



ASIAN UNIVERSITY FOR WOMEN

Memorandum of Understanding
THE ASIAN UNIVERSITY FOR WOMEN
SUPPORT FOUNDATION

and

BRAC

September 18, 2007

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (this "MOU") is entered into this 18th day of September, 2007 (the "Effective Date") by and among Asian University for Women Support Foundation, a New York not-for-profit Foundation ("AUWSF"), and BRAC, a Bangladesh Society ("BRAC"). AUWSF and BRAC enter into this MOU on their own behalf and on behalf of their applicable affiliates. AUWSF and BRAC may each be referred to in this MOU as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, AUWSF is a support foundation organized with the purpose of developing the Asian University for Women ("AUW"), an institution of higher education to be located in Chittagong, Bangladesh that is dedicated to preparing talented Asian women for leadership in the political, economic, social and cultural spheres;

WHEREAS, BRAC is a developmental organization in Bangladesh dedicated to addressing issues of economic and social development in Bangladesh;

WHEREAS, BRAC's Internal Audit Department undertakes routine internal audit, investigation, physical inventory and other assignments to maintain organizational transparency and accountability, emphasizing the credibility of all financial transactions and ensuring the implementation of policies and procedures set by the management ; and

WHEREAS, AUWSF recognizes the paramount importance of maintaining the integrity of the operations and finances of AUWSF, in construction of AUW as well as in other areas of operations of AUWSF and AUW in Bangladesh, and desires to engage BRAC for performance of Internal Audit Services (as defined below) of AUWSF with respect to all AUWSF and AUW Bangladesh operations.

NOW THEREFORE, in consideration of the mutual promises set forth below, AUWSF and BRAC contract to the following terms, conditions and provisions:

AGREEMENTS

1. Engagement and Scope of Services. Effective as of January 1, 2007, AUWSF hereby engages BRAC to perform the following services (the "Internal Audit Services") for AUWSF with respect to AUWSF and AUW Bangladesh operations:

BRAC will examine and evaluate risk exposures relating to AUWSF and AUW's governance, operations, policies, procedures and systems in Bangladesh which are in place to ensure:

- Reliability and integrity of financial and operational information

- Compliance with policies, plans, procedures, laws and regulations
- Safeguarding of assets
- Effectiveness and efficiency of operations; and
- Accomplishment of established objectives and goals for operations or programs.

Based on the results of the risk assessment, BRAC will evaluate the adequacy and effectiveness of how risks are identified and managed in the above areas. BRAC will also assess the performance of management and communication of risk and control information within the organization in order to facilitate a good governance process.

BRAC will carry out its Internal Audit Services under this agreement in accordance with the International Standards for the Professional Practice of Internal Auditing.

BRAC will report its findings on a quarterly basis, and an annual basis to the Audit Committee of the AUWSF and AUW Boards, commencing with the quarter ending March 31, 2008, unless otherwise agreed between the parties.

2. Term. BRAC's engagement shall terminate upon the third anniversary of the Effective Date of this Agreement, unless extended in writing by BRAC and AUWSF.
3. Fees. BRAC shall not require any compensation from AUWSF for its services provided under this engagement.
4. Out-of-Pocket Expenses. AUWSF shall, upon request, reimburse BRAC for all reasonable out-of-pocket expenses incurred in connection with the engagement; provided that BRAC shall have obtained AUWSF's prior written consent of any such expense in an amount exceeding USD\$2,500.00 (Two Thousand Five Hundred Dollars).
5. Confidentiality. Any proprietary information provided to BRAC by AUWSF shall be held in confidence and be used only for the purpose proposed herein. Upon termination of this MOU, BRAC hereby agrees to return all proprietary information provided by AUWSF, except that BRAC shall be able to retain copies of any such materials it deems in its sole discretion to be commercially appropriate working papers kept in confidence by BRAC. The confidentiality of said proprietary information shall survive the termination of this MOU.
6. Publicity. Except as otherwise required by law, (a) no Party will make any disclosure or announcement of any nature concerning the existence of, or the services contemplated by, this MOU without the prior written consent of the other Party and (b) the Parties will determine in advance, by mutual agreement, the timing and content of a joint press announcement concerning the existence of, and the services contemplated by, this MOU.

7. Jurisdiction. This MOU and the rights of the parties hereunder will be governed by and construed in accordance with the laws of the State of New York, including all matters of construction, validity, performance and enforcement and without giving effect to contrary principles of conflict of laws.

8. Amendments and Assignment. This MOU may not be waived, amended, modified or assigned, in any way, in whole or in part, including by operation of law, without the prior written consent of AUWSF and BRAC. The provisions of this MOU shall inure to the benefit of and be binding upon the successors and assigns of the Parties.

9. Entire Agreement. This MOU constitutes the entire agreement between AUWSF and BRAC, and supersedes any prior agreements and understandings, with respect to the subject matter of this MOU.

10. Notices. All notices required and other communications provided for by this MOU will be in writing, will be addressed to the receiving Party's address set forth below or to such other address as a Party may designate by notice hereunder, and will be either (a) delivered by hand (b) made by facsimile transmission, (c) sent by overnight courier, or (d) sent by certified mail, return receipt requested, postage prepaid.

If to AUWSF:

Asian University for Women Support Foundation
1100 Massachusetts Avenue, Suite 300
Cambridge, MA 02138
USA
Phone: 617 914 0517
Fax: 617 354 0247
Attention: Kamal Ahmad, President & CEO
Email: kamal.ahmad@asian-university.org

If to AUW:

Asian University for Women
House No. 7, Road 2
Kulshi Housing Society
Chittagong, Bangladesh
Tel: 880.31.255.1682
Attention: Major General Ghulam Quader (ret'd.)
In each case mail a copy to:
Sonia Baldia, Esq., General Counsel, AUWSF
c/o Mayer, Browne, Rowe, and Maw
1909 K Street, NW
Washington, DC 20006
USA

If to BRAC:

Mr. F. H. Abed
Brac Center
75 Mohakhali Road C/A
Dhaka 1212
Bangladesh

All notices and other communications hereunder will be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving Party at the address of such Party set forth above, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if sent by courier, on the next business day; or (iv) if sent by certified mail, on the fifth (5th) business day following the day such mailing is made.

11. Counterparts. This MOU may be executed in counterparts, each of which will be deemed an original but all of which will constitute one and the same instrument.

[Signatures on following page.]

Each of the Parties has executed this MOU by the duly authorized undersigned person as of the Effective Date.

ASIAN UNIVERSITY FOR WOMEN SUPPORT FOUNDATION

By: Jack R. Meyer
Name: Jack F. Meyer
Title: Chairman, AUWSF

BRAC

By: F. H. Abed
Name: F. H. Abed
Title: Chairman, BRAC