



**MILLENNIUM  
CHALLENGE  
CORPORATION**  
REDUCING POVERTY THROUGH GROWTH



imagination at work

## **MEMORANDUM OF UNDERSTANDING** between **the Millennium Challenge Corporation** and **the General Electric Company**

### **I. Purpose**

The Millennium Challenge Corporation (hereinafter referred to as "MCC") and the General Electric Company (hereinafter referred to as "GE") share the common interest of promoting and supporting sustainable economic growth around the world. For this reason, MCC and GE (hereinafter each referred to as a "Party" and jointly as the "Parties") seek to share their respective strengths, expertise, experience, technologies, methodologies and resources in order to pursue projects of mutual concern focused on supporting a range of specific initiatives that advance these common goals.

MCC is a US Government corporation designed to work with some of the poorest countries in the world. MCC's mission is to reduce global poverty through the promotion of sustainable economic growth, based on the principle that aid is most effective when it reinforces good governance, economic freedom and investments in people. Before a country can become eligible to receive assistance from MCC, MCC considers the country's performance on 17 independent and transparent policy indicators. Based on performance on these policy indicators, MCC selects eligible countries, which then submit proposals to MCC and may receive a grant from MCC under an agreement called a millennium challenge compact (a "Compact"). Once an eligible country signs a Compact with MCC (such country is hereinafter referred to as an "MCA Country"), the MCA Country establishes an accountable entity that is responsible for implementing the Compact.

GE is a diversified technology, media and financial services company focused on solving some of the world's toughest problems. With products and services ranging from aircraft engines, power generation, water processing and security technology to medical imaging, business and consumer financing, media

content and advanced materials, GE serves customers in more than 100 countries and employs more than 300,000 people worldwide. As the only company listed in the original Dow Jones Industrial Average today that was part of the original listing in 1896, GE has a long history of innovation. Its long term vision and endurance are critical for approaching sustainable economic development projects in the emerging markets. GE is committed to setting high standards for good corporate governance and operating with integrity. The company's commitment to perform with integrity is instilled in every employee as a non-negotiable expectation of behavior. This expectation is backed by a culture of compliance and beliefs that are supported by a system of an independent and fully informed Board, comprehensive processes, policies, communications and training that strives to enable transparency and provides direction on how to make the shared commitment to integrity actionable.

This Memorandum of Understanding (hereinafter referred to as the "MOU") provides that the Parties will seek to work together on projects that reflect shared values and that the Parties will focus on identifying joint project-specific collaboration opportunities within each organization's respective vision, mission and program focus. The purpose of the MOU is to set forth the understandings and intentions of the Parties with regards to these shared goals. This MOU provides the framework and scope within which specific projects may be jointly developed and implemented pursuant to subsequent project-level MOUs as may be agreed upon from time to time. Due to MCC's operating model, described above, MCA Countries, rather than MCC, would be the likely counterparts to any project-level MOUs that may be entered into with GE that are aligned with a Compact. Such project-level MOUs would need to be consistent with competitive requirements for procurement and assistance applicable to the MCA Country pursuant to its Compact and related documents. In addition, for certain initiatives, especially those broader than specific MCA Country Compacts, GE and MCC itself may pursue further arrangements. Such arrangements would need to be consistent with competitive requirements for MCC procurements.

This MOU is not intended to affect the separate and unique missions, mandates, and accountabilities of the Parties. Unless specifically provided otherwise, the cooperation between the Parties as outlined in this MOU or any project-level MOU is not to be considered or construed as a partnership or other type of legal entity or personality. Each Party is to accept full and sole responsibility for any and all expenses incurred by itself relating to this MOU. Nothing in this MOU is to be construed as superseding or interfering in any way with any agreements or contracts unrelated to this MOU entered into between the Parties, either prior to or subsequent to the signing of this MOU. Nothing in this MOU is to be construed as an exclusive working relationship, nor as an endorsement of a specific private entity. The Parties specifically acknowledge

that this MOU is not an obligation of funds, nor does it constitute a legally binding commitment by any Party or create any rights in any third party under this MOU or any project-level MOU.

## II. Objective

The Parties aim to leverage each other's strengths to achieve sustainable economic impact for MCA Countries, recognizing the following points:

MCC desires to have transformative impact in MCA Country economies and recognizes the potential role of other organizations, including private sector companies, in leveraging its funds to expand the developmental impact of its Compacts.

GE has a unique set of expertise and capabilities that may help leverage MCC funds to achieve greater impact.

The Parties intend to pursue the following areas of initial cooperation:

**Leverage** - Exploring structures, financial and otherwise, that could potentially leverage MCC's Compact funds and, as appropriate, exploring possibilities for engaging with other US, foreign and multilateral agencies, as well as commercial financial institutions.

**Sector Expertise** - Facilitating introductions to MCA Country Points of Contact and/or other relevant local officials as part of the consultative process. Sectors for discussion could include, but are not limited to: energy, water, health, transportation, security, environment and financial services.

**Corporate Social Responsibility (CSR)** -- Helping to identify projects that could utilize additional human, knowledge, or financial resources in MCA Countries.

**Corporate Governance and Institutional Capacity Building** - Building capacity and transparency by benchmarking well-recognized private sector best practice models in this area.

**Environmental Sustainability** - Promoting sound policies that encourage sustainable economic development through the use of clean energy and clean water technologies, and exploring supply chain support for mutually agreed objectives.

**Investment** - Collaborating on possible ways to promote private sector investment in MCA Countries.

The Parties may wish to consider other areas, as appropriate.

### III. Designated Points of Contact

Each Party has appointed a primary point of contact and liaison (hereinafter called the "relationship manager") responsible for the management and development of the relationship between the Parties under this MOU as follows:

**MCC:**

Millennium Challenge Corporation  
875 15<sup>th</sup> Street, NW  
Washington, DC 20005

Attention: Jason Bauer  
Director, Private Sector Initiatives  
Telephone: (202) 521-3596  
Email: [bauerj@mcc.gov](mailto:bauerj@mcc.gov)

**GE:**

General Electric Company  
1299 Pennsylvania Avenue, NW, Suite 900  
Washington, DC 20004

Attention: Mary Ann Ring  
Vice President, Capital Markets Corporate  
Telephone: (202) 637-4148  
Email: [maryann.ring@ge.com](mailto:maryann.ring@ge.com)

### IV. Effective Date, Duration, Amendments and Termination

Activities under this MOU may commence upon the date of the last signature of all the Parties and are expected to continue for five (5) years from that date. However, the Parties may decide, in writing, to extend this period. In addition, this MOU may be modified if all the Parties agree in writing; provided, however, the designated authorized representative of each of the Parties entering into one or more project-level MOU may not alter, change, or modify in any such project-level MOU any of the terms set forth in this MOU. Any Party may terminate this MOU at any time but should endeavor to provide at least 30 days' written notice to the other Party.

Signed at NEW YORK on this 2ND day  
of APRIL, 2008.

**MILLENNIUM CHALLENGE  
CORPORATION**

**GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_

By: \_\_\_\_\_

/s/

/s/

\_\_\_\_\_  
Ambassador John J. Danilovich  
Chief Executive Officer

\_\_\_\_\_  
Keith S. Sherin  
Vice Chairman & Chief Financial  
Officer

Date: April 2, 2008

Date: April 2, 2008