

TABLE OF CONTENTS

Article I	Appointment; Services; Obligations.....	2
Section 1.1	Appointment of the Fiscal Agent.....	2
Section 1.2	Description of Services.....	2
Section 1.3	Fiscal Agent Staff and Subcontractors.....	2
Section 1.4	Supervision and Consultation.....	4
Section 1.5	Compliance.....	4
Section 1.6	Bank Agreements; Bank Matters.....	4
Section 1.7	Taxes.....	4
Section 1.8	Insurance.....	5
Section 1.9	Access; Audits; Reviews and Reports.....	5
Section 1.10	Licenses.....	6
Section 1.11	Conflicts of Interest.....	6
Section 1.12	Re-Disbursements; Currency Exchange.....	7
Article II	Fiscal Agent Generally.....	8
Section 2.1	Standard of Care.....	8
Section 2.2	Fees.....	8
Section 2.3	Other Duties, Rights and Protections of the Fiscal Agent.....	9
Section 2.4	Liabilities; Indemnification.....	9
Section 2.5	Merger; Consolidation.....	10
Section 2.6	Restrictions on Use of 609(g) MCC Funding and MCC Funding.....	11
Article III	Term; Suspension; Termination.....	12
Section 3.1	Term.....	12
Section 3.2	Initial Operating Period.....	12
Section 3.3	Execution of this Agreement by MiDA.....	12
Section 3.4	Suspension.....	12
Section 3.5	Termination of the Agreement.....	13
Section 3.6	Consequence of Termination.....	14
Section 3.7	Force Majeure.....	14
Section 3.8	Survival.....	15
Article IV	Miscellaneous.....	15
Section 4.1	Representations and Warranties of the Fiscal Agent.....	15
Section 4.2	Confidentiality.....	17
Section 4.3	Prohibition on Set-Off.....	17
Section 4.4	Communications.....	17
Section 4.5	Assignment.....	18
Section 4.6	Representatives.....	19
Section 4.7	Governing Law.....	19
Section 4.8	Dispute Resolution.....	19
Section 4.9	Ownership of Documents.....	19
Section 4.10	Relationship of the Parties.....	19
Section 4.11	Amendment; Waiver.....	19
Section 4.12	Written Consents, Approvals and Notices.....	20
Section 4.13	Non-waiver of Remedies.....	20
Section 4.14	Attachments.....	20
Section 4.15	Headings.....	20

Section 4.16	MCC as Third-Party Beneficiary; Reserved Rights	20
Section 4.17	Severability	21
Section 4.18	Entire Agreement	21
Section 4.19	Counterparts; Signatures.....	21
Section 4.20	Waiver of Immunity	22
Section 4.21	Language.....	22
Section 4.22	Execution of Compact	22
Section 4.23	Definitions.....	22
Section 4.24	Rules of Construction	22

- Exhibit A: Description of Services
- Exhibit B: Staffing and Subcontractor Plan
- Exhibit C: Fees
- Exhibit D: Interim Fiscal Accountability Plan
- Exhibit E: Definitions

FISCAL AGENT AGREEMENT

This FISCAL AGENT AGREEMENT (this “*Agreement*”) is made as of August 1, 2006 (the “*Effective Date*”), by and between Charles Kendall & Partners Limited (Company No. 00523210), with its registered office at 7 Albert Court, Prince Consort Road, London SW7 2BJ, England, United Kingdom, a private limited company organized and operating under the laws of the United Kingdom (“*Charles Kendall*”), in its capacity as fiscal agent (the “*Fiscal Agent*”) and the Government of the Republic of Ghana (the “*Government*”), acting through the Ministry of Public Sector Reform (the “*Ministry*”), and shall become effective as provided herein. Each of the Fiscal Agent, the Ministry (but only until the Millennium Development Authority, a public entity, organized under Ghanaian law (“*MiDA*”) joins this Agreement) and MiDA (when it joins this Agreement) is sometimes referred to herein individually as a “*Party*” and together as the “*Parties*.”

RECITALS

WHEREAS, the United States of America, acting through the Millennium Challenge Corporation (“*MCC*”), and the Government executed an Implementation Agreement on June 12, 2006 (the “*Implementation Agreement*”) that sets forth the general terms and conditions on which MCC will provide funding not to exceed three million two hundred thirteen thousand nine hundred and forty one United States Dollars (US \$3,213,941) to the Government for the purposes set forth in the Implementation Agreement;

WHEREAS, it is anticipated that MCC and the Government will negotiate and execute a certain Millennium Challenge Compact (the “*Compact*”) that will set forth the general terms and conditions on which MCC will provide funding to the Government for a Millennium Challenge Account program to advance economic growth and reduce poverty in Ghana;

WHEREAS, as a condition precedent to the initial 609(g) MCC Disbursement under the Implementation Agreement and to the initial MCC Disbursement under the Compact, the Government must deliver to MCC an executed copy of a fiscal agent agreement, in form and substance satisfactory to MCC, which specifies the terms and conditions on which a fiscal agent will provide certain agency and related services to MiDA under and in furtherance of the Implementation Agreement and the Compact;

WHEREAS, Charles Kendall, GFA Consulting Group, Project & Procurement Management Services Limited and Morrison & Associates (the “*Consortium*”) have jointly prepared and submitted a technical proposal dated April 25, 2006 to provide fiscal agent services, and in such technical proposal named Charles Kendall as the lead partner of the Consortium; and

WHEREAS, subject to the terms and conditions set forth in this Agreement, MiDA wishes to appoint Charles Kendall as the Fiscal Agent, and Charles Kendall wishes to accept such appointment.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties, intending to be legally bound, agree:

ARTICLE I APPOINTMENT; SERVICES; OBLIGATIONS

Section 1.1 Appointment of the Fiscal Agent. Subject to the terms and conditions of this Agreement, MiDA hereby appoints Charles Kendall as the Fiscal Agent to act as agent as further set forth and explicitly authorized herein, and Charles Kendall hereby accepts such appointment and agrees to perform the Agency Services in accordance with the terms of this Agreement.

Section 1.2 Description of Services. The Fiscal Agent shall provide services to MiDA as expressly provided herein and as further described in the Exhibits attached hereto and undertake the obligations and responsibilities of the Fiscal Agent set forth herein (collectively, the “**Agency Services**”). The Fiscal Agent shall undertake and provide all Agency Services in accordance with the terms and conditions set forth in this Agreement.

Section 1.3 Fiscal Agent Staff and Subcontractors.

(a) The Fiscal Agent shall use only qualified, experienced, and reliable staff for the performance of the Agency Services. The Fiscal Agent staff shall include the personnel set forth on Exhibit B and otherwise determined in accordance with Exhibit B. Selection of all key personnel identified on Exhibit B shall be subject to the approval of MiDA. In rendering the Agency Services, the Fiscal Agent staff shall be primarily located in Ghana. The rights and duties of the Fiscal Agent’s staff shall be defined in the contracts between such staff and the Fiscal Agent and shall be in accordance with all labor laws and regulations of Ghana. To the extent such staff, as warranted, are located outside Ghana, the Fiscal Agent shall comply with all local labor laws and regulations as applicable.

(b) The Fiscal Agent may enter into subcontracts with firms or individuals designated in such subcontract to assist the Fiscal Agent in providing the Agency Services designated in such subcontract; *provided, however*, that (i) the engagement of any such firms or individuals shall be subject to the prior approval of MiDA and MCC, in accordance with the thresholds set forth in the Implementation Agreement, in Schedule 2 of the Procurement Agreement or for such subcontractors as designated on Exhibit B, (ii) Exhibit B shall be amended to reflect any approved subcontractor plan, and (iii) each of the approved subcontracts shall contain the relevant provisions required by the Implementation Agreement and the Compact (including regarding limitations on use of 609(g) MCC Funding and MCC Funding, books and records, audits and access), which general provisions may be found on the MCC website at www.mcc.gov/guidance/compact/general_provisions.pdf. The Fiscal Agent shall ensure that such subcontractors use only qualified, experienced and reliable personnel to perform the Agency Services specified in the subcontract, and the provisions of Sections 1.3(b) and (c) of this Agreement shall apply to such personnel. Any such subcontracting by the Fiscal Agent shall not relieve the Fiscal Agent of its responsibilities under this Agreement to provide the Agency Services in accordance with the terms of this Agreement.

(c) The Fiscal Agent shall assume liability for the Agency Services rendered by its staff or any subcontractor, and the Fiscal Agent shall remain ultimately responsible to MiDA for the performance of the Agency Services. To the extent any of the Fiscal Agent's staff or subcontractors is located in Ghana, the Fiscal Agent shall comply, and shall ensure that all of its staff and subcontractors comply, with all applicable Ghanaian laws and regulations regarding employment of personnel or contracting of subcontractors in Ghana, as applicable. The Fiscal Agent shall be responsible for and shall take all necessary action with respect to any misconduct or failure of any staff or retained subcontractors to comply with their respective contractual obligations or with the terms of this Agreement. Further, upon the request of MiDA, the Fiscal Agent shall take all reasonable action requested by MiDA to address any misconduct or failure of the Fiscal Agent staff or subcontractors. Neither MiDA nor MCC shall have any direct or indirect liability under or in respect of such contracts with staff or any subcontractors retained by the Fiscal Agent.

(d) The names, qualifications and experiences of the Fiscal Agent staff and subcontractors, if any, that MiDA and MCC, as applicable, have approved as of the Effective Date are listed on Exhibit B.

(e) Subject to Section 1.3(g) below, the Fiscal Agent may make replacements, modifications or additions to its key personnel or subcontractors identified on Exhibit B and upon notice to MiDA. Any required approval of such replacement, modification or addition shall not be unreasonably withheld; *provided, however*, that any potential interruption, delay or material alteration of the Agency Services shall be a sufficient reason for MiDA or MCC to deny such approval.

(f) MiDA is entitled to demand the removal or replacement of any staff member or subcontractor if MiDA reasonably believes that such staff member or subcontractor is not suitable to perform the Agency Services because of health, language ability, professional qualifications, or for any other reasonable cause. Any such removal or replacement shall be in accordance with Section 1.3(g) below.

(g) In the event of a removal or replacement pursuant to Sections 1.3(e) or (f) above, the Fiscal Agent shall ensure that in no event shall the process of replacing a staff member or subcontractor delay, interrupt, or materially alter in any way the performance of the Agency Services. Any replacement, modification or addition to the Fiscal Agent's key personnel shall be subject to the prior approval of MiDA and MCC, which approvals shall be granted or denied within 20 days of request for such approval. Any replacement, modification or addition to the Fiscal Agent's subcontractors shall be subject to the prior approval of MiDA and MCC, in accordance with the thresholds set forth in the Implementation Agreement, Schedule 2 of the Procurement Agreement or as designated on Exhibit B. The Fiscal Agent shall complete the process of the removal and replacement of such staff member or subcontractor within 45 days of the request from MiDA or the Fiscal Agent's notice to MiDA, or as otherwise agreed by MiDA and MCC. Any modification to Exhibit B to change the positions designated as key personnel or to materially change the subcontractor plan shall be subject to the prior approval of MiDA and MCC.

Section 1.4 Supervision and Consultation. In rendering the Agency Services, the Fiscal Agent shall report to, and consult with, the Management of MiDA, with any appropriate communications copied to the Board of MiDA, each as further specified in the Fiscal Accountability Plan. The Fiscal Agent shall also consult as needed and maintain such open lines of communication with MCC and the board of directors of MiDA, as may be necessary.

Section 1.5 Compliance. The Fiscal Agent shall comply with (a) applicable Ghanaian laws and regulations, (b) this Agreement, the relevant provisions of the Implementation Agreement, the Compact, the Disbursement Agreement, the Bank Agreement, any other relevant Supplemental Agreements, and the Fiscal Accountability Plan, (c) guidance and procedures provided by MiDA from time to time, and (d) such other agreements and documents as the Parties may agree, which agreements and documents (including any amendments thereto) shall be delivered by MiDA to the Fiscal Agent.

Section 1.6 Bank Agreements; Bank Matters.

(a) The Fiscal Agent shall comply with the provisions of the Bank Agreement and with any other documentation with respect to a Permitted Account.

(b) The Fiscal Agent shall assist MiDA in the establishment of the Permitted Accounts, in accordance with the terms of the Bank Agreement. The Fiscal Agent shall not assist MiDA in the establishment of any other accounts except with the prior written consent of MCC.

(c) The Fiscal Agent shall take all actions that are necessary or appropriate to monitor and ensure that the Bank (i) refunds, on a quarterly basis, all 609(g) Accrued Interest and Accrued Interest to the accounts designated by MCC, and (ii) upon the written request of MCC, refunds to the accounts designated by MCC, any amounts of 609(g) MCC Funding, 609(g) Accrued Interest, MCC Funding and Accrued Interest.

(d) The Fiscal Agent shall ensure that the Bank monitors the Permitted Accounts for prohibited activities and restricted parties as specified in the Bank Agreement, and the Fiscal Agent shall verify all Bank reports related to such matters and otherwise monitor the Permitted Accounts in accordance with Section 2.6.

Section 1.7 Taxes. The Fiscal Agent shall track all Tax exemptions, Taxes assessed and paid, and reimbursements of VAT taxes (and any other Taxes) by the Government as required under Section 4.2 of the Implementation Agreement and Section 2.3(e) of the Compact in order to (a) monitor full compliance by the Government with Section 4.2 of the Implementation Agreement and Section 2.3(e) of the Compact, and (b) determine whether such Tax exemptions are being fully and fairly implemented and administered, and whether any Tax assessed and paid contrary to Section 4.2 of the Implementation Agreement or Section 2.3(e) of the Compact is being promptly and fully refunded in accordance with Section 4.2 of the Implementation Agreement and Section 2.3(e)(iii) of the Compact. The Fiscal Agent shall immediately notify MiDA, with a copy to MCC, of any failure by the Government to timely administer such Tax exemptions or promptly reimburse such Taxes. A Tax reimbursement shall not be deemed “promptly reimbursed” if such reimbursement is not paid within thirty (30) days after the date of the

reimbursement request by the Fiscal Agent. MiDA shall ensure that the Fiscal Agent has access to appropriate Government authorities responsible for the administration of the Tax exemptions (including reimbursements) that are provided in Section 4.2 of the Implementation Agreement and Section 2.3 of the Compact. The Fiscal Agent shall be entitled to utilize the Tax exemption certificate delivered to MCC pursuant to Section 4.2 of the Implementation Agreement and the Disbursement Agreement (as well as any other certificate evidencing the Tax-exempt status of MiDA) in the Fiscal Agent's efforts to monitor exemption, payment and reimbursement of Taxes.

Section 1.8 Insurance. In satisfaction of the relevant requirements of Section 3.3 of the Implementation Agreement and the requirements of Section 3.9 of the Compact, the Fiscal Agent shall maintain, at all times during the Term, adequate professional indemnity insurance with respect to the Fiscal Agent's performance under this Agreement. The Fiscal Agent shall provide verification of such insurance to MiDA and MCC upon execution of this Agreement, and from time to time as requested by MiDA or MCC. To the extent permitted or appropriate, such insurance or guarantee shall name MiDA, and if so requested by MiDA, MCC, as beneficiaries thereunder. Any proceeds from claims paid under such insurance or guarantees shall be applied as directed by MCC.

Section 1.9 Access; Audits; Reviews and Reports.

