\*\*\***

Ref No: **MCA-N/PM/SH/026**



## MILLENNIUM CHALLENGE ACCOUNT NEPAL (MCA-NEPAL)

### **Letter of Invitation Requesting Quotation for Supply and Delivery of 7 Motorcycles and 3 Scooters Ref: MCA-N/PM/SH/026**

**Kathmandu, Nepal**  
29 November 2019

1. The Millennium Challenge Corporation (“MCC”) and the Government of Nepal (“Government” or “GoN”) have entered into a Millennium Challenge Compact for Millennium Challenge Account assistance to help facilitate poverty reduction through economic growth in Nepal on 14 September 2017 (“The Compact”) in the amount of approximately US\$500 million (“MCC Funding”). The Government intends to apply parts of the proceeds of the funds to payments for contracts for goods, works and services. MCC is a U.S. government agency focused on assisting countries dedicated to good governance, economic freedom, and investments in people.
2. The Compact includes additional investment from the Government of approximately US\$130 million for a total of US\$630 million. It includes two projects: (i) construction of about 300 kilometers of 400kV electricity transmission lines, three substations, and technical assistance for the power sector; and (ii) technical assistance to improve the road maintenance regime and road maintenance works on about 300 kilometers of the strategic road network. The program would include the procurement of contractors and consultants for design, construction and supervision of electricity lines and substations, road maintenance works, including a variety of technical services, equipment and construction works in different geographic locations within Nepal. These contracts will be competed through open international procurement procedures.
3. This Request for Quotations, the RFQ, follows the General Procurement Notice that appeared in dgMarket on 18 September 2019, UNDB Online on 18 September 2019, the Kantipur National Daily newspaper on 19 September 2019, and MCA-Nepal website on 18 September 2019.
4. Millennium Challenge Account Nepal (MCA-Nepal) intends to procure 7 Motorcycles and 3 Scooters and interested suppliers are invited to submit their price quotations. The detailed technical specifications are indicated in Annex 1-1 and 1-2.
5. You are required to submit quotations for the goods as stipulated in the annexes to this RFQ. Prices shall be quoted DAP Hotel Yak and Yeti, Kathmandu, Nepal (Based on Incoterms 2010) in US Dollars for the motorcycles and scooters and in Nepalese Rupees for local expenses, transportation, loading, unloading, clearing of the goods etc. required to deliver the goods to the following delivery point:

Millennium Challenge Account Nepal (MCA-Nepal) Office, Yak & Yeti Hotel Convention Center (second floor), Durbar Marg, Kathmandu.

MCA-Nepal shall provide a tax exemption letter for the Supplier to clear the Goods from Customs office. The required documents for issuance of the tax exemption letter shall be submitted by the Supplier to MCA-Nepal at least 30 days before arrival of the goods to customs.

6. Quotations should be presented on the standard form indicated in Annex 2 to this RFQ.
7. Quotations must be submitted as per the following instructions and in accordance with the Annex 1-2 of this RFQ.

**i. Prices:** shall be quoted DAP (Incoterms 2010) Kathmandu in **US Dollars only for the Supply and Delivery of Motorcycles/Scooters (Sub Total A of Price Quotation Submission Form (OFFER) -Annex 2), and in NPR (Nepalese Rupees)** for Price for Inland Transportation of Motorcycles, Service Charge, Insurance and other cost required to convey the goods to the destination (Kathmandu, MCA-Nepal Office) **(Sub Total B of Price Quotation Submission Form (OFFER) -Annex 2)** including the cost of delivery to the place of destination. The Price Quotation Form attached in Annex 2 shall be used for the submission of prices. **For the evaluation purpose**, the NPR price will be calculated in USD with the exchange rate (Selling Rate) published by Nepal Rastra Bank on the issuance date of this Request for Quotation. The DAP Price also includes all other cost to be incurred outside Nepal and inside Nepal such as insurance, clearance, loading, unloading, any charges to be paid to deliver the Goods at Yak and Yeti Hotel, Kathmandu, Nepal.

8. **Evaluation of Quotations and Award of Purchase Order:** The lowest priced quotation/bid will be reviewed to check compliance with the requirements set in the Request for Quotation, if the quotation is compliant substantially, the contract will be awarded to that supplier. If the lowest priced offer is not compliant, the MCA-Entity will review the second lowest/second-best quotation and so on and so forth. MCA-Nepal may, at its own discretion, to evaluate more than one quotation to save time during evaluation. A quotation is not substantially responsive if it contains material deviations or reservations to the terms, conditions, requirement of Request for Quotation (RFQ), and specifications in this Request for Quotation, A non-responsive quotation shall not be considered for recommendation of award.

During the evaluation process the Bid Review Panel (BRP) will carry out arithmetic correction for only those bids who have quoted for all the items.

