



GRANT AGREEMENT

July 21, 2013

Receipt

Sustainable Development Organization (SDO) ("Grantee") hereby acknowledges that it will receive PKR 1,000,000 (the "Grant") from the Association for the Development of Pakistan Inc. ("ADP") in 2 tranches; details of which are provided below:

- (i) Tranche 1 of PKR 300,000
- (ii) Tranche 2 of PKR 700,000

Permissible Uses of the Grant

The Grant may only be used for non-profit purposes as defined by Section 501 of the United States Internal Revenue Code ("IRC"). The Grant is for the sole expressed purpose of funding the list of items identified in the attached budget ("Exhibit A"). All other uses or expenditures are expressly forbidden without ADP's written consent.

Certification Regarding Terrorist Financing

Grantee agrees that release of the Grant by ADP depends upon the execution of the "Certification Regarding Terrorist Financing Implementing Executive Order 13224" ("Exhibit B") by the Grantee.

Representations Made by Grantee

Grantee represents the following to ADP:

1. Grantee is a non-profit entity and functions as a non-profit as defined by Section 501 of the US IRS.
2. Neither Grantee nor any of its officers or directors are or have ever been engaged in funding, preaching, promoting, or in any way facilitating, directly or indirectly, any terrorist activity, violent political activity, or other activity that is illegal under any applicable law.
3. The names of Grantee, its Board members, shareholders, members, officers, senior employees, and any organization through which Grantee conducts business do not appear, as of the effective date of this agreement, on any of the lists referenced in Exhibit C. Grantee does not have any other affiliation, including but not limited to the direct or indirect receipt or contribution of funds, with the persons or organizations named on said lists as of the effective date of this agreement.

ADP Liability

Grantee agrees to indemnify, defend, and hold ADP harmless from and against any losses, claims, liabilities, damages, costs, or expense of any kind (including reasonable attorneys' fees) which arise out of, relate to, or are in any way connected with the Grant, any expenditure therefrom, and any acts of Grantee or any of its personnel.



GRANT AGREEMENT

Grantee Deliverables

Grantee deliverables have been outlined in the sections ‘Report A’, ‘Report B’ and ‘Report C’ and would have to be submitted as stipulated in those sections. In addition, Grantee will facilitate the visit by an authorized representative of ADP to the project site after receipt of a three-day notice.

ADP is very excited about funding the Grant and is looking forward to working with the Grantee in the future. The date on which the Grantee executes this Agreement shall be recorded as the “Effective Date” of the contract. Grantee shall remit to ADP an executed copy of the agreement prior to any release of the Funding.

Sincerely,

ASSOCIATION FOR THE DEVELOPMENT
OF PAKISTAN INC.

By: _____
Name:
Title:
Date:

Acknowledged and agreed:

Sustainable Development Organization

By: _____
Name:
Title:
Date:



GRANT AGREEMENT

Exhibit A

Estimated Budget of Micro Hydro Power Project

Activity	Unit Type	Unit No	Unit Cost	Total Estimated Cost	ADP Share	SDO Share	Community Share
PROGRAM COST							
Turbine 50 KW maintenance	No	1	50,000	50,000		50,000	
Transmission Line with D-Shakle Insulators (7/0.0083)	meter	1,000	69	69,000		69,000	
Machinery Cost				119,000	-	119,000	-
CIVIL WORK							
Power Channel Cost				1,573,551	785,588	272,037	515,926
Fore bay Cost				176,026	176,026		
Over Flow Cost				38,386	38,386		
Civil Work				1,787,963	1,000,000	272,037	515,926
Total Program Cost				1,906,963	1,000,000	391,037	515,926
Human Resource Cost							
Asst Field Engineer (01)	months	3	30,000	90,000		90,000	
Total Human Resource Cost				90,000	-	90,000	
Operational Cost							
Field Implementation Cost	months	6	4,500	27,000		27,000	
Total Operational Cost				27,000	-	27,000	
TOTAL PROJECT COST (PKR)				2,023,963	1,000,000	508,037	515,926
Cost Share					49%	25.5%	25.5%