(a) Reports and Information. The Fiscal Agent shall provide all reports and information as required under Section 4.4(a) of the Implementation Agreement and Section 3.8(a) of the Compact, which sections are hereby incorporated by reference herein *mutatis mutandis*. The summary of such provisions may be found on the MCC website at www.mcc.gov/guidance/compact/audits_reviews_provisions.pdf.

(b) Books and Records. The Fiscal Agent shall keep (i) accurate and systematic books, records, documents and other evidence of the Fiscal Agent's performance of the Agency Services in such form and detail as is acceptable to MCC and (ii) all 609(g) Records and Compact Records pertaining to the Agency Services in accordance with the requirements of Section 4.4(b) of the Implementation Agreement and Section 3.8(b) of the Compact, which sections are hereby incorporated by reference herein *mutatis mutandis*. The summary of such provisions may be found on the MCC website at www.mcc.gov/guidance/compact/audits_reviews_provisions.pdf.

(c) Access. The Fiscal Agent shall make available, or shall cause to be made available, all books, records, documents and other evidence related to this Agreement (and any other 609(g) Records and Compact Records pertaining to the Agency Services) to MiDA, other Permitted Designees, MCC, the Inspector General, the United States Government Accountability Office, any Auditor or Reviewer responsible for an audit contemplated under or otherwise conducted in furtherance of the Implementation Agreement and the Compact, and any employees, contractors, agents or authorized representatives engaged by any of the foregoing (i) to conduct any assessment, review, audit or evaluation of the 609(g) Assistance, the Program, 609(g) MCC Funding, MCC Funding and the utilization of goods, services or works funded with 609(g) MCC Funding or MCC Funding, (ii) to inspect and make copies of such books, records, documents and other evidence as is in the control or possession of the Fiscal Agent, and (iii) to

have access to all relevant directors, officers, employees, contractors, agents, Affiliates, advisors and representatives of the Fiscal Agent in connection with any such assessment, review, audit or evaluation. The Fiscal Agent shall agree to provide access to all records associated with the 609(g) Assistance and the Program, including any 609(g) Records and Compact Records and any electronic copy of any thereof, and all systems used to execute its responsibilities and all facilities for a period of at least five (5) years after the expiration or termination of the Implementation Agreement or the Compact (whichever is later), or such longer period if required to resolve any litigation, claims or audit findings or any statutory requirements, unless such items have been returned to MiDA pursuant to Section 3.6(c). Without limiting the foregoing, the Fiscal Agent will also provide such access as may be required by Section 4.5 of the Implementation Agreement and Section 3.8(c) of the Compact, which sections are hereby incorporated by reference herein *mutatis mutandis*. The summary of such provision may be found on the MCC website at www.mcc.gov/guidance/compact/audits_reviews_provisions.pdf.

(d) Audits. The Fiscal Agent shall comply with the audit requirements of Sections 4.5 of the Implementation Agreement and Sections 3.8(d)(ii), (iii), (v), (vi) and (viii) of the Compact. Such provisions are hereby incorporated by reference herein *mutatis mutandis*. The summary of such provisions may be found on the MCC website at www.mcc.gov/guidance/compact/audits_reviews_provisions.pdf.

(e) Incorporation. The Fiscal Agent shall ensure the inclusion of the requirements, provided in this Section 1.9, in the manner and to the extent required by the Implementation Agreement and the Compact (including without limitation, the requirements of Section 4.3 of the Implementation Agreement and Section 3.8(e) of the Compact), in the Fiscal Agent's contracts and agreements with subcontractors and other service providers in connection with this Agreement.

(f) Audit Plans. The Fiscal Agent shall provide assistance as necessary in the development of the 609(g) Audit Plan and the Audit Plan. MiDA shall provide to the Fiscal Agent a copy of any final 609(g) Audit Plan and any final Audit Plan duly adopted by MiDA (and approved by MCC). The Fiscal Agent shall comply with the terms of the 609(g) Audit Plan and the Audit Plan (including the reporting standards required therein) and, upon request by MiDA or MCC, the Fiscal Agent shall take appropriate, effective, and timely corrective actions in response to any audit findings.

(g) Right of Use. MiDA and MCC shall have the right to use any information contained in any report or document delivered to or otherwise made available by the Fiscal Agent to MCC or MiDA.

Section 1.10 Licenses. The Fiscal Agent shall obtain all necessary immigration, business and other permits, licenses, consents, and approvals ("**Licenses**") to enable the Fiscal Agent and its personnel to perform fully its obligations under this Agreement; *provided*, no Taxes shall be paid by utilizing 609(g) MCC Funding or MCC Funding for any such Licenses.

Section 1.11 Conflicts of Interest.

(a) The Fiscal Agent shall ensure that no employee, director, officer, subcontractor, agent or representative of the Fiscal Agent shall participate in the selection, award, or administration of a contract, grant or other benefit or transaction financed in whole or in part (directly or indirectly) by 609(g) MCC Funding or MCC Funding 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 interest, or (ii) the person is negotiating or has any arrangement concerning prospective employment, unless such person or entity has first disclosed in writing to MiDA and MCC the conflict of interest and, following such disclosure, MiDA and MCC have agreed in writing to proceed notwithstanding such conflict. The Fiscal Agent's directors, officers, employees, Affiliates, contractors, subcontractors, agents, advisors and representatives shall not, and the Fiscal Agent shall ensure that no person or entity involved in the selection, award, administration or implementation of any contract, grant or other benefit or transaction financed in whole or in part (directly or indirectly) by 609(g) MCC Funding or MCC Funding shall, solicit or accept or offer 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. None of the Fiscal Agent's directors, officers, employees, Affiliates, contractors, subcontractors, agents, advisors and representatives active in the 609(g) Assistance or the Program shall engage in any activity which is, or gives the appearance of being, a conflict of interest. Without limiting the foregoing, the Fiscal Agent shall comply, and ensure compliance, with the applicable conflicts of interest or ethics policy of MiDA, as may be amended from time to time, as provided by MiDA to the Fiscal Agent.

(b) The Fiscal Agent shall undertake not to enter into any agreements in conflict with this Agreement, the Implementation Agreement, the Compact or any relevant Supplemental Agreement during the Term.

Section 1.12 Re-Disbursements; Currency Exchange.

(a) MiDA hereby authorizes the Fiscal Agent to make 609(g) Re-Disbursements and Re-Disbursements from the Permitted Accounts to vendors or individuals in satisfaction of obligations incurred as part of the 609(g) Assistance and the Program, upon MiDA's prior written approval of the same (and, if applicable, upon MCC's prior approval of the same) on the basis of proper evidence and documentation and otherwise in accordance with this Agreement, the Implementation Agreement, the Compact, the Disbursement Agreement, other relevant Supplemental Agreements, any Governing Document and the Fiscal Accountability Plan. Such 609(g) Re-Disbursements and Re-Disbursements shall include payments due to the Fiscal Agent under Section 2.2 below, *provided that* the Fiscal Agent submits proper and valid invoices to MiDA pursuant to Section 2.2.

(b) Prior to the adoption and approval of the Fiscal Accountability Plan, the Interim Fiscal Accountability Plan attached hereto as Exhibit D shall be deemed to be the Fiscal Accountability Plan for all purposes of this Agreement.

(c) To the extent applicable, the Fiscal Agent shall direct the Bank to transfer, as appropriate, the necessary amount of funds from the Special Account, or from another US

Dollar-denominated Permitted Account, if any, approved by MCC and MiDA, to the Local Account in order to settle payments to vendors and individuals in Ghanaian Cedi, if such payments are in accordance with the contractual terms agreed with such vendors or individuals, and following receipt of the proper approvals for such payments.

ARTICLE II FISCAL AGENT GENERALLY

Section 2.1 Standard of Care.

(a) The Fiscal Agent shall exercise all skill, reasonable care, prudence and diligence in the discharge of its duties and obligations under this Agreement, as would be expected from a skilled and experienced fiscal agent. The Fiscal Agent shall carry out all Agency Services in a timely and cost-effective manner and in conformity with professionally sound technical, financial and management practices requisite for successful provision of the Agency Services, and in accordance with internationally accepted accounting and financial management principles and practices.

(b) Without limiting the foregoing, the Fiscal Agent shall be entitled to act upon (and may rely on the due execution, validity and effectiveness of) any instruction, notice, demand, certification, direction, request or other document or communication given to it pursuant to this Agreement, the Implementation Agreement or under the Disbursement Agreement, any Supplemental Agreement or the Fiscal Accountability Plan in connection with a 609(g) Re-Disbursement, 609(g) MCC Disbursement, Re-Disbursement or MCC Disbursement other than an instruction, notice, demand, certification, direction, request, or other document or communication expressly identified as the responsibility of the Fiscal Agent therein), which the Fiscal Agent reasonably believes to be genuine, proper and valid. The Fiscal Agent shall not have any obligation to make any investigation into the facts or matters stated in any instruction, notice, demand, certification, direction, request or other document or communication furnished to it by MiDA or MCC.

Section 2.2 Fees.

(a) The Fiscal Agent's fees ("**Fees**") hereunder are as set forth in Exhibit C, and MiDA shall be responsible for payment of such fees in the amounts and on the dates as designated therein, *provided that* the Fiscal Agent has submitted invoices for such fees, which invoices are subject to the approval of MiDA. The Fiscal Agent's fees as set forth on Exhibit C shall be full compensation for the services to be provided by the Fiscal Agent pursuant to this Agreement. Except as set forth in Exhibit C, Section 2.4(c), and Section 3.6(b), the Fiscal Agent shall not be entitled to any other compensation, costs, expenses or payment (including payment or reimbursement for third-party costs and expenses) in respect of the Agency Services or this Agreement.

(b) Payments. Payments of the Fees in accordance with the calculation on Exhibit C and any other payments of MiDA under this Agreement to the Fiscal Agent shall be made in United States Dollars and made by bank transfer to the Fiscal Agent's account as follows:

Lloyds Bank
8-10 Waterloo Place
London
SW1Y 4BE
Sort Code 30000-08
Account No. 11207342
Charles Kendall & Partners Limited
BIC: LOYDGB21012
IBAN: GB05 LOYD 3000 0811 2073 42

(c) In the event MiDA disputes any invoice for fees submitted by the Fiscal Agent for any reason, including the Fiscal Agent's failure to comply with the terms and conditions of this Agreement (including the proper provision of the Agency Services), MiDA may delay or refuse payment of all or any portion of any such invoice without any penalty pending resolution of the dispute in accordance with Section 4.8. Following resolution of any such dispute, MiDA shall be obligated to pay only that portion of the invoice (if any) found to be valid.

(d) Notwithstanding anything to the contrary in this Agreement, no payment shall be made to the Fiscal Agent in violation of Section 4.1 of the Implementation Agreement or Section 2.3 of the Compact.

Section 2.3 Other Duties, Rights and Protections of the Fiscal Agent.

(a) If at any time the Fiscal Agent is served with any judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process (an "**Action**") that in any way affects this Agreement or the transactions contemplated herein, the Fiscal Agent shall give notice and a copy of such Action to MCC and MiDA.

(b) To the extent that any amounts hereunder are duly owed and outstanding to the Fiscal Agent, MiDA shall be solely liable to pay those amounts, subject to Section 6.2 of the Implementation Agreement, Section 5.8 of the Compact and Section 2.4 of this Agreement. For the avoidance of doubt, MCC shall have no responsibility or obligation to the Fiscal Agent for the payment of any fees, costs, indemnification expenses or any other expenses pursuant to this Agreement or otherwise.

(c) In the event of any ambiguity or uncertainty hereunder or in any notice, instruction or other communication received by the Fiscal Agent hereunder, the Fiscal Agent shall promptly notify MiDA (or the party that provided such notice, instruction or other communication) of such ambiguity or uncertainty and refrain from taking any action unless and until the Fiscal Agent receives from MiDA (or from the party that provided the original instruction) an instruction that eliminates such ambiguity or uncertainty. Except as otherwise provided herein, the Fiscal Agent shall not be or become liable to MiDA for the failure of the Fiscal Agent to comply with any unresolved, ambiguous, uncertain, conflicting or contrary demands notified to MiDA in accordance with this Section 2.3(c).

Section 2.4 Liabilities; Indemnification.

(a) The Fiscal Agent shall indemnify, defend and hold harmless MiDA and all MCC Indemnified Parties from and against any and all claims, losses, actions, liabilities, costs, damages or expenses, including reasonable attorneys' fees and expenses (but excluding any lost profits or other special, incidental, indirect, punitive or consequential damages, except as set forth in Section 2.4(b), regardless of the form of action and whether or not any such damages were foreseeable or contemplated) (collectively, the "**MiDA Losses**") arising from or in connection with the negligence, bad faith or willful misconduct of the Fiscal Agent, or a breach of this Agreement by the Fiscal Agent, except if and to the extent that any such MiDA Losses are attributable to the gross negligence or willful misconduct of MiDA.

(b) In the event that any payment to any vendor or individual is delayed by more than thirty (30) days after the date of receipt of a valid invoice by MiDA because of the negligence or willful misconduct of the Fiscal Agent, the Fiscal Agent shall be liable for, and shall indemnify MiDA and all MCC Indemnified Parties from and against, any claims (including claims for interest) from such vendors or individuals.

(c) MiDA shall indemnify, defend and hold harmless the Fiscal Agent from and against any and all claims, losses, actions, liabilities, costs, damages or expenses, including reasonable attorneys' fees and expenses (but excluding any lost profits or other special, incidental, indirect, punitive or consequential damages regardless of the form of action and whether or not any such damages were foreseeable or contemplated) (collectively, the "**Fiscal Agent Losses**") arising from or in connection with the negligence, bad faith or willful misconduct of MiDA, or a breach of this Agreement by MiDA, except if and to the extent that any such Fiscal Agent Losses are attributable to the gross negligence or the willful misconduct of Fiscal Agent.

(d) For the purposes of Sections 2.4(a), (b) and (c), any references to MiDA or the Fiscal Agent shall be deemed to include its respective directors, officers, employees, Affiliates, contractors, subcontractors, agents, advisors and representatives.

(e) In the event that any amounts are owed by MiDA to the Fiscal Agent as the result of any delay or default of MiDA, or as a result of Section 2.4(c), MiDA shall be solely liable for the payment of such amounts in accordance with Section 6.2 of the Implementation Agreement and Section 5.8 of the Compact, and in no event shall such payments be authorized or made from any 609(g) MCC Funding or MCC Funding, nor shall 609(g) Assistance Assets or Program Assets be used to satisfy any such obligations under this Section 2.4.

(f) Except as provided in Section 2.4(b), in no event shall either Party be liable to the other Party or any third-party for consequential, special, incidental or punitive losses, damages or expenses (including, without limitation, lost profits) arising from or in connection with this Agreement, even if such Party has been advised of the possible existence thereof.

Section 2.5 Merger; Consolidation. Any corporation or association in which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall, with the prior consent of MiDA and MCC, be and become a successor to the

Fiscal Agent and shall be vested with all of the title to the assets and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the Parties, except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

Section 2.6 Restrictions on Use of 609(g) MCC Funding and MCC Funding.

(a) The Fiscal Agent shall ensure that the use of 609(g) MCC Funding and MCC Funding complies with and shall monitor the Permitted Accounts in accordance with (i) Section 4.1 of the Implementation Agreement and Section 2.3 of the Compact, (ii) any United States laws, regulations and executive orders regarding money laundering, terrorist financing, restrictive trade practices or boycotts, United States sanctions laws and regulations, and all other economic sanctions or other restrictions promulgated from time to time by means of any 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 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, 15 C.F.R. Part 760, and those economic sanctions programs enumerated at 31 C.F.R. Parts 500 through 598 and (iii) any applicable Ghanaian laws or regulations regarding terrorist financing, money laundering, or similar activity.