9. A price reasonableness assessment will be conducted. The quotation shall be rejected if the price is found to be unreasonably high or low.

10. Bidders shall submit with their quotation's copies of the following documents:
- a. Firm/ Company Registration;
  - a. PAN/VAT/TAX Registration;
  - b. Tax Clearance Certificate up to the last FY 2074/2075 (applicable to Nepalese Firm/Company only)
  - c. Firm/ Company Registration. It is required to have at least three (3) years' experience in supplying Similar Goods to Nepalese Market;
  - d. Certifications of three (3) similar projects successfully completed during last 5 years. This evidence may be provided in the form of copies of contracts, invoices, reference letter etc.
11. In evaluating the quotations, the Purchaser/MCA-Nepal will adjust for any arithmetical errors as follows:
- b. where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
  - c. where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern; and
  - d. If you refuse to accept the correction, your quotation will be rejected
12. A quotation is not substantially responsive if it contains material deviations or reservations to the terms, conditions, and specifications in this Request for Quotation, and it will not be considered further. The Employer will evaluate and compare only the quotations determined to be substantially responsive.
13. Bidders may challenge the results of a procurement only according to the rules established in the Bid Challenge System developed by the MCA-Nepal and approved by MCC. The rules and provisions of the Bid Challenge System are as published on the MCA-NEPAL's website at <https://mcanp.org/procurement/bid-challenge-system/>.
14. **Validity of Quotations:** Quotations should be valid for a period of 90 days from the date of deadline of submission of quotations indicated in paragraph 11 below. The quotation with less validity period than required may be rejected.
15. Payments for the vehicles will be made 100% within 30 days after delivery and acceptance of the vehicles by MCA-Nepal.

16. **Delivery Time: Within three (3) months after dual signature of Purchase Order.** Partial deliveries of complete lots are allowed as well as multiple invoices to cover partial deliveries.

17. **Liquidated Damages:** If the Supplier fails to deliver any or all of the Goods within the period(s) specified in the Purchase Order, the Purchaser may, without prejudice to its other remedies under the Purchase Order, deduct from the purchase order price, as liquidated damages, a sum equivalent to half of a percent (0.5%) of the purchase order price for each week of delay in the provision of the Goods, or unperformed Services, until actual delivery or performance, up to a maximum deduction of ten percent (10%) of the Purchase Order value.

18. **Payments for the goods:** will be made within thirty (30) days after delivery and acceptance of the goods and receipt of a valid supplier's invoice.

The Supplier shall submit separate invoices for the Contract amount on which tax exemption certificate is issued (the cost of Motorcycles and Scooters, Sub Total A of Annex 2, in USD) and amount on which tax exemption certificate is not issued (Service Charge including Transportation, Insurance, loading and unloading and any other fees/charges, such as local taxes, etc, Sub Total B of Annex 2 in NPR). The Invoice for the amount for which the supplier has not received tax exemption may include amount of VAT to be paid.

19. MCA-Nepal may cancel this procurement process at any time without incurring cost or liability to any Supplier, and without providing any justification for said action.

20. The goods shall have a minimum warranty period as specified in the Technical Specifications (Annex 1-1 and 1-2 for Motorcycles and Scooters respectively).

21. Please submit your price quotation -signed by an authorized representative- **ONLY** via the Dropbox link provided below, with the name of the uploaded file as follows: "***Your Company Name - Supply and Delivery of 7 Motorcycles and 3 Scooters***".

22. The File request link (Dropbox link) for **submission of quotations is as follows:**  
<https://www.dropbox.com/request/zQFeDmeTbNGUKytEBZuH>

Instruction for uploading your submission:

- Click of this link/type this link correctly in a browser.

- Click on **Choose file** (your quotation and all relevant documents and click upload)
- Click on **+Add another file** (Optional, only if you have more than one file and so on for other files)
- Enter your: **First name, Last name and Email address**
- Click **Upload**

Done

23. Please note that the provided **Dropbox link** will expire on the **deadline for submission** indicated in clause 24 below, consequently no late quotations will be received.
24. Deadline for submission of quotations is **16 December 2019, at 15:00 hours local time in Kathmandu, Nepal (GMT+5:45)**.
25. MCA-Nepal reserves the right to reject any or all applications or offers, waive any defect or informality therein, and accept the offer which it deems most advantageous to the institution.

