



**TERMS OF REFERENCE (TOR)**  
**FOR**  
**DESIGNING, PRODUCTION & CONDUCTION ACTIVITY IN RELATION TO FINANCIAL**  
**LITERACY PROGRAM**  
**OF**  
**MACHHAPUCHCHHRE BANK LIMITED (MBL)**  
**APRIL, 2018**

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## 1. Background Information

The financial Literacy score of Nepal is 18 according to the S&P Global Finlit Survey of 2015, which ranks us amongst bottom 10 in the world and the lowest among the South Asian countries. The root of the problem lies in the rural areas of the country where people have no or very limited access to financial facilities and are completely unaware of the importance of saving, investment, or insurance. In many instances, people are still found engaged in traditional lending and borrowing activities, wherein they take loans from landlords or family and friends at higher rates than banks and financial institutes. It is also found that people prefer keeping large amount of money at home instead of banks for its 'safekeeping', which undoubtedly increases the risks furthermore.

As responsible Financial Institution of the Country, as a Part of Our Corporate Social Responsibility we are committed to promote financial literacy throughout the country specially in the rural areas of the country where people have no or limited access to financial facilities. Further to this and to reflect on our commitment towards enhancing financial inclusion, we have signed a pact with Heifer International Nepal to implement the deprived sector-lending program titled "Simplified Microcredit Service" supported by UK Aid Sakchyam Access to Finance Program. Under this project, the Bank shall carry out various financial literacy initiatives in rural and suburban areas. These will include running financial literacy camps to reach more people in geographically challenging areas.

## 2. Scope of the Project.

The Bank has recently opened 12 Branch Less Banking (BLBs) in the rural part of the country which are Kailali, Kanchanpur, Banke, Surkhet, Dang, Rupendehi and Dhading. Bank shall continue to do so and have at least 20 BLB in the future in these districts as this shall have positive impact in achieving the financial inclusion targets set by the Country.

The scope of the assignment includes Designing of Separate Financial Literacy Programs suitable for various types of locations (Semi Urban, Urban, Rural etc.), Production of various campaign materials like video Clips, Audio Clips, Flyers, Text Books, Promotional materials (like caps, pens, Bags, Folders etc) and finally conduction of Financial Literacy Program in the vicinity of Kailali, Kanchanpur, Banke, Surkhet, Dang, Rupandehi, Dhading and Kaski District where are BLB are Located.

The objectives of the program is thus to help the locals in enhancing their financial literacy and assist them to use the services provided by our BLB outlets which will in turn help to reduce poverty.

Consideration to be given to the fact that the Design and Production part as mentioned herein is one-time activity of the Bank as same might be used time and again for conduction of Financial Literacy programs of the Bank.

### 3. Methodology of the Program

- Design of the Financial Literacy Program
  - a. Design includes designing the financial literacy program suitable for publics located at Urban, Sub Urban and Rural areas. Program design should include design of booklets, textbooks, informative audio/video, interactive drama/story/banking simulation, seminar/training, promotional merchandise/souvenir, presentation materials, flyers, banners, badges, social media campaign etc.
- Production of Campaign Materials
  - a. Production included production of Campaign Material which shall be informative, interactive, and make local people of the target group financially literate about financial products/services.
  - Campaign materials may be
    - a) Audio and videos: Teaser videos, educational video series, short informative audio and audio series for promotional purpose
    - b) Promotional merchandise: design and development of booklets, flyers, banners, handbooks, textbooks, stickers, badges, Caps, Pen and other materials.
- Conduction of Financial Literacy Program

Financial Literacy Program shall be conducted through community based awareness and interactive activities like financial street drama, story-telling, songs, social media campaigns, workshop, seminar, training and panel discussions and talk shows, banking simulation and saving role play etc. and tailored financial literacy programs as requested by the Bank from time to time.

### 4. Roles of party involved

Selected firm/entity shall fulfill roles and responsibilities mentioned in TOR, RFP and the Contract agreement.

### 5. Deliverables

Hard Copy and soft copy of the Content designed and Campaign materials produced during this project shall be assets of the Bank and selected firm/entity should handover it to the Bank such that Bank can make its own changes, modification and re use as appropriate.