(b) The Fiscal Agent shall verify, or cause to be verified, appropriately any individual, corporation or other entity with access to or recipient of funds, such verification may include verifying if such name appears on applicable watch lists such as the lists maintained on www.epls.gov, www.ofacompliance.com, or on the consolidated list of individuals and entities maintained by the "1267 Committee" of the United Nations Security Council, and such other lists as MiDA may reasonably require from time to time.

(c) The Fiscal Agent shall (i) conduct such verification in connection with each 609(g) Re-Disbursement and Re-Disbursement or at such time as MCC may from time to time reasonably request, including a review of any verification report generated by the Bank pursuant to the Bank Agreement, and (ii) on at least a quarterly basis or such other reasonable period as MiDA may request from time to time, deliver a report of such monitoring and verification to MiDA with a copy to MCC.

(d) The Fiscal Agent shall ensure and verify, or cause to be verified, that no payments have been or will be received by any official or employee of the Fiscal Agent, MiDA or any other Government official in connection with this Agreement and no payments have been made by the Fiscal Agent, any of its directors, officers or employees, or any other party to any third party, 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.) ("**FCPA**") or that would be in violation of the FCPA if the Party making such payments was a United States person or entity, and no payments have been made by the Fiscal Agent or any other party to any third party in connection with this Agreement, in violation of any applicable Ghanaian laws or regulations regarding anti-bribery or corruption.

ARTICLE III
TERM; INITIAL OPERATING PERIOD; SUSPENSION; TERMINATION

Section 3.1 Term. This Agreement shall be effective as of the Effective Date and shall terminate on the first (1st) anniversary of the Effective Date (the “*Term*”), unless terminated earlier in accordance with Section 3.5; *provided, however*, that (a) the Term shall automatically extend for successive one (1) year periods unless MiDA (with the prior approval of MCC) notifies the Fiscal Agent of MiDA’s election not to renew the Term at least thirty (30) days prior to the end of the Term, and (b) if the Compact is executed and enters into force prior to the expiration or termination of the Implementation Agreement, the final year of the Term shall terminate one hundred twenty (120) days following the expiration or termination of the Compact Term. Notwithstanding the foregoing, MiDA (with the prior approval of MCC) may extend the final year of the Term if MiDA and MCC determine that obligations of the Fiscal Agent remain to be performed.

Section 3.2 Initial Operating Period. The Ministry shall act in place of MiDA until MiDA joins this Agreement in accordance with Section 3.3. Notwithstanding any other provision of this Agreement and subject to the approval of MCC, for the period starting on the Effective Date and ending on the date of execution of this Agreement by MiDA: (i) any authorization, certification or other action required to be taken by, or rights or obligations of, the Chair of the Board of MiDA (or the Board of MiDA) may be taken by, and shall become rights and obligations of, the Ministry Principal Representative, (ii) any authorization, certification or other action required to be taken by, or rights or obligations of, the MiDA Principal Representative, CEO or any other Officer of MiDA may be taken by, and shall become rights and obligations of, the Ministry Principal Representative (or a designee of the Ministry Principal Representative), and (iii) any action required, or rights or obligations, of MiDA may be taken by, and shall become the rights and obligations of, the Ministry and any obligation owed to MiDA shall be owed to the Ministry.

Section 3.3 Execution of this Agreement by MiDA. Unless as Parties otherwise agree, immediately prior to the initial MCC Disbursement of MCC Funding under the Compact and the relevant Supplemental Agreements, MiDA shall execute and deliver this Agreement to MCC. Upon execution and delivery of this Agreement by MiDA, all rights, obligations and claims of the Ministry hereunder shall be deemed to have been assigned to, and accepted and assumed by, MiDA, and, upon such assignment, MiDA shall join this Agreement. Until such assignment and MiDA joining this Agreement, any references herein to actions to be taken or rights received by MiDA shall be taken or received by the Ministry, on behalf of the Government. Upon the execution and delivery of this Agreement by MiDA, all references in this Agreement to MiDA shall be to rights and obligations of MiDA and only MiDA may take such actions or exercise such rights.

Section 3.4 Suspension.

(a) MiDA (with the prior approval of MCC) may suspend this Agreement in whole or in part, upon delivery of notice to the Fiscal Agent.

(b) MCC may suspend this Agreement in whole or in part, upon delivery of notice to the Fiscal Agent and MiDA.

(c) Upon receipt of a notice of suspension pursuant to this Section 3.4, the Fiscal Agent shall suspend all activity in respect of the Permitted Accounts, and such activity shall remain suspended until the suspension is lifted by written instruction from the party that initiated such suspension.

(d) In the event that a suspension extends for more than sixty (60) days, the Fiscal Agent may terminate this Agreement at its election by giving notice to MiDA ninety (90) days prior to the effective date of such termination.

Section 3.5 Termination of the Agreement.

(a) If MiDA materially defaults in the observance or performance of any of its material obligations under this Agreement and such default remains uncured thirty (30) days after notice of such default is delivered by the Fiscal Agent to MiDA, then, following the expiration of such thirty (30) day period, the Fiscal Agent may terminate this Agreement by ninety (90) days' prior notice to MiDA and MCC; *provided, however*, that such termination shall be subject to Sections 3.5(d) and (e).

(b) MiDA (with the prior approval of MCC) or MCC may terminate this Agreement at any time with cause by giving notice to the Fiscal Agent; *provided, however*, that such termination shall be subject to Sections 3.5(d) and (e). For purposes of this Section 3.5(b) "cause" shall include: (i) any material breach or material default by the Fiscal Agent of any provision of this Agreement (including breach of any representation or warranty); (ii) the negligence, bad faith or willful misconduct of the Fiscal Agent or its representative directors, officers, employees, Affiliates, contractors, subcontractors, agents, advisors and representatives; (iii) the insolvency, bankruptcy or liquidation of the Fiscal Agent, or the appointment of a receiver or administrator to manage the affairs of the Fiscal Agent; (iv) if MCC determines (in its sole discretion) that the Fiscal Agent is engaged in activities that are contrary to the national security interests of the United States or other acts or omissions that may be grounds for suspension or termination under Section 5.1 of the Implementation Agreement or Section 5.4(b) of the Compact; or (v) if the Fiscal Agent is terminated for cause in its capacity as the Procurement Agent under the Procurement Agent Agreement.

(c) This Agreement may be terminated at any time without cause (i) by MiDA (with the prior approval of MCC) or MCC by giving notice to the Fiscal Agent sixty (60) days prior to the effective date of such termination, or (ii) by the Fiscal Agent by giving notice to MiDA and MCC ninety (90) days prior to the effective date of such termination, in both cases with such notice stating that the termination is without cause; *provided, however*, that such termination shall be subject to Sections 3.5(d) and (e).

(d) Following the delivery of a termination notice pursuant to Sections 3.5(a), (b), (c), or 3.4(d), MiDA shall appoint, with the prior approval of MCC, a successor fiscal agent (the "**Successor Fiscal Agent**"). Upon an entity's acceptance of such appointment as a Successor Fiscal Agent, MiDA shall provide notice thereof to the resigning Fiscal Agent and to the Bank.

(e) MiDA shall cause the Successor Fiscal Agent to execute a new fiscal agent agreement (the “***Successor Fiscal Agent Agreement***”), the form and substance of which shall be approved by MCC. Immediately upon execution of the Successor Fiscal Agent Agreement, this Agreement shall terminate; *provided, however*, that MiDA (with the prior approval of MCC) may extend the Term, for a period specified by MiDA, if MiDA determines that obligations of the Fiscal Agent remain to be performed.

Section 3.6 Consequence of Termination.

(a) If the termination of this Agreement is pursuant to Section 3.5(b), other than Section 3.5(b)(iii), then MiDA shall pay to the Fiscal Agent the fees as set forth in Section 2.2 for the Agency Services rendered up to the date of the event constituting cause for such termination, and MiDA shall have no obligation to pay any fees that accrue following such date. If applicable, the amount of such fees shall be calculated on a pro rata basis. MiDA shall be entitled to claim damages for any loss or damage resulting from any cause under Section 3.5(b) (other than Section 3.5(b)(iii)) above, and MiDA may deduct such damages from the Fiscal Agent’s remuneration.

(b) If the termination of this Agreement is pursuant to Sections 3.4(d), 3.5(a), 3.5(b)(iii) or 3.5(c), then the Fiscal Agent shall be entitled to receive (i) those fees incurred prior to the termination, and (ii) such reasonable unavoidable third-party expenses incurred by the Fiscal Agent prior to such termination, *provided*, that the Fiscal Agent seeks to cancel such obligations and mitigate all such expenses.

(c) If the termination of this Agreement is by the Fiscal Agent pursuant to Section 3.5(c)(ii), then the Fiscal Agent shall pay to MiDA an amount equal to fifty thousand dollars (\$50,000), which shall be a condition to the effectiveness of the termination.

(d) Upon any early termination of this Agreement, the Fiscal Agent shall ensure the orderly and timely transfer of all records, documents, data and information (together with all electronic copies thereof) to MiDA (or such agent or representative designated by MiDA) or to the Successor Fiscal Agent, and the Fiscal Agent shall take any other actions reasonably requested by MiDA to ensure the proper transition of any Agency Services, if applicable.

Section 3.7 Force Majeure.

(a) For purposes of this Section 3.7, an “event of force majeure” means the occurrence of any event that prevents either Party from performing any or all of its obligations pursuant to this Agreement, which event arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of such Party, such as acts of God, war, riot, civil commotion, armed conflict or terrorist attack, accidental or malicious damage, fire, flood or storm.

(b) If, due to an event of force majeure, either Party is unable to perform any of its obligations set forth herein, such failure to perform shall not constitute a default pursuant to this Agreement during the continuation of such event, and for such time after such event of force majeure ceases as is absolutely necessary for such Party, using all reasonable endeavours, to recommence and perform its obligations; provided that such Party: (i) shall as soon as possible

serve notice in writing to the other Party specifying the nature and extent of the circumstances giving rise to the event of force majeure; (ii) shall take all reasonable steps to avoid such prevention or delay due to such event of force majeure; and shall use all reasonable endeavours to recommence and perform its obligations as quickly as possible following the occurrence of such event of force majeure; and (iii) shall give reasonable notice in writing to the other Party of the termination of the event of force majeure. The corresponding obligations of the other Party will be suspended to the same extent.

(c) Subject always to the provisions of Section 3.7(b), if either Party is prevented from performance of a material portion of its obligations pursuant to this Agreement by reason of an event of force majeure for a continuous period in excess of ninety (90) days, either Party may terminate this Agreement by giving sixty (60) days written notice of such termination to the other Party; in the event of such termination neither Party will have any liability to the other from and after the date of such termination except with respect to any rights and liabilities which accrued prior to the date of such termination.

(d) Nothing in this Section 3.7 shall entitle the Fiscal Agent to claim an event of force majeure in the event that MiDA has suspended performance of this Agreement pursuant to Section 3.4 or has notified the Fiscal Agent that it intends to suspend such performance.

(e) Any dispute regarding this Section 3.7 shall be resolved in accordance with the dispute resolution provisions set forth in Section 4.8.

Section 3.8 Survival. Notwithstanding any expiration, suspension or termination of this Agreement, the following provisions of this Agreement shall survive in accordance with the terms of such provisions and the Compact: Sections 1.7, 1.9, 2.2, 2.4, 2.6, 3.8, 4.2, 4.4, 4.5, 4.7, 4.8, 4.16 and 4.20.

ARTICLE IV MISCELLANEOUS

Section 4.1 Representations and Warranties of the Fiscal Agent. The Fiscal Agent hereby represents and warrants to MiDA that, as of the Effective Date:

(a) It is a private limited company duly formed, validly existing and in good standing under the laws of the United Kingdom, and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations and consummate the transactions contemplated hereunder;

(b) It has, and will have, the economic and financial capacity, general management, sustainability, and availability of professional staff to perform the Agency Services, to perform its obligations and responsibilities hereunder, and to consummate the transactions anticipated hereunder, each as of the Effective Date and during the Term;

(c) It has duly authorized, executed and delivered this Agreement;

(d) This Agreement constitutes a valid and legally binding obligation of the Fiscal Agent, enforceable against it in accordance with its terms, except as such enforceability may be

limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors' rights and subject to general equitable principles;

(e) Neither the execution and delivery of this Agreement, nor the performance by it of its obligations hereunder will, with or without the giving of notice or the passage of time or both: (i) violate any provision of Ghanaian laws and regulations; (ii) violate the provisions of its organizational documents; (iii) violate any judgment, decree, order or award of any court or governmental authority applicable to it; or (iv) conflict with or result in the breach or termination of any term or provision of, or constitute a default under, any instrument or agreement to which it is a party or by which it or any of its assets is bound;

(f) No consents or approvals of any person other than the approval of its board of directors or similar governing body are required in connection with the execution and delivery of this Agreement or the performance by it of its obligations under this Agreement;

(g) No petition, notice, or order has been presented, no order has been made and no resolution has been passed for its bankruptcy, liquidation, winding-up or dissolution. No receiver, trustee, custodian or similar fiduciary has been appointed over the whole or any part of its income, nor does it have any plan or intention of, or have received any notice that any other person has any plan or intention of, filing, making or obtaining any such petition, notice, order or resolution or of seeking the appointment of a receiver, trustee, custodian or similar fiduciary;

(h) The Fiscal Agent, its personnel, subcontractors and associates have not been (i) blacklisted from participation in procurements funded by The World Bank assistance, (ii) debarred or suspended from participation in procurements funded by the United States Government or (iii) otherwise prohibited from receiving assistance by applicable United States law or executive order or United States policies including under any then-existing anti-terrorist laws or policies;

(i) No payments have been made, or caused to be made, by the Fiscal Agent to any third-party, including any Government official, in connection with this Agreement or the Program in violation of the FCPA or that would be a violation of the FCPA if the party making such payments was a United States person or entity, and no payments have been made, or caused to be made, by the Fiscal Agent to any third party, in connection with this Agreement in violation of any applicable Ghanaian laws or regulations regarding anti-bribery and corruption; and

(j) The information contained in the Fiscal Agent's proposal (dated April 25, 2006), or any agreement, report, statement, communication, or document otherwise delivered or otherwise communicated to MiDA or its agents or representatives or to MCC or its agents or representatives by or on behalf of the Fiscal Agent in connection with this Agreement (i) is true, accurate and complete in all material respects and (ii) does not omit any fact known to the Fiscal Agent that if disclosed would (A) alter in any material respect the information delivered, (B) would likely have a material adverse effect on the Fiscal Agent's ability to effectively provide or ensure the effective provision of Agency Services or to otherwise carry out its responsibilities or obligations under this Agreement, or (C) have likely adversely affected MiDA's determination to enter into this Agreement.

Section 4.2 Confidentiality. All documents, reports, cost estimates, technical data and information concerning the 609(g) Assistance, the Program, MiDA or the Permitted Accounts, that is not otherwise publicly available shall be treated by the Parties confidentially in a reasonable and appropriate manner and in accordance with applicable professional standards, *provided, however*, that all such documents, reports, cost estimates, technical data and other information shall be provided to MCC and may be provided by MCC to any employees, contractors, agents, representatives of MCC, the Inspector General, the United States Government Accountability Office, or others designated by MCC; *provided, further*, that MiDA and MCC may post on their respective websites or otherwise make publicly available certain information, including financial reports or other information as required by the Implementation Agreement or the Compact. The Fiscal Agent shall ensure that only those with a need to know and under similar obligations of confidentiality shall have access to any and all information, documents, cost estimates data and information provided to the Fiscal Agent or otherwise generated in connection with this Agreement, the 609(g) Assistance and the Program.