Yours sincerely,

**For MCA-Nepal:**

**Khadga Bahadur Bisht**  
Executive Director  
MCA-Nepal  
Yak and Yeti Complex, Kathmandu

**ANNEX 1-1****TECHNICAL SPECIFICATIONS FOR SUPPLY AN DELIVERY OF Seven (7) motorcycles FOR MCA-Nepal**

The supply of Goods and Related Services shall comply with the following Technical Specifications and Standards:

S.N.	Criteria	Item Specifications Proposed by Bidder	Deviations, If Any
1	General	Motorcycle suitable for normal and rough road condition of Nepal with operating conditions -5 degree C to 50 degree C and altitude of 2000 m, shall have seating capacity for at least 2 passengers including driver. Kerb weight not less than 125 kgs and payload not less than 150 kgs.	
2	Engine	Air/ liquid cooled four stroke, single cylinder petrol engine minimum of <b>150 cc</b> , Max power 12 HP or above rpm and minimum torque 12 NM rpm, shall be fully equipped with accessories for efficient full load operation	
3	Dimension	Overall length: variable	
		Overall width: variable	
		<b>Overall Height 1100 mm, less is preferred</b>	
		Overall Wheelbase 1300 mm or more	
4	Emission Standard	The Emission Standard of the vehicle should be of Nepal Mass Emission Standard-2069 which is to be certified by Department of Transport Management, Nepal	
5	Transmission Type	Manual shifts at least five forward, synchromesh preferred	
6	Gauges	To include speedometer, fuel, etc necessary gauges for efficient operation and maintenance	
7	Clutch	Wet type, Multiplate	
8	Ground Clearance	<b>Minimum ground clearance 170 mm</b> , high ground clearance preferred	
9	Suspension	Front: Telescopic hydraulic shock absorber	
		Rear: Swing arm with double/ single hydraulic shock absorber	
10	Wheels and tires	Sprocket wheels with Standard Size tire	
11	Starting	Self starter with Kick starter	
12	Brakes	Front: Hydraulic, Disc type	
		Rear: Hydraulic Disc/ Mechanical drum type	
13	Chassis and Frame	Tubular, Steel, heavy duty	
14	Essential Accessories	Head Light, tail light, brake light and turn signals	
		Leg Guard	
		Helmet	
15	Instructions	All signs and instructions in the vehicle shall be in English	
16	Manuals	Copy of the Operator's/ Owner's Instructions manual in English shall be supplied with the vehicle	

<b>S.N.</b>	<b>Criteria</b>	<b>Item Specifications Proposed by Bidder</b>	<b>Deviations, If Any</b>
17	Tools	A set of tools as required for general maintenance shall be supplied	
18	Color	Standard	
19	Proven Performance	The motorcycle offered shall be a current model under standard production by the manufacturer.	
		The bidder shall provide the manufacturer's data of the performance of the unit to include the fuel consumption, performance curve of the engine and production capacity of the unit	
20	Warranty	Manufacturer shall provide a minimum of one-year warranty after acceptance	
21	Fuel tank capacity	Not less than 12 ltrs.	
22	Insurance for one year	Comprehensive Motor Insurance for Motorcycles against accidental loss or damages to own vehicle including third party coverage with one-year validity	



## ANNEX 1-2

### **TECHNICAL SPECIFICATIONS FOR SUPPLY AN DELIVERY OF three (3) Scooters FOR MCA-Nepal**

The supply of Goods and Related Services shall comply with the following Technical Specifications and Standards:

S.N.	Criteria	Item Specifications Proposed by Bidder	Deviations, If Any
1	General	Scooter of sturdy design, suitable for driving on very rough road.	
2	Engine	Four strokes. One cylinder. Air cooled gasoline engine. Engine volume not less than <b>100cc</b> . Self-starting. Instrument panel with speedometers/odometer. Max Power Not Less than <b>8 BHP</b>	
3	Ground Clearance	Not Less than <b>150 mm</b>	
4	Fuel Tank Capacity	Not Less than <b>5 Litres</b>	
5	Transmission	Automatic Transmission	
6	Brake	Front and rear mechanical/disc.	
7	Essential accessories	1. Head light, rear and turn signal light. 2. Two rear view mirrors. 3. Helmet 1 nos.	
8	Instructions	All signs and instructions on the scooter shall be in English.	
9	Manuals	One copy of the Operator's and Owner's instructions and Maintenance manual in English shall be supplied with each Scooter.	
10	Tools	A set of tools as required for general maintenance shall be supplied with in a lockable tool box for each unit.	
11	Proven Performance	The scooter offered must be current model under standard production by the manufacturer.	
12	Warranty	Manufacturer shall provide a minimum one year's warranty after delivery.	
13	Emission standard	The Emission Standard of the vehicle should be capable of meeting applicable Nepal Vehicle Mass Emission Standard 2069 which must be certified by Department of Transport Management, Nepal.	
14	Insurance for one year	Comprehensive Motor Insurance for Motorcycles against accidental loss or damages to own vehicle including third party coverage with one-year validity	

