

Minutes No. 5

Of Millennium Challenge Account – Armenia Governing Council Meeting

dated September 28, 2006

by written consent

The issues discussed:

During the discussion of evaluation results of tender proposals for the selection of banking agent for Millennium Challenge Account – Armenia program at the meeting of Governing Council of Millennium Challenge Account – Armenia dated September 27, 2006, the Council has come to the following decision:

1. The approach amongst two alternative options, used by the Evaluation Committee for the evaluation of tender proposals for the selection of banking agent for Millennium Challenge Account – Armenia program, is not acceptable.
2. To assign the Evaluation Committee to re-evaluate the proposals, using the approach according to which the proposals, which do not totally comply with the Request for Proposal, should be rejected and not evaluated.
3. The evaluation results and contract award proposal should be submitted to Governing Council for approval by written consent.

The Evaluation Committee meeting took place on the same day and carried out the evaluation in accordance with Governing Council instructions. The evaluation results are presented below.

Conversebank

#	FACTOR	Weights assigned to the factors	Offer	Rank	Weighted Rank
		A	B	C	A x C
1	<i>Interest Rate</i>	0.35	FFR minus 0.45	2	0.7
2	<i>General Administration Fee for Maintaining Permitted Accounts</i>	0.10	0	1	0.10
3	<i>Fee for Domestic Electronic Transfer in U.S. Dollars</i>	0.10	0	1	0.10
4	<i>Fee for Domestic Electronic Transfer in Armenian Drams</i>	0.10	0	1	0.10
5	<i>Fee for International Electronic Transfer in U.S. Dollars</i>	0.10	0	1	0.10

6	<i>Fee for International Electronic Transfer in Armenian Drams</i>	0.10	0	1	0.10
7	<i>Fee for Issuing of Letter of Credit (Documentary Credit)</i>	0.15	0.35 %	1	0.15

Total: 1.35 points

Cascade Bank

#	FACTOR	Weights assigned to the factors	Offer	Rank	Weighted Rank
		A	B	C	A x C
1	<i>Interest Rate</i>	0.35	FFR minus 0.9975	1	0.35
2	<i>General Administration Fee for Maintaining Permitted Accounts</i>	0.10	- 0.01\$	2	0.20
3	<i>Fee for Domestic Electronic Transfer in U.S. Dollars</i>	0.10	- 0.01\$	2	0.20
4	<i>Fee for Domestic Electronic Transfer in Armenian Drams</i>	0.10	- 0.01\$	2	0.20
5	<i>Fee for International Electronic Transfer in U.S. Dollars</i>	0.10	- 0.01\$	2	0.20
6	<i>Fee for International Electronic Transfer in Armenian Drams</i>	0.10	- 0.01\$	2	0.20
7	<i>Fee for Issuing of Letter of Credit (Documentary Credit)</i>	0.15	- 0.0001 %	2	0.30

Total: 1.65 points

The proposals of Ardshininvest and Armeconom banks were not evaluated. The Evaluation Committee proposed to award the contract to Cascade Bank with maximal score. The evaluation results will be submitted for MCC's no-objection after Governing Council approval.

It was decided to approve the tender results of Millennium Challenge Account-Armenia banking agent selection and award the contract to Cascade Bank.

Andranik Margaryan - RA Prime Minister, Chairman of the Governing Council
/signed/

Vahram Nercissyantz -	Chief Economic Advisor to President of Armenia /signed/
Hovik Abrahamyan -	Minister of Territorial Administration of Armenia /not signed/
Vardan Khachatryan -	Minister of Finance and Economy of Armenia /signed/
David Lokyan -	Minister of Agriculture of Armenia /signed/
Hrant Beglaryan -	First Deputy Minister of Transport and Communication of Armenia /signed/
Tonakan Ghazaryan -	"Shenik" WUA /signed/
Nazeli Vardanyan -	"Forests of Armenia" Environmental NGO /signed/
Karen Nazarian -	Armenian Inter-Church Round Table NGO /signed/
Vanik Soghomonyan -	"National Union of Farmers" NGO /signed/
Vardan Hambartcumyan -	Federation of Agricultural Associations Union of Legal Entities /signed/
Alexander Bakhtamyan-	MCA-Armenia SNCO, Procurement Officer, GC temporary Secretary /signed/