Section 4.3 Prohibition on Set-Off. The Fiscal Agent waives any and all rights of set-off, combination of accounts or counterclaim or any other right whatsoever it may have or hereafter acquire to apply amounts outstanding hereunder in discharge or satisfaction of any cost, right of reimbursement, expense, loss or other liability of the Fiscal Agent and all such rights are hereby released by the Fiscal Agent. All payments made by the Fiscal Agent under this Agreement shall be made without any deduction, withholding, set-off or counterclaim of any kind.

Section 4.4 Communications. Any notice, certificate, request, report, approval, document or other communication required, permitted, or submitted by either Party to the other under this Agreement shall be (i) in writing, (ii) in English, and (iii) deemed duly given: (x) upon personal delivery to the Party (or MCC, as applicable) to be notified; (y) when sent by confirmed facsimile or electronic mail, if sent during normal business hours of the recipient Party (or MCC, as applicable), if not, then on the next business day; or (z) two (2) business days after deposit with an internationally recognized overnight courier, specifying next day delivery with written verification of receipt, to the Party (or MCC, as applicable) to be notified at the address indicated below, or at such other address as such Party (or MCC, as applicable) may designate by notice to the other Party (and MCC):

To the Fiscal Agent:

Charles Kendall & Partners Limited
Attention: John Povey and Terry Bowen, Directors
7 Albert Court
Prince Consort Road
London SW7 2BJ
Tel: +44 207 591 4931
Fax: +44 207 584 1393
Email: jpovey@charleskendall.com and tbowen@charleskendall.com

To the Ministry:

Ministry of Public Sector Reform
Attention: The Minister of Public Sector Reform
Private Mail Bag
Stadium Post Office
Accra, Ghana
Tel: (233-21) 670295
Fax: (233-21) 684086
Email: nduom@africaonline.com.gh

To MiDA:

At an address, and to the attention of the person, to be designated in writing to the Fiscal Agent and MCC by the Government.

To MCC:

Millennium Challenge Corporation
Attention: Vice President, Operations
(with a copy to the Vice President and General Counsel)
875 Fifteenth Street, N.W.
Washington, D.C. 20005
United States of America
Fax: (202) 521-3700
Email: VPOperations@mcc.gov (Vice President, Operations);
VPGeneralCounsel@mcc.gov (Vice President and General Counsel)

Whenever under the terms hereof the time for giving a notice or performing an act falls on a day that is not a business day, such time shall be extended to the next day that is a business day.

Section 4.5 Assignment.

- (a) This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assignees.
- (b) The Fiscal Agent may not assign, delegate, subcontract or otherwise transfer any of its rights or obligations under this Agreement without the prior consent of MiDA and MCC, and with the prospective assignee executing an assignment and assumption agreement prior to such transfer, signed by the Parties and approved by MCC, under which the Fiscal Agent assigns to such assignee all of its right, title and interest to this Agreement and such assignee assumes all such rights and obligations of the Fiscal Agent then existing under this Agreement.
- (c) MiDA may not assign, delegate, subcontract or otherwise transfer any of its rights or obligations under this Agreement without the prior consent of the Fiscal Agent and MCC, and with the prospective assignee executing an assignment and assumption agreement prior to such transfer, signed by the Parties and approved by MCC, under which MiDA, assigns to such

assignee all of its right, title and interest to this Agreement and such assignee assumes all such rights and obligations of MiDA then existing under this Agreement. Notwithstanding the foregoing, MiDA may assign any claims under this Agreement to MCC, which assignment shall be effective upon receipt by the Fiscal Agent of notice of the assignment duly signed by MiDA and MCC.

Section 4.6 Representatives. Unless otherwise agreed by the Parties, for all purposes relevant to this Agreement, the Government shall be represented by the individual holding the position of, or acting as, the Minister of Public Sector Reform (the “**Ministry Principal Representative**”), MiDA shall be represented by the individual holding the position of, or acting as, its CEO (the “**MiDA Principal Representative**”) and the Fiscal Agent shall be represented by Jean-Pierre Staus, its overall team leader based in Ghana (the “**Fiscal Agent Principal Representative**” and together with the Ministry Principal Representative and the MiDA Principal Representative, the “**Principal Representatives**”), each of whom, by giving notice, may designate one or more additional representatives (each, an “**Additional Representative**”) for all purposes other than signing amendments to this Agreement. The names of each Party’s Principal Representative and its respective Additional Representatives shall be provided, with specimen signatures, to the other Party, and each Party may accept as duly authorized any instrument signed by such Principal Representative or Additional Representative relating to the implementation of this Agreement, until receipt of notice of revocation of their authority. A Party may replace its Principal Representative with a new representative upon notice to the other Party, which notice shall include the specimen signature of the new Principal Representative.

Section 4.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Ghana, without giving effect to choice of law principles that would cause the application of the laws of any other jurisdiction.

Section 4.8 Dispute Resolution. All disputes that cannot be settled amicably by the Parties shall finally and exclusively be settled in accordance with the Rules of Arbitration of the International Chamber of Commerce (the “**Rules**”) by an arbitration panel composed of three arbitrators appointed in accordance with said Rules. The arbitration will be held in Accra and shall be conducted in English. Members of the Consortium shall have access to documents and records maintained pursuant to this Agreement or prepared for purposes of any such arbitration.

Section 4.9 Ownership of Documents. The copyright in all reports and related data and documents such as maps, diagrams, plans, statistics and supporting material prepared by the Fiscal Agent, or made available by the Fiscal Agent to MiDA, under this Agreement shall pass to MiDA, unless otherwise specified by MiDA in writing to the Fiscal Agent.

Section 4.10 Relationship of the Parties. This Agreement does not create a joint venture, partnership, or other similar relationship between the Parties.

Section 4.11 Amendment; Waiver. The Parties may amend this Agreement by entering into a written amendment to this Agreement signed by the Principal Representatives of the Parties; any such amendment shall be subject to the prior approval of MCC. The Parties further agree that any waiver of any kind or character on any Party’s part of any breach, default or noncompliance under this Agreement or any waiver on such Party’s part of any provisions or conditions of this

Agreement must be in writing and shall be effective only to the extent specifically set forth in such writing.

Section 4.12 Written Consents, Approvals and Notices. Notices, permits, consents, Licenses, approvals and authorizations, and any equivalent actions, to be provided or made hereunder shall only be effective if done in writing.

Section 4.13 Non-waiver of Remedies. The Parties agree that no delay or omission to exercise any right, power or remedy accruing to any Party, upon any breach, default or noncompliance by another Party under this Agreement, shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence therein, or of or in any similar breach, default or noncompliance thereafter occurring. All remedies, either under this Agreement, by law, or otherwise afforded to any Party, shall be cumulative and not alternative.

Section 4.14 Attachments. Any exhibit, schedule or other attachment expressly attached hereto (together, the “*Attachments*”) is incorporated herein by reference and shall constitute an integral part of this Agreement.

Section 4.15 Headings. The Section and Subsection headings used in this Agreement are included for convenience only and are not to be considered in construing or interpreting this Agreement.

Section 4.16 MCC as Third-Party Beneficiary; Reserved Rights.

(a) This Agreement is for the exclusive benefit of the Parties and their respective permitted successors hereunder, and shall not be deemed to give, either express or implied, any legal or equitable right, remedy, or claim to any other government body or any other entity or person whatsoever, with the exception of MCC, which is hereby designated as third-party beneficiary to this Agreement and MCC shall have all the rights of, and obligations owed to, MiDA under this Agreement and all of the rights reserved to MCC throughout this Agreement.

(b) MCC is a U.S. Government corporation acting on behalf of the U.S. Government in the implementation of the Implementation Agreement, the Compact and this Agreement. As such, MCC has no liability under the Implementation Agreement, the Compact or this Agreement, is immune from any action or proceeding arising under or relating to the Implementation Agreement, the Compact and this Agreement, and the Government, MiDA, and the Fiscal Agent hereby waive and release all claims related to any such liability. In matters arising under or relating to the Implementation Agreement, the Compact or this Agreement, MCC is not subject to the jurisdiction of the courts or other body of Ghana or any other jurisdiction.

(c) Prior to the execution and Effective Date of this Agreement, MCC must acknowledge its approval of this Agreement in writing to MiDA. Every amendment, and every modification, suspension or termination of this Agreement shall not be effective without the prior written approval of MCC as delivered by MCC’s Principal Representative (as defined in the Implementation Agreement and the Compact) or MCC’s Additional Representative (as defined in the Implementation Agreement and the Compact).

(d) Certain rights are expressly reserved to MCC herein or in the Implementation Agreement, the Compact, the Governing Documents or other relevant Supplemental Agreements, including rights to approve the terms and conditions of this Agreement, and any amendments hereto, the Fiscal Agent, certain activities contemplated hereunder, and as applicable any or all plans, reports, specifications, subcontracts, bid documents or other documents in connection with or related to this Agreement. MCC, in reserving any or all of approval or other rights hereunder or under the Implementation Agreement, the Compact, the Governing Documents or other relevant Supplemental Agreement, 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 not be construed as making MCC a party to this Agreement. MCC may, from time to time, exercise its expressly reserved rights or discuss matters related to these rights, this Agreement and the activity contemplated hereunder with the Government, the Fiscal Agent, or MiDA either jointly or separately. Any approval (or failure to disapprove) or exercise of (or failure to exercise) any rights by MCC shall not bar MiDA or MCC from asserting any right or relieve the Fiscal Agent of any liability which it might otherwise have to MiDA, MCC (or MCC Indemnified Parties) or any other person or entity. MCC shall have the right, as set forth in this Agreement, to receive copies of reports or other documentation delivered to MiDA or any government body or other person or entity.

(e) For the benefit of MCC, the Fiscal Agent shall comply with all terms of this Agreement.

(f) For the avoidance of doubt, MCC shall incur no obligations or liabilities under this Agreement, whether as a result of its third-party beneficiary status or otherwise. In no event shall anything in this Section 4.16 or any other provision of this Agreement be construed as submission by MCC to the courts of Ghana or of any other jurisdiction, or to any other body, or to any arbitral body or to any arbitration under Section 4.8.

Section 4.17 Severability. If one or more provisions of this Agreement is held to be unenforceable under any applicable law, such provision(s) shall be excluded from this Agreement and the balance of this Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

Section 4.18 Entire Agreement. This Agreement, including all Attachments, and all certificates, documents or agreements executed and delivered in connection with and in furtherance of this Agreement, when executed and delivered, shall constitute the entire agreement of the Parties with respect to the subject matter hereof, superseding and extinguishing all prior agreements, understandings and representations and warranties relating to the subject matter hereof.

Section 4.19 Counterparts; Signatures. This Agreement may be executed in one or more counterpart signatures, and each counterpart when so executed and delivered shall be an original instrument, but such counterparts together shall constitute a single agreement. A signature to this Agreement or any amendment to this Agreement pursuant to Section 4.11 shall be delivered only as an original signature. With respect to all other signatures, except as the Parties may otherwise agree in writing from time to time, a signature delivered by facsimile or electronic mail in

accordance with Section 4.4 shall be deemed an original signature, and the Parties hereby waive any objection to such signature or to the validity of the underlying agreement on the basis of the signature's legal effect, validity or enforceability solely because it is in facsimile or electronic form, without limiting the foregoing, a signature on an audit report may be provided by facsimile or electronic form so long as it is followed by an original by overnight express mail. Such signature shall be accepted by the receiving Party as an original signature and shall be binding on the Party delivering such signature.

Section 4.20 Waiver of Immunity. Each Party, as to itself and its assets, hereby irrevocably and unconditionally waives any right of immunity (sovereign or otherwise) and agrees not to claim or assert any immunity with respect to the matters covered by this Agreement or any arbitration, suit or action with respect to this Agreement, whether arising by statute or otherwise, which it may have or may subsequently acquire, including rights under the doctrines of sovereign immunity and act of state, immunity from legal process (including service of process or notice, pre-judgment or pre-award attachment, attachment in aid of execution, or otherwise), immunity from jurisdiction or judgment of any court, arbitrator or tribunal (including any objection or claim on the basis of inconvenient forum), and immunity from enforcement or execution of any award or judgment or any other remedy.

Section 4.21 Language. This Agreement is prepared and executed in English and in the event that any ambiguity or conflict between this official English version and any other version translated into any language for the convenience of the Parties, this official English language version shall prevail.

Section 4.22 Execution of Compact. The Parties acknowledge that, as of the Effective Date, the Compact, the Disbursement Agreement, the Governance Agreement and the Procurement Agreement have not yet been executed by the respective parties thereto. The Parties agree that (a) all references in this Agreement to the Compact, the Disbursement Agreement, the Governance Agreement, the Procurement Agreement, Accrued Interest, Audit Plan, Compact Records, Compact Term, Entry Into Force, MCC Disbursement, MCC Funding, Program, Program Assets, and Re-Disbursements (collectively, the "***Compact Documents and Related Terms***") used herein shall not be effective for purposes of this Agreement until the execution of the Compact by the parties thereto, and (b) until such execution of the Compact, (i) this Agreement shall be interpreted as if such Compact Documents and Related Terms are excluded from this Agreement, and (ii) the remaining terms of this Agreement shall be effective and enforceable by the Parties. Immediately upon execution of the Compact by the parties thereto, the Compact Documents and Related Terms herein shall be effective and enforceable for purposes of this Agreement.

Section 4.23 Definitions. All capitalized terms used herein shall have the meaning given such terms in Exhibit E.

Section 4.24 Rules of Construction. The following rules of construction shall be followed when interpreting this Agreement:

(a) all references to notices, permits, Licenses, consents, approvals, and authorizations and any equivalent actions shall mean written notices, permits, Licenses, consents, approvals, and authorizations in accordance with Section 4.12;

(b) words importing the singular also include the plural and vice versa;

(c) references to natural persons or parties include firms or any other entity having legal capacity;

(d) words importing one gender include the other gender;

(e) the words “include,” “including,” and variants thereof mean “includes, but not limited to” and corresponding variant expressions;

(f) except as otherwise set forth herein, all references contained herein to the Compact, any Supplemental Agreements, contracts, or other documents, including the Procurement Guidelines, shall be deemed to mean the Compact, such Supplemental Agreements, contracts, or documents, as the same may be modified, supplemented, or amended from time-to-time;

(g) each reference to any applicable law shall be construed as a reference to such applicable law as it may have been, or may from time to time be, amended, replaced, extended or re-enacted and shall include any subordinate legislation, rule or regulation promulgated under any such applicable law and all protocols, codes, proclamations and ordinances issued or otherwise applicable under any such law;

(h) the terms “hereof”, “herein”, “hereto”, “hereunder” and words of similar or like import, refer to this entire Agreement and not any one particular Article, Section, Schedule, or other subdivision of this Agreement;


(i) any reference to “business days” shall mean any day other than a Saturday, Sunday, commercial banking holiday in Washington, D.C., Accra, Ghana, England or Germany, or a federal or national holiday in the United States, Ghana, England, or Germany, and any reference to “day” shall mean a calendar day; and

(j) any reference to “month”, “quarter” or “year” shall have the common meaning given such terms based on a calendar year beginning on January 1 and ending on December 31 and divided into four approximately equal quarters beginning on each January 1, April 1, July 1 and October 1 of each such respective calendar year.