**ANNEX 2****Price Quotation Submission Form (OFFER)**

Supplier: \_\_\_\_\_

Date: \_\_\_\_\_

1	2	3	4	5	6	7
Item N°	Description of Goods (Make and Model)	Country of origin	Quantity	Unit	Unit price DAP Kathmandu in USD	Total DAP price Kathmandu in USD (col 4x5)
1	Supply and Delivery of Motorcycles (Indicate Make and Model)		7 (seven)	Nos.		
2	Supply and Delivery of Scooters (Indicate Make and Model)		3 (Three)	Nos		
Sub Total A						
Price per item for inland transportation and other services required in the Purchaser's country to convey the goods to their Final Destination						
Item N°	Description of Services	Country of origin	Quantity	Unit	Rate in Nepalese Rupees (NPR)	Rate in Nepalese Rupees (NPR)
3	Price for Inland Transportation of <b>Motorcycles</b> , Service Charge, Insurance and other cost required to convey the goods to the destination (Kathmandu, MCA-Nepal Office)	NA	7 (Seven)	Nos.		
4	Price for Inland Transportation of <b>Scooters</b> , Service Charge, Insurance and other cost required to convey the goods to the destination (Kathmandu, MCA-Nepal Office)	NA	3 (Three)	Nos.		
5.	Registration of Motorcycles and Comprehensive Motor Insurance for Motorcycles against accidental loss or damages to own vehicle including third party coverage with one-year validity.	NA	7 (Seven)	Nos.		
6.	Registration of Scooters and Comprehensive Motor Insurance for Scooters against accidental loss or damages to own vehicle including third party coverage with one-year validity.	NA	3 (Three)	Nos.		
Sub Total B						
VAT (only in Sub Total B)						
Sub Total B (Subtotal B and VAT)						

We confirm that:

1. The currency of our quoted priced of item number 1 & 2 is in US Dollar and quoted price of other items is in Nepalese Currency.
2. We shall sign the Purchase Order, if issued, within three (3) days of receipt from MCA-Nepal.
3. Our above-mentioned price includes all costs needed to provide the supply as per the requirement of Technical Specifications and other requirements attached with this RFQ.
4. Our Quotation is valid for 90 days from the date of submission mentioned in this RFQ.
5. Attached is documentary proof of Legal Constitution and proof of authorization of the signatory to act on behalf of the Bidder.
6. The DAP Price also includes all other cost to be incurred outside Nepal and inside Nepal such as insurance, clearance, loading, unloading, any charges to be paid to deliver the Goods at Yak and Yeti Hotel, Kathmandu, Nepal.

Name of the Signatory: \_\_\_\_\_  
Position of the signatory in Organization: \_\_\_\_\_  
Signature \_\_\_\_\_

# Purchase Order

Procurement Reference		
Project	RFQ No	Contract/PO No
<b>Program Administration</b>	<b>MCA-N/PM/SH/026</b>	<b>MCA-N/PM/SH/026</b>

To:

Your quotation reference quotation dated **XX XXXX** 2019 is accepted and you are required to supply the goods as detailed below:

**SPECIFIC TERMS OF THIS PURCHASE ORDER:**

1) You are required to supply the goods as detailed below:

PURCHASE ORDER N°:		Date: XX XXXX 2019			
Purchaser: Millennium Challenge Account Nepal (MCA-Nepal) <b>PAN: 201253803</b>		<b>Supply and Delivery of 7 Motorcycles and 3 Scooters</b>			
Supplier/Service Provider: XXXXX, PAN: XXXXXXXXXX					
Address: XXXX Email: Contact Name:		Tel: Cell No:	Fax:	VAT No:	
ORDER					
S.N.	Description of Goods/Services	Unit	Qty	Rate in US Dollars (USD)	Amount in US Dollars (USD)
	Supply and Delivery of Motorcycles	No	7		
	Supply and Delivery of Scooters	No	3		
Sub Total A					
S.N.	Description of Goods/Services	Unit	Qty	Rate in Nepalese Rupees (NPR)	Amount in Nepalese Rupees (NPR)
	Price for Inland Transportation of <b>Motorcycles</b> , Service Charge, Insurance and other cost required to convey the goods to the destination (Kathmandu, MCA-Nepal Office)		7		
	Price for Inland Transportation of <b>Motorcycles</b> , Service Charge, Insurance and other cost required to convey the goods to the destination (Kathmandu, MCA-Nepal Office)		3		

S.N.	Description of Goods/Services	Unit	Qty	Rate in US Dollars (USD)	Amount in US Dollars (USD)
	Registration of Motorcycles and Comprehensive Motor Insurance for Motorcycles against accidental loss or damages to own vehicle including third party coverage with one year validity		7		
	Registration of Scooters and Comprehensive Motor Insurance for Scooters against accidental loss or damages to own vehicle including third party coverage with one year validity		3		
SUB Total B1					
VAT (13% of Sub Total B1)					
Sub Total B					

- 2) **Contract Sum:** USD XXXX plus NPR XXXX only including transportation cost/ insurance cost and any other costs incurred inside or outside of Nepal required to deliver the goods to the delivery point.
  