The Firm/Agency/Entity shall also conduct Financial Literacy program as envisaged in the RFP, TOR and Contract Agreement. Conclusive evidence of conduction of such program to the Bank is essential under this arrangement.

## 6. Timeline of Design, Production of Campaign Materials and Conduction of Financial Literacy Program

S.N.	Particulars	Number of Weeks					
		W1	W2	W3	W4	W5	W6
1	Design of the Financial Literacy Program						
2	Production of the Campaign Materials						
3	Conduction of the Financial Literacy Program						

The detail schedule will be discussed and agreed with the selected agencies/firm. Design may be broken down further into design for Rural, Urban and Sub Urban audience, Campaign material can be segregated into Promotion items and Study Material which may further be segregated into various items if required.

### Notes:

1. It is mandatorily to fill the details timeline and mark required numbers of weeks as in Gantt Chart by shadowing the Weeks applicable.
2. Insert additional columns under number of weeks as required.

## 7. Eligibility Criteria

- Firm/agencies should be in operation for at least 3 years.
- Firm/agency/entity shall have at least 3 years of Experience in conducting financial literacy program of various financial institutions
- Should have valid and due registration certificate, VAT/PAN certificate and tax clearance certificate of FY 073/74
- Should have experienced human and other resources as well as capability to design, produce and conduct financial literacy program.

**Sample – Agreement**

**CONTRACT BETWEEN**

----- **BANK**

**AND**

.....

**FOR DESIGN, PRODUCTION & CONDUCTION ACTIVITIES IN RELATION TO FINANCIAL LITERACY PROGRAM**

This Contract is made on ..... by and between ----- **Bank** a public limited Company, incorporated under the Laws of Nepal, having its Head office at Ward No- 2 Lazimpat, Kathmandu (hereinafter called **the “Bank”**) and ....., a company incorporated under the laws of Nepal, having its registered office at ....., .....which is registered at Office of Company Registrar on .....with the registration number ..... (Hereinafter called the **“Service Provider”**) for Design, Production of Campaign Materials & Conduction of Financial Literacy Program (Hereafter called **“Service”**)

**WHEREAS**, the Bank is desirous to employ the Service Provider to execute and perform the under mentioned services and the Service Provider is agreeable to impart the said services / jobs, as described hereunder;

**THEREFORE**, now both the parties agree to the terms and conditions set forth herein below:

**ARTICLE I – SCOPE OF WORK**

Scope of the work includes Designing of Financial Literacy Program for the Bank for various types of audience, Design and production of proposed study materials and promotional materials and conduction of Financial Literacy programs in various locations. Entire Bid documents shall form integral part in defining scope of the work under this agreement.

**ARTICLE II – TERMS OF CONTRACT**

The provisions as mentioned specifically in Terms of reference (TOR,) Request for Proposal (RFP) and the Agreement shall collectively form the terms of contracts under this Agreement.

**ARTICLE III – PAYMENT**

The financial package of the assignment under this agreement shall be as follows;

- a) Financial package for Designing: NPR .....(Including all applicable tax)
- b) Financial package for Production: NPR .....(Including all applicable tax)

- c) Financial package for Conduction of Financial Literacy Program (per program): NPR .....(Including all applicable tax)

The payment shall be effective as follows;

For Design and Production part:

- d) First 25% of the Advance payment upon signing of the agreement and presentation of Advance payment Guarantee of the same amount valid for the entire Project period to the satisfaction of the Bank.
- e) Second 25% of the Advance payment upon submission of Design (along-with the sample) of the Content and Production Material to the satisfaction of the Bank
- f) Remaining Portion of the payment under Designing and Production part upon submission of Hard copy, soft copy and such other form as required by the Bank the designed and produced One-time items for the conduction of Financial Literacy Program

For conduction part:

- a) Upon submission of Bills and supporting documents to the satisfaction of the Bank in relation to the conduction of the program
- b) Firm/Agency/Entity shall have liberty to present Bills per conducted program i/o waiting for completion of entire assignment.

Other provision related to payment:

- c) Payment shall be made subject to deduction of statutory taxes as per the prevailing rules of Nepal Government by crediting Service Provider’s Banks’ account maintained at the Bank.
- d) The final release of Advance payment guarantee is subject to completion of the project and submission of detailed report
- e) The Advance payment guarantee shall be extended timely to cover the project period if there occurs any delay for any reason whatsoever other than termination of contract.