SIGNATURE PAGE BEGINS ON THE NEXT PAGE.

IN WITNESS WHEREOF, the following Parties, acting through their respective duly authorized representatives, have caused this Agreement to be executed in their names and delivered as of the 14th day of August, 2006.

MINISTRY OF PUBLIC SECTOR REFORM

By: 
Name: Dr. P. Kwesi Nduom
Title: Minister of Public Sector Reform

CHARLES KENDALL & PARTNERS LIMITED, as Fiscal Agent

By: 
Name: Mr. Terry Bowen
Title: Director

MiDA, acting through its duly authorized representative, has joined this Agreement and shall be subject to its provisions as of the date first written below.

MILLENNIUM DEVELOPMENT AUTHORITY

By: _____
Name: []
Title: []
Date: []

EXHIBIT A

Description of Services

In addition to the services set forth in the Agreement, the Fiscal Agent shall provide the following services in its capacity as the fiscal agent to MiDA as specified below:

The Fiscal Agent shall act on behalf of MiDA to provide a broad range of financial management services that are requested by MiDA to implement the projects funded with 609(g) MCC Funding and MCC Funding. In this capacity, the Fiscal Agent shall diligently oversee, discharge and perform all services necessary to achieve the optimum value for the monies expended by MiDA, while ensuring that all financial transactions are conducted in strict compliance with the principles, rules and procedures set out in the Implementation Agreement, the Compact and Supplemental Agreements.

I. SCOPE OF SERVICES FOR BASE YEAR

The following services are required during the first year of the Agreement (the “*Base Year*”):

(A) **Overall Responsibilities.** The Fiscal Agent shall:

- (i) Administer financial management of 609(g) MCC Funding and MCC Funding to implement the Program efficiently and effectively.
- (ii) Take all necessary actions to prepare or assist in the preparation of any documents, budgets, plans, reports, requests, or certifications as may be required by MiDA for any MiDA action, or MCC approval, including any provision of any data or information required for such action or approval.
- (iii) Submit monthly, quarterly, yearly and ad hoc reports as prescribed on the financial activities of the Program.
- (iv) Assist MiDA in developing a detailed budget for the Program on a rolling quarterly basis for the Base Year.
- (v) Establish with MiDA a single chart of accounts for the Program, which segregates financial information by Program, sub-program, project and activity, object of expenditure, sources of funding and geographical areas.
- (vi) Establish and maintain an automated accounting system.
- (vii) Ensure that the accounting complies with and conforms to internationally accepted accounting standards.
- (viii) Transfer knowledge and skills to MiDA, project managers and project implementers on the financial management systems used by the Fiscal Agent in order to ensure the establishment and operation of a proper, efficient, and transparent financial management system, which

supports the implementation of projects funded with 609(g) MCC Funding and the MCC Funding.

- (ix) Establish internal control mechanisms which provide reasonable assurance of accomplishing objectives, in terms of reliability of financial reporting, compliance with laws and regulations, and effectiveness and efficiency of operations.
- (x) Assist MiDA in developing and implementing a Fiscal Accountability Plan, which identifies the principles and mechanisms to ensure appropriate fiscal accountability in the use of 609(g) MCC Funding and MCC Funding, including the processes to ensure that open, fair, and competitive procedures are used in a transparent manner in the administration of grants or cooperative agreements and in the procurement of goods and services.
- (xi) Assist MiDA in the preparation of an Audit Plan, and which shall include any required audits of Covered Providers, as required by the Audit Guidelines.
- (xii) Provide timely access to MiDA, other Permitted Designees, MCC, the Inspector General, the United States Government Accountability Office, any auditor responsible for an audit to all information and records associated with the Program, and any electronic copy thereof, and all systems and facilities used to execute its responsibilities and provide copies of all documentation as requested.
- (xiii) Permit MiDA, other Permitted Designees, MCC, the Inspector General, the United States Government Accountability Office, any auditor responsible for an audit to assess, review, audit or evaluate the Program, 609(g) MCC Funding and MCC Funding and the utilization of goods, works or services funded with 609(g) MCC Funding and MCC Funding.
- (xiv) Protect the financial management activity from fraud, waste and abuse.
- (xv) Respond promptly and fairly to complaints about the timeliness of payments.
- (xvi) Assume other operational, functional, and contractual obligations and responsibilities as is customary in performing the duties of a fiscal agent.

(B) Specific Responsibilities

- (i) **Cash Management.** The Fiscal Agent shall:
 - (1) Have sole signatory authority, as designated by MiDA, for all MiDA's Permitted Accounts.
 - (2) Ensure that two authorized officers of the Fiscal Agent jointly sign all payment requests and that the principle of segregation of duties is maintained.
 - (3) Ensure that funds provided by MCC are in no case co-mingled with any other funds from any source whatsoever; except as prescribed by MCC.
 - (4) Track, manage and retain documentation on currency conversions consistent with guidelines detailed in the Implementation Agreement, the Compact, any Supplemental Agreement, or other written agreements between MCC and MiDA.

- (ii) **Budgeting.** The Fiscal Agent shall develop a system of commitment control which defines the conditions and documentation to ensure that no financial commitments, obligations, or payments are made or Disbursement Requests submitted for any activity or expenditure, unless the expenditure is provided for in the detailed budget, is within budgetary limits and uncommitted funds exist in the budget for the relevant period.
- (iii) **Accounting and Reconciliation.** The Fiscal Agent shall:
 - (1) Ensure that the automated accounting system it establishes
 - (A) records commitments to obligate budgeted funds;
 - (B) records income and expenses, assets and liabilities;
 - (C) generates reports as requested including current summary statement of accounts and ad hoc reports and in the formats specified by MiDA;
 - (D) produces financial reports for MiDA on the administration and management of the Program;
 - (E) produces financial reports to MCC as specified;
 - (F) ensures data security;
 - (G) provides on-line user-friendly access to MiDA and MCC; and
 - (H) allows for ready transfer of accounting records to another accounting system as necessary.
 - (2) Ensure that the automated accounting system is backed up in real time and that back up tapes or files are secured and readily available.
 - (3) Establish a disaster recovery plan which is tested periodically to ensure it operates properly.
 - (4) Establish procedures to close all accounting records no later than fourteen (14) calendar days after the end of an accounting period.
 - (5) Establish procedures to reconcile all Permitted Accounts to the accounting records no later than fourteen (14) calendar days after the end of an accounting period and follow up any discrepancies on a timely basis.
 - (6) Ensure that records of all MCC Funding, regardless as to how they are administered, and MCC Funding are incorporated into the reporting system.
- (iv) **Approvals and Authorizations.** The Fiscal Agent shall establish procedures to ensure no payment orders are executed unless in accordance with the Implementation Agreement, the Compact and any Supplemental Agreement and all required authorizations as defined in the Fiscal Accountability Plan, Implementation Agreement, Compact, and any Supplemental Agreement.

(v) ***MCC Disbursements***. The Fiscal Agent shall:

- (1) Monitor the amount of funding available in each Permitted Account and the amount of funding budgeted for Program and project activities during the current and subsequent Disbursement Periods.
- (2) Provide certification to MiDA as requested regarding the status of funds in the Permitted Accounts.
- (3) Establish procedures whereby all documents and certifications required by the Implementation Agreement, the Compact and any Supplemental Agreements are complete for all Disbursement Requests.

(vi) ***Payments Requests***. The Fiscal Agent shall:

- (1) Establish procedures to ensure all documents and certifications support all payment requests.
- (2) Approve payment requests which are valid, accurate and comply with the terms and conditions specified in the Implementation Agreement, the Compact and any Supplemental Agreement.
- (3) Establish procedures that ensure invoices are checked and authorized payments are executed no later than thirty (30) calendar days after the date of invoice or the point at which an obligation of the Program should be liquidated.
- (4) Establish a system which tracks the time between the date of an invoice, the date of receipt of goods or rendering of works and services, and the date of payment.
- (5) Produce monthly reports indicating whether or not the requirement to make payments within the prescribed thirty (30) calendar day period has been met and explain any failure to meet such deadline.
- (6) Establish procedures to ensure that payees are checked against the Excluded Parties list and do not violate any prohibitions of the Implementation Agreement, the Compact and any Supplemental Agreements.

(vii) ***Taxes***. The Fiscal Agent shall:

- (1) Establish a system to track all Tax exemptions, Taxes assessed and paid, and reimbursements of VAT taxes (and any other Taxes) by the Government as required in order to monitor full compliance by the Government as prescribed by the Implementation Agreement, the Compact and any Supplemental Agreement, and to determine whether such Tax exemptions are being fully and fairly implemented and administered, and whether any Tax assessed and paid contrary to the Implementation Agreement, the Compact and any Supplemental Agreement is being promptly and fully refunded in accordance with the Implementation Agreement the Compact and any Supplemental Agreement.

- (2) Immediately notify MiDA, with a copy to MCC, of any failure by the Government to timely administer such Tax exemptions or promptly reimburse such Taxes. A Tax reimbursement shall not be deemed “promptly reimbursed” if such reimbursement is not paid within thirty (30) calendar days after the date of the reimbursement request by the Fiscal Agent.
- (3) Utilize the Tax exemption certificate delivered to MCC pursuant to the Implementation Agreement, the Compact and any Supplemental Agreement in its efforts to monitor exemption, payment and reimbursement of Taxes.

(viii) **Reporting.** The Fiscal Agent shall:

- (1) *Accounting Reports:* (A) Prepare monthly reports showing receipts and payments and other financial activities, and (B) Prepare monthly reconciliations of the accounting records to the Permitted Accounts.
- (2) *Budget reports:* Prepare quarterly reports on sources and uses of funds comparing budget to actual expenditure for the period being reported and for the cumulative period since the Entry into Force, as well as a projected flow of funds for the Base Year.
- (3) *Performance reports:* Prepare quarterly reports on its performance.
- (4) *Other:* (A) Prepare reports as necessary for public disclosure as required by Ghanaian law, the Implementation Agreement, the Compact, and any Supplemental Agreement; (B) Produce inputs related to financial information in support of the completion reports that will be done for each individual project; (C) Assist MiDA in complying with the Implementation Agreement, the Compact and any Supplemental Agreement by providing financial information about the Program in a form and manner required for inclusion in the budget documents of Ghana; (D) Provide MiDA any and all such information related to the Fiscal Agent Agreement Agency Services as MiDA may reasonably request from time to time; (E) Submit to MiDA a final report in a form and substance satisfactory to MiDA and MCC; (F) Cooperate with MiDA and the Procurement Agent(s) in the development of the Fiscal Accountability Plan for MiDA, (G) Produce ad hoc reports as requested.

(ix) **Audits.** The Fiscal Agent shall assist MiDA in the preparation of an Audit Plan, and which shall include any required audits of Covered Providers, as required by the Audit Guidelines.

(C) The Fiscal Accountability Plan.

The Fiscal Accountability Plan identifies the principles and mechanisms to ensure appropriate fiscal accountability in the use of 609(g) MCC Funding and MCC Funding, including the processes to ensure that open, fair, and competitive procedures are used in a transparent manner in the administration of grants or cooperative agreements and in the procurement of goods and services. The Fiscal Agent shall assist MiDA in formulating the Fiscal Accountability Plan. The Fiscal Accountability Plan shall:

- (i) Designate the officials or individuals who have the right to obligate funds provided by the MCC, the requirement to certify receipt of goods, works or services, and the requirement to

certify that payment is appropriate and in satisfaction of an obligation entered into in accordance with procedures established to govern the Program, including under the Procurement Agreement, and that funds are available for said payment. These designations and procedures shall be consistent with the Implementation Agreement, the Compact, and any Supplemental Agreement and shall be submitted for adoption by MiDA and approval by MCC.

- (ii) Delineate responsibility for authorizing and making payments within a specified time frame and ensure that all payments orders are signed by two authorized officers of the Fiscal Agent.
- (iii) Specify the required supporting documentation for payments, the time frame for retention of that documentation, the designation of a custodian, and repository methods.
- (iv) Include specific procedures governing cash management and banking, budgeting, accounting and reconciliation, approvals and authorizations, payment requests, payroll, fixed assets, travel, human resources, reporting and auditing.
- (v) Review the Fiscal Accountability Plan every six months at a minimum to determine whether it needs to be revised, all or in part.

II. CONTRACT DELIVERABLES FOR THE BASE YEAR

- (i) The Fiscal Accountability Plan, a revision of the interim Fiscal Accountability Plan as necessary, shall be submitted to MiDA and MCC for approval within ninety (90) days after the Effective Date.
- (ii) The automated accounting system shall be established and operational within sixty (60) calendar days after the Effective Date.
- (iii) The disaster recovery plan shall be developed and operational no later than the establishment of the automated accounting system.
- (iv) The single chart of accounts for the Program shall be established within sixty (60) calendar days after the Effective Date.
- (v) A draft Audit Plan, and which shall include any required audits of Covered Providers, as required by the Audit Guidelines, shall be submitted within ninety (90) calendar days after the Effective Date.
- (vi) A system which tracks the time between the date of invoice, the date of receipt of goods or rendering of works and services, and the date of payment shall be established and operational within sixty (60) calendar days after the Effective Date.
- (vii) A system to track all Tax exemptions, Taxes assessed and paid, and reimbursements of VAT taxes (and any other Taxes) by the Government shall be established and operational within sixty (60) calendar days after the Effective Date.
- (viii) Within fifteen (15) calendar days after the end of each month, submit to MiDA a monthly report showing receipts and payments and other financial activities.

- (ix) Within fifteen (15) calendar days after the end of each month, submit to MiDA a monthly reconciliation of the accounting records to the Permitted Accounts.
- (x) Within fifteen (15) calendar days after the end of each quarter, submit to MiDA a report detailing the principal activities executed by the Fiscal Agent during the previous quarter.
- (xi) Submit a Final Report within sixty (60) calendar days after the end of the Base Year period that includes all principal activities executed, completed, and not completed by the Fiscal Agent.
- (xii) All reports, documents, and manuals required under the terms of the contract and related documents or Supplemental Agreements shall be available in English.
- (xiii) Provide such other reports and information related to its services as Fiscal Agent as may be requested from time to time by MiDA or MCC.

III. SCOPE OF SERVICES FOR THE OPTION YEAR PERIODS

The following services are required during each year of the Agreement following the Base Year (each, an “*Option Year*”):

(A) Overall Responsibilities

The Fiscal Agent shall:

- (i) Administer financial management of 609(g) MCC Funding and MCC Funding to implement the Program efficiently and effectively.
- (ii) Take all necessary actions to prepare or assist in the preparation of any documents, budgets, plans, reports, requests, or certifications as may be required by MiDA for any MiDA action, or MCC approval, including any provision of any data or information required for such action or approval.
- (iii) Submit monthly, quarterly, yearly and ad hoc reports as prescribed on the financial activities of the Program.
- (iv) Assist MiDA in developing a detailed budget for the Program on a rolling quarterly basis for the Option Year.
- (v) Maintain and update with MiDA, as necessary, the single chart of accounts for the Program, which segregates financial information by Program, sub-program, project and activity, object of expenditure, sources of funding and geographical areas.
- (vi) Maintain and update, as necessary, the automated accounting system.
- (vii) Ensure that the accounting complies with and conforms to internationally accepted accounting standards.
- (viii) As needed, transfer knowledge and skills to MiDA, project Managers and project implementers on the financial management systems used by the Fiscal Agent in order to

ensure the establishment and operation of a proper, efficient, and transparent financial management system, which support the implementation of projects funded with 609(g) MCC Funding and MCC Funding.