- 3) Except as may be exempt pursuant to the Compact, MCA-Nepal and all Providers, Covered Providers, Project Partners, contractors (prime contractors and subcontractors), consultants, and other entities and individuals that receive MCC funding directly or indirectly in furtherance of the Compact are exempt from Taxes or will be refunded equal amount of Taxes paid in respect of the MCC funding in accordance with Section 2.8 of the Compact available at: <https://assets.mcc.gov/content/uploads/compact-nepal.pdf>
  
- 4) **Custom duty:** The supplier will timely submit -at least 21 days before the arrival of the goods- a request to MCA-Nepal with all documentations required to process the tax exemption. Upon the receipt of request from the supplier, OMCN will facilitate the process for obtaining the custom tax exemption documentation.
  
- 5) **Warranty:** All goods to be provided shall have a minimum warranty period of as mentioned in the technical specification (Annex 1-1 and 1-2).
  
- 6) **Delivery point and Delivery time:** The Motorcycles and Scooters are to be delivered to Millennium Challenge Account Nepal (MCA-Nepal) Office premises at Yak and Yeti Hotel, Durbar Marg, in Kathmandu and within **45 calendar days** after dual signature of contract (Purchase Order) after registration and insurance.
  
- 7) **Liquidated Damages:** The Supplier agrees that failing to deliver any or all of the Goods or to perform the installations within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Purchase Order, deduct from the Contract Price, as liquidated damages, a sum equivalent to half of percent (0.5%) of the purchase order price for each week of delay in provision of Goods or unperformed Services, until actual delivery or performance, up to a maximum deduction of ten percent (10%) of the purchase order value. Once the

maximum is reached, the Purchaser may consider canceling the Purchase Order. The supplier is bound to provide the amount of liquidated damages, which will be recovered from the supplier in case of their non-performance.

- 8) **Contract Manager:** For the purpose of management of the contract/purchase order from the purchaser's side, the Contract Manager is Admin Specialist:

**Admin Specialist**

Millennium Challenge Account Nepal (MCA-NEPAL)

Yak and Yeti Hotel Convention Center,

Durbar Marg,

Kathmandu, Nepal.

Email: [xxx](#)

9) **Payment Conditions:**

Upon acceptance of the goods, MCA-NEPAL will then be obligated to pay 100% of the amount of the Purchase Order **within thirty (30) calendar days** of completion or satisfactory performance of the contract. The following documentation must be supplied for payments to be made:

- i). Original Invoice(s) (Submitted invoice(s) should include PAN number of MCA-Nepal);
- ii). delivery and acceptance note evidencing received of the goods & service; and verified by the contract manager to confirm that that the goods and services delivered are as per the signed purchase order and;
- iii). Comprehensive Insurance Policy issued in favor of Millennium Challenge Account Nepal for motorcycles and scooters.
- iv). The Supplier shall produce a written document committing itself to the warranty/guaranty period as stated this purchase order. This written document shall be signed and stamped by the Authorized Representative of the Supplier and shall remain in force for the full period of warranty/guaranty.

The Supplier shall submit separate invoices for the Contract amount on which tax exemption certificate is issued (the cost of Motorcycles and Scooters, Sub Total A of Annex 2, in USD) and amount on which tax exemption certificate is not issued (Service Charge including Transportation, Insurance, loading and unloading and any other fees/charges, such as local taxes, etc, Sub Total B of Annex 2, in NPR). The Invoice for the amount for which the supplier has not received tax exemption may include amount of VAT to be paid.

The invoice(s) should include the VAT registration number and the name of the account holder, the account number (IBAN), bank name, bank branch and SWIFT code. The invoice(s) must be submitted to the following address:

Millennium Challenge Account Nepal (MCA-NEPAL)

Yak and Yeti Hotel Complex, Durbar Marg

Kathmandu, Nepal.

Attn: Executive Director

Email: [xxx](#)

The Supplier's Bank Details is:

Bank Name:  
Branch:  
Bank Address:  
Account Name:  
Account No:  
Swift Code:  
IBAN (If applicable):

**10) Failure to Perform:** The Purchaser may cancel, at any time, this Purchase Order if the Supplier fails to deliver the Goods in strict accordance with the above terms and conditions. The Supplier undertakes that during the Guaranty/warranty period replacement/repair of any defective parts and equipment will be completed within fourteen days of the date of notification of the defect. Failure to perform in this contract may be the reason for rejection of the quotation/bids in future bidding process.

**11) Inspection:** The Goods will be inspected at the delivery point by the Contract Manager or his representative. After inspection, if the Contract Manager deems any delivery of the Goods to not be in strict accordance with the above terms and conditions, that non-conformity shall serve as a justifiable ground to cancel this Purchase Order.