GRANT AGREEMENT

Exhibit B

**CERTIFICATION REGARDING TERRORIST FINANCING
IMPLEMENTING EXECUTIVE ORDER 13224**

By signing and submitting this application, Sustainable Development Organization (“Grantee”) provides to the Association for the Development of Pakistan (“ADP”) the certification set out below:

1. Grantee has not provided, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts.
2. Specifically, in order to comply with its obligations under paragraph 1, Grantee will take the following steps:
 - a. Before providing any material support or resources to an individual or entity, Grantee will verify that the individual or entity does not appear:
 - i. on the master list of Specially Designated Nationals maintained by the U.S. Treasury’s Office of Foreign Assets Control, which is available online at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>;
 - ii. on the United Nations’ Al-Qaida Sanctions List maintained by the UN Security Council Committee established pursuant to resolutions 1267 and 1989, which is available online at http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml;
 - iii. or on any supplementary list of prohibited individuals or entities that may be provided by ADP to Grantee.

Grantee also will verify that the individual or entity has not been designated by the United Nations Security Council (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the “1267 Committee”) [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, Grantee should refer to the consolidated list available online at the 1267 Committee’s website (<http://www.un.org/sc/committees/1267/consolidatedlist.htm>).



GRANT AGREEMENT

- b. Before providing any material support or resources to an individual or entity, Grantee will consider all information about that individual or entity of which it is aware or that is available to the public.
 - c. Grantee will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.
3. Definitions.
- a. **“Material support and resources”** means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.
 - b. **“Terrorist act”** means:
 - i. an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site, http://treaties.un.org/Pages/DB.aspx?path=DB/studies/page2_en.xml&menu=MTDSG); or
 - ii. an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or
 - iii. any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.
 - c. **“Entity”** means a partnership, association, corporation, or other organization, group or subgroup. This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by ADP prior to the end of its term.



GRANT AGREEMENT

Acknowledged and agreed:

Sustainable Development Organization

By: _____

Name:

Title:

Date:



GRANT AGREEMENT

Exhibit C

Lists of persons or organizations deemed to be or suspected to be associated with terrorist acts.

1. The Specially Designated Nationals list of the United States Department of Treasury's Office of Foreign Assets Control (<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>).
2. The Terrorist Exclusion List of the United States Department of Justice (www.state.gov/j/ct/rls/other/des/123086.htm).
3. The Foreign Terrorist Organizations maintained by the United States Secretary of State (www.state.gov/j/ct/rls/other/des/123085.htm).
4. Lists annexed to Executive Orders of the United States President (e.g., www.state.gov/j/ct/rls/other/des/122570.htm).
5. The United Nations' Al-Qaida Sanctions List (http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml).



GRANT AGREEMENT

Report A

Report A needs to be submitted to ADP before tranche one is disbursed. It would include Copy of legal documentation proving that SDO has the legal authority to use the land on which the power plant would be built.



GRANT AGREEMENT

Report B

Report B needs to be submitted to ADP before the disbursement of tranche 2. It should contain the following:

1. An Engineer's certificate that work has started on the power plant and that steel poles have been put in place instead of the wooden poles.
2. A progress report including photos of the work conducted with the first installment.



GRANT AGREEMENT

Report C

Report C needs to be submitted to ADP at project completion. It would include the following:

1. An Engineer's certificate that work has been completed.
2. Photos of the work conducted.
3. The following metrics need to be reported after 30, 90 and 365 days of commissioning of the plant.

S. No.	Metric	30 days	90 days	365 days
1	Operational days			
2	Working hours of the plant			
3	Energy produced (kWh)			
4	Revenue collected from households			
5	Revenue collected from vocational centers			
6	Revenue collected from madrassas			
7	Itemized breakdown of operational expenses of the plant versus budget provided to ADP			