- (ix) Maintain and update internal control mechanisms proposed to MiDA, as necessary.
- (x) Assist MiDA in the preparation and updating of the Audit Plan, and which shall include any required audits of Covered Providers, as required by the Audit Guidelines.
- (xi) Provide timely access to MiDA, other Permitted Designees, MCC, the Inspector General, the United States Government Accountability Office, any auditor responsible for an audit to all information and records associated with the Program, and any electronic copy thereof, and all systems and facilities used to execute its responsibilities and provide copies of all documentation as requested.
- (xii) Permit MiDA, other Permitted Designees, MCC, the Inspector General, the United States Government Accountability Office, any auditor responsible for an audit to assess, review, audit or evaluate the Program, 609(g) MCC Funding, MCC Funding and the utilization of goods, works or services funded with 609(g) MCC Funding and MCC Funding.
- (xiii) Protect the financial management activity from fraud, waste and abuse.
- (xiv) Respond promptly and fairly to complaints about the timeliness of payments.
- (xv) Assume other operational, functional, and contractual obligations and responsibilities as is customary in performing the duties of a fiscal agent.

(B) Specific Responsibilities

- (i) **Cash Management.** The Fiscal Agent shall:
 - (1) Have sole signatory authority, as designated by MiDA, for all MiDA's Permitted Accounts.
 - (2) Ensure that two authorized officers of the Fiscal Agent jointly sign all payment requests and that the principle of segregation of duties is maintained.
 - (3) Ensure that funds provided by MCC are in no case co-mingled with any other funds from any source whatsoever; except as prescribed by MCC.
 - (4) Track, manage and retain documentation on currency conversions consistent with guidelines detailed in the Implementation Agreement, the Compact, any Supplemental Agreement or other written agreements between MCC and MiDA.
- (ii) **Budgeting.** The Fiscal Agent shall maintain and update as necessary a system of commitment control which defines the conditions and documentation to ensure that no financial commitments, obligations, or payments are made or Disbursement Requests submitted for any activity or expenditure, unless the expenditure is provided for in the detailed budget, is within budgetary limits and uncommitted funds exist in the budget for the relevant period.

- (iii) ***Accounting and Reconciliation.*** The Fiscal Agent shall:
- (1) Maintain and update the automated accounting system as necessary, including any back up systems and procedures.
 - (2) Maintain and update as necessary a disaster recovery plan which is tested periodically to ensure it operates properly.
 - (3) Maintain and update procedures as necessary to close all accounting records no later than fourteen (14) calendar days after the end of an accounting period.
 - (4) Maintain and update procedures as necessary to reconcile all Permitted Accounts to the accounting records no later than fourteen (14) calendar days after the end of an accounting period and follow up any discrepancies on a timely basis.
 - (5) Ensure that records of all 609(g) MCC Funding, regardless as to how they are administered, and MCC Funding are incorporated into the reporting system.
- (iv) ***Approvals and Authorizations.*** The Fiscal Agent shall maintain and update procedures as necessary to ensure no payment orders are executed unless in accordance with the Implementation Agreement, the Compact and any Supplemental Agreement and all required authorizations as defined in the Fiscal Accountability Plan, Implementation Agreement, Compact, and any Supplemental Agreement.
- (v) ***MCC Disbursements.*** The Fiscal Agent shall:
- (1) Monitor the amount of funding available in each Permitted Account and the amount of funding budgeted for Program and project activities during the current and subsequent quarterly Disbursement Periods.
 - (2) Provide certification to MiDA as requested regarding the status of funds in the Permitted Accounts.
 - (3) Maintain and update procedures as necessary whereby all documents and certifications required by the Implementation Agreement, the Compact and any Supplemental Agreement are complete for all Disbursement Requests.
- (vi) ***Payment Requests.*** The Fiscal Agent shall:
- (1) Maintain and update procedures as necessary to ensure all documents and certifications support all payment requests.
 - (2) Approve payment requests which are valid, accurate and comply with the terms and conditions specified in the Implementation Agreement, the Compact and any Supplemental Agreement.
 - (3) Maintain and update procedures as necessary that ensure invoices are checked and authorized payments are executed no later than thirty (30) calendar days after the date of invoice or the point at which an obligation of the Program should be liquidated.

- (4) Maintain and update as necessary the system which tracks the time between the date of an invoice, the date of receipt of goods or rendering of works and services, and the date of payment.
- (5) Produce monthly reports indicating whether or not the requirement to make payment within the prescribed thirty (30) calendar day period has been met and explain any failure to do so.
- (6) Maintain and update procedures as necessary to ensure that payees are checked against the excluded parties list and do not violate any prohibitions of the Implementation Agreement, the Compact and any Supplemental Agreement.

(vii) **Taxes.** The Fiscal Agent shall:

- (1) Maintain and update as necessary a system to track all Tax exemptions, Taxes assessed and paid, and reimbursements of VAT taxes (and any other Taxes) by the Government as required in order to monitor full compliance by the Government as prescribed by the Implementation Agreement, the Compact and any Supplemental Agreement, and to determine whether such Tax exemptions are being fully and fairly implemented and administered, and whether any Tax assessed and paid contrary to the Implementation Agreement, the Compact and any Supplemental Agreement is being promptly and fully refunded in accordance with the Implementation Agreement, the Compact and any Supplemental Agreement.
- (2) Immediately notify MiDA, with a copy to MCC, of any failure by the Government to timely administer such Tax exemptions or promptly reimburse such Taxes. A Tax reimbursement shall not be deemed “promptly reimbursed” if such reimbursement is not paid within thirty (30) calendar days after the date of the reimbursement request by the Fiscal Agent.
- (3) Utilize the Tax exemption certificate delivered to MCC pursuant to the Implementation Agreement, the Compact and any Supplemental Agreement in its efforts to monitor exemption, payment and reimbursement of Taxes.

(viii) **Reporting.** The Fiscal Agent shall:

- (1) *Accounting reports.* (A) Prepare monthly reports showing receipts and payments and other financial activities; and (B) Prepare monthly reconciliations of the accounting records to the Permitted Accounts.
- (2) *Budget reports.* Prepare quarterly reports on sources and uses of funds comparing budget to actual expenditure for the period being reported and for the cumulative period since the effective date of the Implementation Agreement and the entry into force of the Compact, as well as a projected flow of funds for the Base Year.
- (3) *Performance reports.* Prepare quarterly reports on its performance.
- (4) *Other.* (A) Prepare reports as necessary for public disclosure as required by Ghanaian law, the Implementation Agreement, the Compact and any Supplemental Agreement; (B) Produce inputs related to financial information in support of the completion reports that

will be done for each individual project; (C) Assist MiDA in complying with the Implementation Agreement, the Compact and any Supplemental Agreement by providing financial information about the Program in a form and manner required for inclusion in the budget documents of Ghana; (D) Provide MiDA any and all such information related to the Fiscal Agent Agreement for Agency Services as MiDA may reasonably request from time to time; (E) Submit to MiDA a final report in a form and substance satisfactory to MiDA and MCC; (F) Cooperate with MiDA and the Procurement Agent(s) in the development of the Fiscal Accountability Plan for MiDA; and (G) Produce ad hoc reports as requested.

- (ix) **Audits.** The Fiscal Agent shall assist MiDA in the preparation of an Audit Plan, and which shall include any required audits of Covered Providers, as required by the Audit Guidelines.

(C) The Fiscal Accountability Plan

- (i) Maintain and update the Fiscal Accountability Plan as necessary.

IV. CONTRACT DELIVERABLES FOR EACH OPTION YEAR

(A) The Fiscal Accountability Plan shall be submitted to MiDA and MCC for approval within thirty (30) calendar days after commencement of each Option Year and within thirty (30) calendar days after any semiannual revision.

(B) The Audit Plan, and which shall include any required audits of Covered Providers, as required by the Audit Guidelines, shall be submitted within sixty (60) days after commencement of each Option Year.

(C) Within fifteen (15) calendar days after the end of each month, submit to MiDA a monthly report showing receipts and payments and other financial activities.

(D) Within fourteen (14) calendar days after the end of each month, submit to MiDA a monthly reconciliation of the accounting records to the Permitted Accounts.

(E) Within fifteen (15) calendar days after the end of each quarter, submit to MiDA a report detailing the principal activities executed by the Fiscal Agent during the previous quarter.

(F) Submit a Final Report within sixty (60) days after the end of the Option Year that includes all principal activities executed, completed, and not completed by the Fiscal Agent.

(G) All reports, documents, and manuals required under the terms of the contract and related documents or Supplemental Agreements shall be available in English.

(H) Provide such other reports and information related to its services as Fiscal Agent as may be requested from time to time by MiDA or MCC.

V. LOCATION

During the term of the Base Year and any Option Year, the Fiscal Agent shall operate from offices in Accra, Ghana or the region of program implementation. Occasional travel will be required within Ghana.

VI. LANGUAGE

MCC will require that all reports, documents, and manuals required under the terms of the Implementation Agreement and the Compact and any Supplemental Agreements and related documents must be available in English.

VII. EQUIPMENT, FACILITIES, AND SUPPORT

The Fiscal Agent shall ensure that experts are adequately supported and equipped. The minimum requirements are: office space, networked PCs with appropriate software, printing facilities, a high volume photocopy machine with automatic paper sorter, office furniture and telecommunication equipment. The Fiscal Agent shall ensure that there is sufficient office space, and administrative and secretarial services to enable experts to concentrate on their primary responsibilities.

In addition, the Fiscal Agent is responsible for the following expenses:

- Costs of consumables including telecommunication, stationery, printing, and office equipment consumables.
- Local transport required for the experts to carry out their duties effectively.
- Reproduction of the Fiscal Agent's reports and any special or ad hoc reports requested by MiDA or MCC.
- The Fiscal Agent will be responsible for providing accommodation in Ghana for permanent key personnel and for short term consultants and head office staff on mission in Ghana.
- Travel expenses including air fares and other costs related to the travel of employees, their dependents or consultants engaged by the Fiscal Agent shall be the responsibility of the Fiscal Agent.
- The Fiscal Agent shall provide adequate medical protection (insurance cover) for all key personnel and for short term consultants and head office staff on mission in Ghana.
- The Fiscal Agent shall maintain, at all times, adequate insurance with respect to its performance, as specified in the Agreement.
- Any and all software licenses necessary for the Fiscal Agent, MiDA and any project managers to carry out their duties.
- Any other unspecified costs.

EXHIBIT B

Staffing and Subcontractor Plan

Name	Position	Year 1	Number of Months
Jean-Pierre Staus	Overall Team Leader	FULL TIME	12
Larry Hastings	Fiscal Agent Manager	FULL TIME	12
Emmanuel Benin	Senior Payment Specialist	FULL TIME	12
Alfred Helm	Senior Financial Controller	FULL TIME	12
Total			48

Name	Position	Year 1	Number of Months
To be selected	Administrative and professional staff	As required	-
Total			-

Note:

During the Base Year and in Option Years 2-5, the number of staff will be adjusted as and when the volume of work requires it. After Option Year 3, one international expert will be replaced with an experienced local expert.

EXHIBIT C

Fees

I. BASE YEAR

With respect to the Agency Services provided in the Base Year, the Fiscal Agent shall receive the following amounts:

<i>Payment Schedule**</i>	<i>Amount</i>
1 month after the Effective Date	\$269,351
2 months after Effective Date	\$269,351
6 months after Effective Date	\$404,026
11 months after Effective Date	\$404,026
TOTAL	\$1,346,754

; *provided, however*, that in the event that the Fiscal Agent processes Re-Disbursements in excess of \$59,855,733 during the Base Year, the Fiscal Agent shall receive an additional payment equivalent to 2.25% of the excess amount 14 months after the Effective Date (such excess amount being equivalent to total Re-Disbursements executed during the Base Year less \$59,855,733).

II. OPTION YEARS

With respect to the Agency Services provided in Option Years 2-5, the Fiscal Agent shall receive payment equivalent to 1.011% of the amount of the Re-Disbursements executed during the applicable period.

III. INVOICES

The Fiscal Agent shall submit an invoice to MiDA at the end of every month based on Re-Disbursements executed during that month.

For Re-Disbursements executed in local currency, the Re-Disbursement shall be translated to a USD equivalent at the conversion rate published by the Bank of Ghana on the day the Re-Disbursement is made.

Payments of the Fee to the Fiscal Agent in the Base Year shall be made on the schedule set forth in Section I above. Payments of the Fee to the Fiscal Agent in the Option Years shall be made monthly in arrears within thirty (30) days of receipt of an invoice from the Fiscal Agent.

*** The Payment Schedule indicates the date when payment will be received by the Fiscal Agent and not the date when an invoice will be presented by the Fiscal Agent to MiDA.*

EXHIBIT D

Interim Fiscal Accountability Plan¹

This plan (the “*Interim Fiscal Accountability Plan*”) shall serve as interim policy on all financial and procurement issues undertaken under Millennium Challenge Account grants received from MCC. This policy shall be replaced by a more detailed Fiscal Accountability Plan to be developed in accordance with the Disbursement Agreement, this Fiscal Agent Agreement, and as approved by MCC. The Fiscal Accountability Plan shall be periodically revised and expanded. Before the Fiscal Accountability Plan is developed, changes to this Interim Fiscal Accountability Plan shall be made by mutual agreement among MiDA, the Fiscal Agent and the Procurement Agent, subject to prior no-objection from MCC.

This policy applies regardless of the nature of the MCC grant, which may include grants made under 609(g) authority, grants made under 609(g) authority pursuant to a Compact (also known as Compact Implementation Funding), or the grant provided by the Compact. This policy applies during the period that the Government is represented by the Ministry under the Fiscal Agent Agreement and the Procurement Agent Agreement, as well as subsequently, when the Ministry is replaced by MiDA under such agreements. For convenience, the accountable entity shall be referred to herein as MiDA, regardless of whether MiDA has yet replaced the Ministry under the Fiscal Agent Agreement and Procurement Agent Agreement.

Capitalized terms used but not defined herein shall have the meaning given to them in the Fiscal Agent Agreement and the Procurement Agent Agreement.

GENERAL POLICY

No financial or procurement transaction shall take place that is contrary to the requirements of, or prohibited by the Compact, the Implementation Agreement, the Disbursement Agreement, the Procurement Agreement, the Governance Agreement or any other Compact-related documents, including this Interim Fiscal Accountability Plan.

AUTHORIZED PARTIES

MiDA

During the initial period of this Interim Fiscal Accountability Plan, the principal individuals authorized to act in procurement and financial management matters on behalf of MiDA are as follows:

- **Matthew Armah** shall serve as the primary individual responsible for procurement activity, including initiation of procurements with the Procurement Agent. Additional individuals may be designated to authorize procurement actions with the concurrence of MCC.

¹ This Interim Fiscal Accountability Plan shall serve as the 609(g) Fiscal Accountability Plan (as defined in the Implementation Agreement) until such time as the Fiscal Accountability Plan has been duly adopted by MiDA.

- **Dr. P. Kwesi Nduom**, Minister of Public Sector Reform, shall serve as the primary official responsible for financial management activities, including authorization of payments and acceptance of invoices. Additional individuals may be designated to take action with regard to acceptance of invoices and authorization of payments with the concurrence of MCC.
- **Dr. P. Kwesi Nduom**, Minister of Public Sector Reform, shall sign any contracts on behalf of MiDA upon execution of the procurement process by the Procurement Agent.