**12) Start Date:** Date of the last signature on the Purchase Order will be the Start Date.

**For the Purchaser:**  
**Millennium Challenge Account Nepal/ MCA-Nepal**

**For the Supplier:**

Signature:  
**Name: Khadga Bahadur Bisht**  
Executive Director  
Date:

Signature:  
**Name:**  
Position:  
Date:

**Witness:**

**Witness:**

Signature:  
Name:  
Date:

Signature:  
Name:  
Date:

## **Annex 1 - Technical Specifications**

**Annex 1.1**

**Annex 1.2**



## Annex 2: MCC's Policy – Annex to General Provisions



MILLENNIUM

CHALLENGE CORPORATION

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UNITED STATES OF AMERICA

### Annex of General Provisions

Capitalized terms that are used but not defined in this Annex shall have the meaning given to them in the agreement or contract to which this Annex is attached (the “Agreement”) and that certain Millennium Challenge Compact by and between the United States of America, acting through MCC, and the Government, signed in Washington, DC on 14<sup>th</sup> September 2017, as may be amended from time to time (the “Compact”).

The Government, acting through **MCA-Nepal**, the legal entity established by the Government to be responsible for the oversight and management of the implementation of the Compact on behalf of the Government (the “MCA Entity”), has received a grant from MCC pursuant to the Compact and intends to apply a portion of the proceeds of the Compact to eligible payments under this Agreement, provided that

(i) such payments will only be made at the request of and on behalf of the MCA Entity and as authorized by the Fiscal Agent, (ii) MCC shall have no obligations to **CAS Trading House Pvt. Ltd** (for the purposes of this Annex, the “Contract Party”) under the Compact or this Agreement,

(iii) such payments will be subject, in all respects, to the terms and conditions of the Compact, and (iv) no party other than the MCA Entity shall derive any rights from the Compact or have any claim to MCC Funding.

## MCC Status; Reserved Rights; Third-Party Beneficiary

1. *MCC Status.* MCC is a United States government corporation acting on behalf of the United States government in the implementation of the Compact. MCC has no liability under this Agreement, and is immune from any action or proceeding arising under or relating to this Agreement. In matters arising under or relating to this Agreement, MCC is not subject to the jurisdiction of the courts or any other juridical or other body of any jurisdiction.
2. *MCC Reserved Rights.*
  1. Certain rights are expressly reserved to MCC under this Agreement, the Compact, the Program Implementation Agreement, and other related Compact documents, including the right to approve the terms and conditions of this Agreement, as well as any amendments or modifications hereto, and the right to suspend or terminate this Agreement.
  2. MCC, in reserving such rights under this Agreement, the Compact or other related Compact documents, has acted solely as a funding entity to assure the proper use of United States Government funds, and any decision by MCC to exercise or refrain from exercising these rights shall be made as a funding entity in the course of funding the activity and shall not be construed as making MCC a party to this Agreement.
  3. MCC may, from time to time, exercise its rights, or discuss matters related to this Agreement with the parties to this Agreement, the Government or the MCA Entity, as appropriate, jointly or separately, without thereby incurring any responsibility or liability to any party.
  4. Any approval (or failure to approve) or exercise of (or failure to exercise) any rights by MCC shall not bar the Government, the MCA Entity, MCC or any other person or entity from asserting any right against the Contract Party, or relieve the Contract Party of any liability, which the Contract Party might otherwise have to the Government, MCA Entity, MCC, or any other person or entity. For the purposes of this clause (d), MCC shall be deemed to include any MCC officer, director, employee, affiliate, contractor, agent or representative.
3. *Third-Party Beneficiary.* MCC shall be deemed to be a third party beneficiary under this Agreement

## Limitations on the Use or Treatment of MCC Funding.

The use and treatment of MCC Funding in connection with the Agreement does not, and shall not, violate any limitations or requirements specified in the Compact, the Program Implementation Agreement, any Supplemental Agreement, or any other relevant

agreement or Implementation Letter or applicable Laws or United States government policy. No MCC Funding shall be used for military purposes, for any activity likely to cause a substantial loss of United States jobs or a substantial displacement of United States production, to support any activity likely to cause a significant environmental, health or safety hazard, or to fund abortions or involuntary sterilizations as a method of family planning. MCC Funding shall be free from the payment or imposition of all Taxes as set forth in the Compact.

## Procurement.

The Contract Party shall ensure that all procurements of goods, services or works under, related to or in furtherance of this Agreement shall be consistent with the general principles set forth in Section 3.6 of the Compact and in the MCC Program Procurement Guidelines. The Contract Party shall comply with the eligibility requirements related to prohibited source or restricted party provisions in accordance with U.S. law, regulations and policy, applicable World Bank policies or guidelines and in accordance with other eligibility requirements as may be specified by MCC or the MCA Entity.

## Reports and Information; Access; Audits; Reviews

1. *Reports and Information.* The Contract Party shall maintain such books and records and provide such reports, documents, data or other information to the MCA Entity in the manner and to the extent required by Section 3.7) of the Compact, the Program Implementation Agreement, any Supplemental Agreement, or other related Compact document, and as may be reasonably requested by the MCA Entity from time to time in order to comply with its reporting requirements arising under the Compact, the Program Implementation Agreement, any Supplemental Agreement, or other related Compact document. The provisions of Section 3.7 of the Compact that are applicable to the Government shall apply, *mutatis mutandis*, to the Contract Party as if such Contract Party were the Government under the Compact. A summary of the applicable Compact provisions referenced in this paragraph may be found on the MCC website at [www.mcc.gov/guidance/compact/audits\\_reviews\\_provisions.pdf](http://www.mcc.gov/guidance/compact/audits_reviews_provisions.pdf).
2. *Access; Audits and Reviews.* The Contract Party shall permit such access, audits, reviews and evaluations as provided in the Compact, including without limitation Section 3.8 of the Compact, the Program Implementation Agreement, any Supplemental Agreement, or other related Compact document. The provisions of the Compact that are applicable to the Government with respect to access and audits shall apply,

*mutatis mutandis*, to the Contract Party as if such Contract Party were the Government under the Compact. A summary of the applicable Compact provisions referenced in this paragraph may be found on the MCC website at [www.mcc.gov/guidance/compact/audits\\_reviews\\_provisions.pdf](http://www.mcc.gov/guidance/compact/audits_reviews_provisions.pdf).

3. *Application to Providers.* The Contract Party shall ensure the inclusion of the applicable audit, access and reporting requirements in its contracts or agreements with other Providers in connection with the Agreement. A summary of the applicable requirements may be found on the MCC website at [www.mcc.gov/guidance/compact/audits\\_reviews\\_provisions.pdf](http://www.mcc.gov/guidance/compact/audits_reviews_provisions.pdf).

### Compliance with Anti-Corruption Legislation.

The Contract Party shall ensure that no payments have been or will be made by such Contract Party to any official of the Government, the MCA Entity, or any third party (including any other government official) in connection with this Agreement in violation of the United States Foreign Corrupt Practices Act of 1977, as amended (15 U.S.C. 78a et seq.) (the "FCPA") or that would otherwise be in violation of the FCPA if the party making such payment were deemed to be a United States person or entity subject to the FCPA, or similar statute applicable to this Agreement, including any local laws. The Contract Party affirms that no payments have been or will be received by any official, employee, agent or representative of such Contract Party in connection with this Agreement in violation of the FCPA or that would otherwise be in violation of the FCPA if the party making such payment were deemed to be a United States person or entity subject to the FCPA, or similar statute applicable to this Agreement, including any local laws.

### Compliance with Anti-Money Laundering Legislation.

The Contract Party shall ensure that MCC Funding pursuant to this Agreement is not used for money- laundering activities and, to that end, shall comply with any policies and procedures for monitoring its operations to ensure compliance, as may be established from time to time by the Contract Party, MCC, the MCA Entity, the Fiscal Agent, the Procurement Agent, or the Bank.

### Compliance with Terrorist Financing Legislation and Other Restrictions.

1. The Contract Party shall not provide material support or resources directly or indirectly to, or knowingly permit MCC Funding to be transferred to, any individual, corporation or other entity that the Contract Party knows, or has reason

to know, commits, attempts to commit, advocates, facilitates, or participates in any terrorist activity, or has committed, attempted to commit, advocated, facilitated or participated in any terrorist activity, including, but not limited to, the individuals and entities (i) on the master list of Specially Designated Nationals and Blocked Persons maintained by the S. Department of Treasury's Office of Foreign Assets Control, which list is available at [www.treas.gov/offices/enforcement/ofac](http://www.treas.gov/offices/enforcement/ofac), (ii) on the consolidated list of individuals and entities maintained by the "1267 Committee" of the United Nations Security Council, (iii) on the list maintained on [www.sam.gov](http://www.sam.gov), or (iv) on such other list as the MCA Entity may request from time to time. For purposes of this provision, "material support and resources" includes currency, monetary instruments or other financial securities, financial services, lodging, training, expert advice or assistance, safe houses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.