Procurement Agent

The principal individuals authorized to act on behalf of the Procurement Agent on all matters related to exercising the agency's functions according to the Procurement Agent Agreement and in compliance with this Interim Fiscal Accountability Plan and the agreements mentioned herein are:

Mr. Terry Bowen
Mr. John Povey

Fiscal Agent

The principal individuals authorized to act on behalf of the Fiscal Agent on all matters related to exercising the agency's functions according to the Fiscal Agent Agreement and in compliance with this Interim Fiscal Accountability Plan and the agreements mentioned herein are:

Dr. Günter Schmidt, Project Director
Mr. Larry Hasting, FAM
Mr. Alfred Helm, SFC

PROCUREMENT

Basic guidelines and approval procedures for the procurement of goods, services and works by any supplier/provider are covered in the Implementation Agreement and the Procurement Agreement.

- In all procurement matters requiring action by MiDA, the Procurement Agent shall take the required actions related to administering the provisions of the Implementation Agreement and the Procurement Agreement.
- No procurement action shall be finalized or contract signed until it is determined to have complied with the applicable requirements (if any) for approval by the board of directors of MiDA (the "**Board**") and MCC, as may be required by the Implementation Agreement, the Procurement Agreement and the Governance Agreement.

FINANCIAL MANAGEMENT

The phases of financial management, including budgeting (specified as financial plans and detailed budgets), accounting and reporting, shall be conducted in compliance with International Public Sector Accounting Standards from IFAC (International Federation of Accountants).

Financial Plans and Detailed Budgets

For the purposes of the financial plans, detailed budgets, and the MCC Disbursement Requests, the quarter shall begin on the first day of each January, April, July and October. The first quarter shall start on the date of Entry into Force and end on December 31, 2006. The first MCC Disbursement Request shall cover the period from Entry into Force to December 31, 2006.

- MiDA, with the assistance of the Fiscal Agent shall prepare detailed budgets on a rolling quarterly basis for the upcoming four quarters and for each 12-month period thereafter through the Compact Term. Detailed procedures assigning specific responsibilities for development of the detailed budgets will be included in the Fiscal Accountability Plan.
- Budgets shall be established to cover projected commitments as well as to project cash requirements to liquidate commitments.

Budget Structure

The Financial Plan and detailed budgets for the Program shall be broken down into Projects or Units with each Project broken down by Activities, and each Activity shall have sub-activities. A code shall be reserved for each Project, Activity and Sub-Activity. As a matter of budget treatment, the Monitoring and Evaluation (M&E), Program Administration and Control, Fiscal Agent, Procurement Agent, and Audits units shall be separately accounted for in the budget. The Financial Plan shall have the following budget structure:

Program

Project or Unit

Activity

Sub-Activity

Region

Expense Category

Object of Expenditure

Adjustments to Financial Plan and Detailed Budgets

Budget adjustments shall be made in accordance with the terms of Section 4(a)(iv) of Annex I of the Compact, Annex II of the Compact and the Governance Agreement. All requests for adjustments to budgets at the Project/Unit level, Activity level and Sub-Activity level shall normally be approved as part of the quarterly MCC Disbursement Requests, subject to approval of the Board and MCC. Special adjustments may be made within a quarter but would still be subject to approval by the Board and MCC. Procedures governing adjustments below the Sub-Activity level shall be outlined in the Fiscal Accountability Plan.

Opening and Management of MiDA Bank Accounts

Permitted Accounts shall be opened at the National Bank of Ghana to manage MiDA program funds. The accounts shall be U.S. Dollar (USD) denominated accounts to which MCC shall

transfer periodic 609(g) MCC Disbursements (“*609(g) Special Account*”) and the Special Account. The Bank Agreement shall outline the procedures and obligations applicable to the Permitted Accounts.

The two Fiscal Agent officials with signatory authority on and primary responsibility for the Permitted Accounts (the “*Bank Signatories*”) are as follows:

Mr. Larry Hastings, FAM
Mr. Emmanuel Benin, SPS

The Fiscal Agent shall designate a person upon execution of the Fiscal Agent Agreement, other than the Bank Signatories, to perform the reconciliation of bank statements with the accounting records no later than fifteen (15) calendar days after the end of an accounting period. Discrepancies shall be followed up on a timely basis.

Accounting

MiDA is responsible for Program implementation and is the sole authority for authorizing expenditures. MiDA is responsible for submission of all documents required in connection with re-disbursements and as outlined in this and the Fiscal Accountability Plan.

The Fiscal Agent is responsible for execution of accounting functions and documentation compliance. The Fiscal Agent shall keep the original documents that support expenditures, obligations and payments, in accordance with the Fiscal Agent Agreement.

Chart of Accounts

The Fiscal Agent and MiDA shall jointly establish a single chart of accounts, approved by MCC, which shall be used for the duration of the Program. The chart of accounts shall include the following elements:

- Assets
 - Long-term assets
 - Short-term assets
- Liabilities
 - Long-term liabilities
 - Short-term liabilities
- Receipts
 - MCC disbursements
 - Interest
 - Other
- Expenditures

Accounting System

The Fiscal Agent shall establish an accounting system to serve as the basis for audit and financial reports. The Fiscal Agent shall produce auditable statements for audits of MiDA. The accounting system shall follow and comply with the requirements of International Public Sector Accounting

Standards from IFAC (International Federation of Accountants).

Automated Accounting System

The Fiscal Agent shall establish and maintain an automated accounting system which shall have the following capabilities:

- Record commitments to obligate budgeted funds, including controls to assure that commitments are not made unless sufficient budget is available in the appropriate line item during the current period;
- Record disbursements, re-disbursements and assets and liabilities;
- Generate reports as requested including current summary statement of accounts and ad hoc reports and in the formats specified by MiDA;
- Produce financial reports for MiDA on the administration and management of the Program;
- Produce financial reports to MCC as specified;
- Ensure data security; and
- Provide on-line user-friendly access to MiDA.

Data Backup

The Fiscal Accountability Plan shall outline procedures to establish appropriate data backup.

Cash Management

- The Fiscal Agent shall monitor the amount of cash available in each Permitted Account and the amount of cash required by Project/Unit, Activity, and Sub-Activity during the current and subsequent quarterly periods, or more frequently as prescribed, to ensure sufficient, but not excessive cash, is available.
- The Fiscal Agent shall provide certification to MiDA regarding the status of funds in any Permitted Account monthly or more frequently, as prescribed.
- Any Implementing Entity shall estimate for four quarters both the level of commitments and the cash requirement needed to liquidate those commitments and to meet other expenses where prior commitments are not made, such as payroll expenses.
- If budget and cash requirement projections are made in local currency, the Fiscal Agent shall recommend a standard currency conversion procedure to establish USD estimates.

The Fiscal Agent shall have sole authority to instruct the bank to transfer from the Special Account, and convert to local currency, if required, in accordance with the terms of the Bank Agreement. Funds provided by MCC may not be co-mingled with any other funds from any source whatsoever, except as prescribed by MCC.

Currency conversions shall be tracked and managed consistent with the Compact, any Supplemental Agreements, including the Fiscal Agent Agreement, the Bank Agreement, or other agreements between MCC and MiDA.

Disbursements (Receipts)

No 609(g) MCC Disbursements Requests or MCC Disbursements Requests shall be executed unless in accordance with the Implementation Agreement, the Compact, including Section 2.3 thereof, any Supplemental Agreements, the Program, and the required authorizations as defined in this Interim Fiscal Accountability Plan.

- MiDA shall provide in writing to MCC the designated account number and wire transfer instructions for the Permitted Accounts no later than ten (10) business days prior to the initial 609(g) MCC Disbursement under the Implementation Agreement. If any Permitted Account changes during the Compact Term or the Permitted Account Information with respect to such Permitted Account otherwise changes, MiDA shall provide in writing to MCC any modifications to such Permitted Account Information then on file with MCC as soon as practicable, but in no event later than ten (10) business days prior to the immediately succeeding disbursement.
- MiDA shall notify the Bank not to deposit any 609(g) MCC Disbursements or MCC Disbursements into a closed Permitted Account, and should inform MCC immediately about such closure and the reasons the Permitted Account was closed.
- MCC Disbursement Requests shall generally be made in accordance with the Disbursement Agreement on a quarterly basis but special requests may be submitted if program requirements support such special requests. MCC Disbursement Requests shall outline the cash needs over the next quarter but include an estimated breakout of cash requirements in total on a 30-day basis.
- MCC Disbursement Requests shall be made twenty (20) calendar days prior to each quarter's end.
- Once the MCC Disbursement Request has been approved by MCC, MCC will program cash transfers every thirty days to cover the period approved without further approval.

PROCUREMENT PROCESS

- The Fiscal Accountability Plan shall include specific procedures, or incorporate procedures by reference, to outline the steps in defining procurement needs, generating procurement plans, authorizing the initiation of procurement actions, and documenting the process.
- The Procurement Agent shall undertake the procurement process in accordance with the Implementation Agreement, the Compact, the Procurement Agreement and the Procurement Agent Agreement. Before proposing an award recommendation, the Procurement Agent shall check the participating suppliers/providers against the excluded parties' lists (including the lists maintained at www.epls.gov, www.treas.gov/offices/enforcement/ofac, the list maintained by the "1267 Committee" of the United Nations Security Council and the list of firms debarred by the World Bank (<http://www.worldbank.org>)).
- A copy of the signed contract award shall be provided to the Fiscal Agent, who shall enter the amount of the commitment into the accounting system. The Fiscal Agent shall retain a copy of the signed contract.
- The Procurement Agent shall retain the original contract in accordance with the record keeping requirements of the Procurement Agent Agreement. In the event that the contract envisions any form of cost reimbursement, the terms of the contract shall appropriately reference the MCC Cost Principles, as posted at the MCC website.
- If it appears that the procurement would result in an award that exceeds the detailed budget, either a budget adjustment shall be executed to provide sufficient budget for the commitment or the amount of the award shall be reduced as necessary.
- Contract payment terms should be negotiated in a manner that supports the project. Specifically, mobilization payments or advance payments shall be provided only in the event that this is standard industry practice for the nature of the contract or when it serves the objective of the project.

PAYMENTS PROCESS

- An authorized MiDA official shall ensure that the goods have been received and the works and services have been provided in accordance with the terms of the contract.
- The supplier/provider shall send the original invoice to the Fiscal Agent.
- The Fiscal Agent shall enter the invoice details, including date of receipt, into its automated accounting system to create a liability in order to comply with the 30-day payment period.
- The Fiscal Agent shall notify MiDA indicating the date when the 30-day payment period starts and request the supporting documentation for that particular invoice.
- MiDA shall submit the supporting documentation (such as receiving and inspection reports) or provide a rejection letter explaining the reasons for rejecting the invoice.
- Written authorization to make payment shall be made by an authorized official of MiDA and submitted to the Fiscal Agent.
- The Fiscal Agent shall check that the invoice complies with the contract. The Fiscal Agent also shall check the completeness of the supporting documentation on its face, as well as its compliance with all relevant conditions and all approvals required in the Compact, the Governance Agreement, the Procurement Agreement, the Disbursement Agreement, and other relevant supplemental agreements.
- The Fiscal Agent shall also compare the payee to the excluded parties' lists to confirm that the payee has not been added to any of the lists since the date of contract award. In the case of any deviations or discrepancies, the Fiscal Agent shall issue to MiDA an exceptions report describing such deviations or discrepancies.
- If after the Fiscal Agent has completed all of the above tasks, everything is determined to be in order, the Fiscal Agent shall retain the original set of approved documentation and an appropriate accounting entry shall be recorded.
- The Fiscal Agent shall prepare a bank payment order based on the approved documentation. After two signatures of the authorized Fiscal Agent signatories are obtained, the payment order shall be transmitted to the Bank to make a transfer.

TAXES

The Fiscal Agent shall establish a system to track all tax exemptions, taxes assessed and paid, and tax reimbursements by the Government. The Fiscal Agent must notify MiDA and MCC of any failure by the Government to timely administer such tax exemptions or promptly reimburse such taxes. A tax reimbursement shall be considered overdue if it is not reimbursed within thirty (30) days.

PERSONNEL AND PAYROLL

- Employees of MiDA shall be employed through employment agreements approved by MCC. The employment agreements may contain certain suitable provisions from the national civil service commission or equivalent as long as this does not contravene any provisions of the Compact and Supplemental Agreements and this Interim Fiscal Accountability Plan. An employee must have a signed employment agreement.

- The employment agreements shall identify the person hired, the date, the terms of hiring including duration, salary, benefits and any other rights and responsibilities under the agreement and shall be signed by the appropriate persons.
- All personnel actions shall be approved by an authorized individual. Any action regarding the employment or termination of employment of key personnel, as outlined in the Compact and related documents, must be approved by MCC in advance.
- A written policy on overtime and leave shall be established in the Fiscal Accountability Plan. Any overtime must be approved by the staff member's direct supervisor in advance and excessive overtime investigated. Unauthorized absence must be explained.

Timesheets

- Timesheets: all staff, regardless of position, are required to complete timesheets. Time worked must be recorded accurately on a daily basis. It is the responsibility of each staff member to submit their timesheets on time regardless of vacation or travel time. Timesheets must be appropriately authorized (signed) by the staff member's direct supervisor.
- The administrative manager shall ensure that timesheets submitted are properly prepared and authorized. She/he shall check if the staff member was absent from the office due to unreasonable excuse. The number of leave days shall be clearly stated in order to deduct daily salary of those days from the total monthly salary. The administrative manager shall sign the individual timesheets certifying the accuracy of the reported information.
- The Fiscal Accountability Plan shall include procedures, including timing of procedures, outlining specific responsibilities for recording time, authorizing salaries, making salary payments, and maintaining documentation of payroll.

ASSET MANAGEMENT

Assets acquired with 609(g) MCC Funding and MCC Funding shall only be used in furtherance of the Program Objectives and shall not be made available for the exclusive personal benefit of an employee or consultant, other than incidental use. This policy applies to employees and individual consultants hired directly by MiDA who are paid with 609(g) MCC Funding or MCC Funding.

Capitalization and Depreciation of Fixed Assets:

- Fixed Assets are defined as assets with useful life of more than one year and that value more than US\$ 500.00. Assets with the value of less than US\$ 500.00 or with useful life less than one year are defined as "small value assets" and shall be expensed when purchased.
- During the period of this Interim Fiscal Accountability Plan, the Fiscal Agent shall maintain records on the acquisition of fixed assets, the assignment of assets to specific individuals, and affixing of unique identification codes to fixed assets.
- The Fiscal Accountability Plan shall include procedures on maintaining asset registers and procedures for conducting periodic inventory of recorded assets.

Disposal of Fixed Assets:

- When a Fixed Asset is damaged or becomes obsolete the employee responsible for the use of the asset shall fill a form that documents the need to dispose of a fixed asset. This form shall

contain the unique identification number, a description of the asset, the physical condition and reasons for disposal of the asset.

- If the Fixed Asset is stolen, a memo shall be written by the person to whom the fixed asset is assigned or the relevant staff member describing the circumstances under which the asset was stolen. The incident shall be reported to the police and the corresponding report shall be kept in file.
- The Fiscal Agent shall record any disposal of fixed assets based on the approved documentation underlying the disposal.