2. The Contract Party shall ensure that its activities under this Agreement comply with all applicable

S. laws, regulations and executive orders regarding money laundering, terrorist financing, U.S. sanctions laws, restrictive trade practices, boycotts, and all other economic sanctions promulgated from time to time by means of statute, executive order, regulation or as administered by the Office of Foreign Assets Control of the United States Treasury Department or any successor governmental authority, including, 18 U.S.C. Section 1956, 18 U.S.C. Section 1957, 18 U.S.C. Section 2339A, 18 U.S.C. Section 2339B, 18 U.S.C. Section 2339C, 18 U.S.C. Section 981, 18 U.S.C. Section 982, Executive Order 13224, 15 C.F.R. Part 760, and those economic sanctions programs enumerated at 31 C.F.R. Parts 500 through 598 and shall ensure that its activities under the Contract comply with any policies and procedures for monitoring operations to ensure compliance, as may be established from time to time by MCC, the MCA Entity, the Fiscal Agent, or the Bank, as may be applicable. The Contract Party shall verify, or cause to be verified, appropriately any individual, corporation or other entity with access to or recipient of funds, which verification shall be conducted in accordance with the procedures set out in Part 10 of the MCC Program Procurement Guidelines (Eligibility Verification Procedures) that can be found on MCC's website at [www.mcc.gov](http://www.mcc.gov). The Contract Party shall (A) conduct the monitoring referred to in this paragraph on at least a quarterly basis, or such other reasonable period as the MCA Entity or MCC may request from time to time and (B) deliver a report of such periodic monitoring to the MCA Entity with a copy to MCC.

3. Other restrictions on the Contract Party shall apply as set forth in Section 5.1 of the Compact with

respect to drug trafficking, terrorism, sex trafficking, prostitution, fraud, felony, any misconduct injurious to MCC or the MCA Entity, any activity contrary to the

national security interests of the United States or any other activity that materially and adversely affects the ability of the Government or any other party to effectively implement, or ensure the effective implementation of, the Program or any Project or to otherwise carry out its responsibilities or obligations under or in furtherance of the Compact, the Program Implementation Agreement, any Supplemental Agreement, or other related Compact document, or that materially and adversely affects the Program Assets or any Permitted Account.

## Publicity, Information and Marking.

The Contract Party shall cooperate with the MCA Entity and the Government to provide the appropriate publicity to the goods, works and services provided under this Agreement, including identifying Program activity sites and marking Program Assets as goods, services, and works funded by the United States, acting through MCC, all in accordance with the MCC Standards for Global Marking available on the MCC website at <https://www.mcc.gov/resources/doc/standards-for-global-marking> *provided*, any announcement, press release or statement regarding MCC or the fact that MCC is funding the Program or any other publicity materials referencing MCC, shall be subject to prior approval by MCC and shall be consistent with any instructions provided by MCC from time to time in relevant Implementation Letters. Upon the termination or expiration of the Compact, MCC may request the removal of, and the Contract Party shall, upon such request, remove, or cause the removal of, any such markings and any references to MCC in any publicity materials. MCC shall have the right to use any information or data provided in any report or document provided to MCC for the purpose of satisfying MCC's reporting requirements or in any other manner.

## Insurance.

The Contract Party shall obtain insurance, performance bonds, guarantees or other protections appropriate to cover against risks or liabilities associated with performance of the Agreement. The Contract Party shall be named as payee on any such insurance and the beneficiary of any such guarantee or performance bond. MCC and the MCA Entity shall be named as additional insureds on any such insurance or other guarantee, to the extent permissible under applicable laws. The Contract Party shall ensure that any proceeds from claims paid under such insurance or any other form of guarantee shall be used to replace or repair any loss or to pursue the procurement of the covered goods, services, works, *provided, however*, at MCC's election, such proceeds shall be deposited in

an account as designated by the MCA Entity and acceptable to MCC or as otherwise directed by MCC.

### Conflict of Interest.

The Contract Party shall ensure that no person or entity shall participate in the selection, award, administration or oversight of a contract, grant or other benefit or transaction funded in whole or in part (directly or indirectly) by MCC Funding in connection with this Agreement, in which (i) the entity, the person, members of the person's immediate family or household or his or her business partners, or organizations controlled by or substantially involving such person or entity, has or have a financial or other interest or (ii) the person or entity is negotiating or has any arrangement concerning prospective employment, unless such person or entity has first disclosed in writing to the parties under this Agreement and MCC the conflict of interest and, following such disclosure, the parties to this Agreement agree in writing to proceed notwithstanding such conflict. The Contract Party shall ensure that no person or entity involved in the selection, award, administration, oversight or implementation of any contract, grant or other benefit or transaction funded in whole or in part (directly or indirectly) by MCC Funding in connection with this Agreement shall solicit or accept from or offer to a third party or seek or be promised (directly or indirectly) for itself or for another person or entity any gift, gratuity, favor or benefit, other than items of *de minimis* value and otherwise consistent with such guidance as MCC may provide from time to time.

### Inconsistencies.

In the event of any conflict between this Agreement and the Compact and/or the Program Implementation Agreement, the term(s) of the Compact and/or the Program Implementation Agreement shall prevail.

### Other Provisions

The Contract Party shall abide by such other terms or conditions as may be specified by the MCA Entity or MCC in connection with the Agreement.

## Flow-Through Provisions.

In any subcontract or sub-award entered into by the Contract Party, as permitted by the Agreement, the Contract Party shall ensure the inclusion of all the provisions contained in paragraphs (A) through (L) above.