TRAVEL AND VEHICLE USE

Travel

The Fiscal Accountability Plan shall include travel policies and procedures. Travel shall only take place in furtherance of Compact objectives and shall not be used for the personal benefit of any employee or individual. Requirements for documentation, such as original boarding tickets, etc, shall be set forth in the Fiscal Accountability Plan. Unauthorized travel may not be reimbursed unless otherwise prescribed.

During the period of this Interim Fiscal Accountability Plan, any travel undertaken with 609(g) MCC Funding or MCC Funding shall be consistent with US Government Federal Travel Regulations including the use of premium airfare, lodging and per diem allowances, and expense reimbursement policies.

Vehicle Use

The Fiscal Accountability Plan shall include policies and procedures for the use of vehicles. At a minimum, a logbook shall be maintained for each vehicle that records trips and mileage. There shall be receipts for all gas and oil purchases.

Petty Cash

Petty Cash Account for MiDA may be established in local currency at an imprest (fixed) amount not to exceed the equivalent of US\$ 1000.00 per month and a single payment made from this fund shall not exceed the equivalent of US \$ 50.00. Only authorized individuals may approve the use of Petty Cash and appropriate receipts and records shall be maintained. The Petty Cash shall be reconciled at least on a monthly basis.

Reporting

The Fiscal Accountability Plan shall outline reports that shall be routinely generated, including the timing of reports and the content.

The Fiscal Agent shall be responsible for supporting the development of 609(g) MCC Disbursement Requests and MCC Disbursement Requests including the financial reports contained therein.

The Fiscal Agent shall provide as necessary other special reports requested by MiDA.

RETENTION OF RECORDS

The Fiscal Agent and Procurement Agent shall retain the electronic and paper records of all transactions of the project.

Records subject to this policy include all paper and electronic documents, and pertain to any activity of the Fiscal Agent or Procurement Agent conducted under the terms of the Fiscal Agent Agreement or Procurement Agent Agreement, including communication, contract or financial transaction. Records shall be retained by the Fiscal Agent and Procurement Agent in accordance with their respective agreements with MiDA.

AUDITS

MiDA shall ensure that authorized representatives of MCC, the Office of Inspector General, the U.S. Government Accountability Office, or any auditor responsible for an audit contemplated under or otherwise conducted in furtherance of the Implementation Agreement or the Compact, and any employees, contractors, agents or authorized representatives engaged by any of the foregoing, are afforded (i) the opportunity to audit or inspect activities financed with 609(g) MCC Funding or MCC Funding, the utilization of goods and services financed by 609(g) MCC Funding or MCC Funding, and books, records and other documents relating to this Compact, and (ii) access to relevant directors, officers, employees, Affiliates, contractors, advisors, agents or representatives of the Government and any other entity receiving amounts of 609(g) MCC Funding or MCC Funding.

Audit Plans

MiDA, with the assistance of the Fiscal Agent shall prepare an Audit Plan prior to the initial disbursement of Compact funds. The Audit Plan shall designate the entities (MiDA and any Covered Providers) subject to audit, as outlined in the *Millennium Challenge Corporation Guidelines for Financial Audits Contracted by Foreign Recipients* (MCC Audit Guidelines), as well as the timing of an audit.

Audits shall be conducted on a semi-annual basis for the periods ending June 30 and December 31. The first audit shall cover the period from the date of Entry into Force to December 31, 2006.

Procuring Auditors

MiDA shall use a competitive process to select an appropriate auditor from a list of auditors approved by the Inspector General. The Statement of Work included in all bidding and contract documents shall conform to the Statement of Work provided by the Inspector General. Both the MCC and the Inspector General shall approve the RFP used to select an auditor, including the terms of reference contained therein, the method of procurement, the criteria for selection, as well as the members of the evaluation panel and the final selection report.

Types of Audits and Reviews

The financial audit shall be to assure that the financial statements of the Program present fairly the financial position of the Program and are in accordance with generally accepted accounting standards.

The audit shall also include tests of compliance with the Fiscal Accountability Plan and the Procurement Agreement.

Audit Reports and Findings

MiDA shall furnish, or use its best efforts to cause to be furnished, to MCC an audit report in a form satisfactory to MCC for each audit required by the Implementation Agreement and Section 3.8 of the Compact, other than audits arranged for by MCC, no later than ninety (90) calendar days after the end of the period under audit, or such other time as may be agreed by the Parties.

Upon receipt of any findings by an auditor, the MiDA shall prepare a written response and submit it to the Board for approval, prior to submission to the MCC. Timing of these actions shall be done to assure that the written response is provided to MCC within 30 days of the finding.

MiDA shall use its best efforts to ensure that Covered Providers subject to audit take, where necessary, appropriate and timely corrective actions in response to audits, consider whether a Covered Provider's audit necessitates adjustment of its own records, and require each such Covered Provider to permit independent auditors to have access to its records and financial statements as necessary.

PUBLIC INFORMATION

MiDA shall establish a web site no later than 60 days after Entry Into Force that shall be used to timely post all information required by the Compact and related documents. Information to be posted shall include the Compact and related documents, 609(g) MCC Disbursement Requests and MCC Disbursement Requests, after approval by the MCC, and all approved audit reports.

EXHIBIT E

Definitions

609(g) Accrued Interest shall mean any interest or other earnings on 609(g) MCC Funding.

609(g) Assistance shall mean the program, to be implemented by the Government and MCC using 609(g) MCC Funding, for the purposes set forth in the Implementation Agreement.

609(g) Assistance Assets shall mean (i) 609(g) MCC Funding, (ii) 609(g) Accrued Interest, or (iii) any assets, goods, or property (real, tangible, or intangible) purchased or financed in whole or in part by 609(g) MCC Funding.

609(g) Audit Plan shall mean a plan, in accordance with the Audit Guidelines, for the audit of the expenditures of any 609(g) Covered Provider, which audit plan, in the form and substance as approved by MCC, the Government shall adopt, or cause to be adopted, no later than sixty (60) days prior to the end of the first period to be audited.

609(g) Covered Provider shall mean (A) a non-United States Provider that receives (other than pursuant to a direct contract or agreement with MCC) USD \$300,000 or more of 609(g) MCC Funding in any MiDA fiscal year or any other non-United States person or entity that receives, directly or indirectly, USD \$300,000 or more of 609(g) MCC Funding from any Provider in such fiscal year or (B) any United States Provider that receives (other than pursuant to a direct contract or agreement with MCC) USD \$500,000 or more of 609(g) MCC Funding in any MiDA fiscal year or any other United States person or entity that receives, directly or indirectly, USD \$500,000 or more of 609(g) MCC Funding from any Provider in such fiscal year.

609(g) MCC Disbursement means the disbursement of 609(g) MCC Funding by MCC from time to time to a Permitted Account or through such other mechanism agreed by the Parties, in accordance with the Implementation Agreement.

609(g) MCC Funding shall mean an amount not to exceed three million two hundred thirteen thousand nine hundred and forty one United States Dollars (US \$3,213,941) granted by MCC to the Government, subject to the terms and conditions of the Implementation Agreement.

609(g) Records shall mean all accounting books, records, documents and other evidence relating to the Implementation Agreement or the 609(g) MCC Funding adequate to show, to the satisfaction of MCC, without limitation, the use of all 609(g) MCC Funding, including all costs incurred by the Government and the Providers in furtherance of the Implementation Agreement, the receipt, acceptance and use of goods, services and works acquired in furtherance of the Implementation Agreement by the Government and the Providers, agreed-upon cost sharing requirements, the nature and extent of solicitations of prospective suppliers of goods, services and works acquired by the Government and the Providers in furtherance of the Implementation Agreement, the basis of award of Government and other contracts and orders in furtherance of the Implementation Agreement, the overall progress of the implementation of the Program, and

any documents required by the Implementation Agreement or any Supplemental Agreement between the Parties or reasonably requested by MCC upon reasonable notice.

609(g) Re-Disbursement shall mean the release of 609(g) MCC Funding from a Permitted Account.

609(g) Special Account shall have the meaning set forth in Exhibit D.

Accrued Interest shall have the meaning set forth in Exhibit A of the Compact.

Action shall have the meaning set forth in Section 2.3(a).

Additional Representative shall have the meaning set forth in Section 4.6.

Affiliate shall mean the affiliate of a party, which is a person or entity that controls, is controlled by, or is under the same control as the party in question, whether by ownership or by voting, financial or other power or means of influence. References to Affiliate herein shall include any of their respective directors, officers, employees, affiliates, contractors, sub-contractors, grantees, sub-grantees, representatives, and agents.

Agency Services shall have the meaning set forth in Section 1.2.

Agreement shall have the meaning set forth in the Preamble to this Agreement.

Attachments shall have the meaning set forth in Section 4.14.

Audit Guidelines shall mean the “Guidelines for Financial Audits Contracted by Foreign Recipients”, issued by the Inspector General.

Audit Plan shall have the meaning set forth in Exhibit A of the Compact.

Auditor shall have the meaning set forth in Exhibit A of the Compact.

Bank shall have the meaning set forth in the Preamble to the Bank Agreement.

Bank Agreement means that certain agreement to be entered into by and between MiDA and the Bank.

Bank Signatories shall have the meaning set forth in Exhibit D.

Base Year shall have the meaning set forth in Exhibit A.

Compact shall have the meaning set forth in the Recitals to this Agreement.

Compact Documents and Related Terms shall have the meaning set forth in Section 4.22.

Compact Records shall have the meaning set forth in Exhibit A of the Compact.

Compact Term shall have the meaning set forth in Exhibit A of the Compact.

Consortium shall have the meaning set forth in the Recitals to this Agreement.

Disbursement Agreement means that certain agreement with respect to the disbursement of MCC Funding by and among MCC, the Ministry of Public Sector Reform, on behalf of the Government of the Republic of Ghana, and MiDA, to be entered into in connection with the Compact.

Effective Date shall have the meaning set forth in the Preamble to this Agreement.

Entry into Force shall have the meaning set forth in Exhibit A of the Compact.

FCPA shall have the meaning set forth in Section 2.6(d).

Fees shall have the meaning set forth in Section 2.2(a).

Fiscal Accountability Plan shall mean a fiscal accountability plan that identifies the principles and mechanisms to ensure appropriate fiscal accountability for the use of 609(g) MCC Funding and MCC Funding provided under the Implementation Agreement and the Compact, including the process to ensure that open, fair, and competitive procedures will be used in a transparent manner in the administration of grants or cooperative agreements and the procurement of goods and services.

Fiscal Agent shall have the meaning set forth in the Preamble to this Agreement.

Fiscal Agent Losses shall have the meaning set forth in Section 2.4(c).

Fiscal Agent Principal Representative shall have the meaning set forth in Section 4.6.

Governance Agreement means the agreement by and between the Government and MiDA and, at MCC's option, MCC, that, in addition to the Governing Documents, sets forth the terms and conditions to govern MiDA to be entered into in connection with the Compact.

Governing Document shall mean any decree, legislation, regulation, contractual arrangement (including a governance agreement by and among the Government (or a mutually acceptable Government Affiliate), MiDA and MCC), or other charter document establishing or governing MiDA.

Government shall have the meaning set forth in the Preamble to this Agreement.

Government Responsibilities shall mean the oversight and management of the implementation of the 609(g) Assistance and the Program (i) in accordance with the terms and conditions specified in the Implementation Agreement, the Compact, and the relevant Supplemental Agreements, (ii) in accordance with all applicable laws then in effect in Ghana, and (iii) in a timely and cost-effective manner and in conformity with sound technical, financial and management practices, which are the primary responsibility of the Government.

Implementation Agreement shall have the meaning set forth in the Recitals to this Agreement.

Inspector General shall mean the Inspector General of the United States Agency for International Development.

Interim Fiscal Accountability Plan shall have the meaning set forth in Exhibit D.

Licenses shall have the meaning set forth in Section 1.10.

Local Account shall mean an interest-bearing local currency of Ghana bank account at a commercial bank, subject to MCC approval, to which the Fiscal Agent may authorize transfer from any U.S. Dollar Permitted Account for the purpose of making 609(g) Re-Disbursements and Re-Disbursements payable in local currency.

MCC shall have the meaning set forth in the Recitals to this Agreement.

MCC Disbursement shall have the meaning set forth in Exhibit A of the Compact.

MCC Funding shall have the meaning set forth in Exhibit A of the Compact.

MCC Indemnified Parties shall mean MCC and any MCC officer, director, employee, Affiliate, contractor, agent or representative.

MiDA shall have the meaning set forth in the Preamble to this Agreement.

MiDA Losses shall have the meaning set forth in Section 2.4(a).

MiDA Principal Representative shall have the meaning set forth in Section 4.6.

Ministry shall have the meaning set forth in the Preamble to this Agreement.

Ministry Principal Representative shall have the meaning set forth in Section 4.6.

Option Year shall have the meaning set forth in Exhibit A.

Party or Parties shall have the meaning set forth in the Preamble to this Agreement.

Permitted Account(s) shall mean such accounts established or caused to be established by the Government pursuant to the Bank Agreement, in accordance with the requirements of the Implementation Agreement and the Compact, or as otherwise agreed by MCC and the Government in writing from time to time, including the Local Account and the Special Account.

Permitted Designees shall mean such persons or entities, including MiDA, that the Government may designate from time to time with the prior written consent of MCC to implement, in whole or in part, the Implementation Agreement, the Compact or any Supplemental Agreement (including any Government Responsibilities or any other responsibilities or obligations of the Government under the Implementation Agreement, the Compact or any Supplemental Agreement) or to exercise any rights of the Government under the Implementation Agreement, the Compact or any Supplemental Agreement.

Principal Representatives shall have the meaning set forth in Section 4.6.

Procurement Agreement means that certain agreement in respect of the procurement of goods, works and services by and among MCC, the Ministry of Public Sector Reform on behalf of the Government, and MiDA, to be entered into in connection with the Compact.

Program shall have the meaning set forth in Exhibit A of the Compact.

Program Assets shall have the meaning set forth in Exhibit A of the Compact.

Provider shall mean (i) MiDA and any Government Affiliate or Permitted Designee involved in any activities in furtherance of the Implementation Agreement or the Compact or (ii) any third party who receives at least USD \$50,000 in the aggregate of 609(g) MCC Funding or MCC Funding (other than employees of MiDA) during the Compact Term or such other amount as the Parties may agree in writing, whether directly from MCC, indirectly through 609(g) Re-Disbursements, Re-Disbursements, or otherwise.

Re-Disbursement shall have the meaning set forth in Exhibit A of the Compact.

Reviewer shall have the meaning set forth in Exhibit A of the Compact.

Rules shall have the meaning set forth in Section 4.8.

Special Account shall mean a single, completely separate U.S. Dollar interest-bearing account at a commercial bank, acceptable to MCC, to receive 609(g) MCC Disbursements and MCC Disbursements.

Successor Fiscal Agent shall have the meaning set forth in Section 3.5(d).

Successor Fiscal Agent Agreement shall have the meaning set forth in Section 3.5(e).

Supplemental Agreement shall mean one or more agreements memorializing any funding, implementing and other arrangements in furtherance of the Implementation Agreement or the Compact between (A) the Government (or any Government Affiliate or Permitted Designee) and MCC, (B) MCC and/or the Government (or any Government Affiliate or Permitted Designee) and any third party, including any of the Providers or Permitted Designee or (C) any third parties where neither MCC nor the Government is a party, before, on or after the Entry into Force of the Compact.

Tax or Taxes shall mean all taxes, tariffs, duties, and other levies.

Term shall have the meaning set forth in Section 3.1.