**ARTICLE IV – PROCEDURES OF PERFORMANCE**

- a) The Service Provider shall provide entire services to the Banks at its desired level of satisfaction as mentioned in the Article (I) within the turnaround time mentioned in Article (V).
- b) The Service Provider shall also depute the required number of its employee(s) to complete the entire services.
- c) The Service Provider shall provide the list of Name, Valid ID issued by Government Agencies and photograph of its employee (s) assigning to the Bank.
- d) The employee (s) of the Service Provider must wear their ID cards with photo depicting ID at all times during their duty at the Bank premises, otherwise entry may be restricted.

**ARTICLE V – TURN AROUND TIME:**

The Service Provider shall provide the service within the timeline as follows:

- a) Designing: .....weeks
- b) Production: .....weeks

- c) Conduction: .....weeks
- Total: .....weeks

Service provider shall provide update on assignment via email to contact person as mentioned in **Article VIX-Notice or Requests** on fortnightly basis.

**ARTICLE VI – SERVICE PROVIDER AND ITS EMPLOYEE**

- a. The Service Provider or its employees or any individual engaged by the Service Provider shall in no way be employee of the Bank. Their relationship with the Bank and the services they provide and the benefits they derive will be limited exclusively by the terms set forth in this contract.
- b. The Service Provider or its employees or any individual engaged by the Service Provider shall not be entitled to any benefits or rewards from the Bank.
- c. It shall be the responsibility of the Service Provider towards its’ employees for any injury/accident occurred during the course of duty.
- d. The Service Provider or its employees engaged by the Service Provider shall have no claim for employment with the Bank in any case including but not limited to upon the termination or non-renewal of this contract.
- e. The Service Provider understands and agrees that the Bank accepts no responsibility for the settlement or arbitration of disputes that may arise between the Service Provider and its employees or any individual engaged by it.
- f. After expiry or termination of agreement or upon the Bank's request during the period of the agreement, it shall be the responsibility of the Service Provider to vacant the space occupied by service provider.
- g. The service provider firm/entity may engage third party/individual for designing, production & conduction of financial literacy program. However, the service provider will have full responsibility of completing the task and Bank has no relationship with the third party/individual.

**ARTICLE VII - SERVICE PROVIDER’S LIABILITY**

In case the work could not be carried out within the stipulated time as mentioned in **Article I, III and IV** of this contract, due to any reason whatsoever, the Service Provider must immediately notify to the bank and any loss/claims on account of such delay will have to be borne by the Service Provider. The Bank will decide on other course of action to be taken on the contrary.

The Service Provider shall compensate the Bank against delayed completion beyond by paying penalty of NPR 5,000/- per day for the first 7 days and NPR 10,000/- per day then after.

The Bank reserves all rights to settle all such losses and/or amount of indemnification and/or reimbursement and/or compensation as mentioned under this contract against the bill or any amount/asset(s) relating to the Service Provider be it with the Bank or anywhere.

**ARTICLE VIII - NO RELATIONSHIP OF MASTER AND SERVANT OR EMPLOYER AND EMPLOYEE**

Nothing contained in this contract or any instructions/guidelines that may be issued by the Bank from time to time shall be construed to create any relationship of Master and Servant or Employer and Employee as between the Bank on the one hand and the Service Provider/s and/or the personnel employees/engaged by the Service Provider/s on the other. The parties understand clearly and agree that

this contract covers only specific jobs to be carried/performed by the Service Provider/s as and when they are assigned to the Service Provider by the Bank.

#### **ARTICLE IX - NOT AN EXCLUSIVE CONTRACT**

The Service Provider clearly understands that this contract entered into between the Bank and the Service Provider is not an exclusive contract and the Service Provider shall not claim any exclusive right to get contract jobs from the Bank and that the Bank is free to engage as many Service Provider/s, whether similar or otherwise, and, enter into contract with any other person/firm/company/organisation as may be deemed appropriate by the Bank.

#### **ARTICLE X - INDEMNITY**

- a. The Service Provider shall indemnify the Bank and its employees and keep the Bank indemnified against any loss or claim or damages that any customer or any other person whomsoever may make against the Bank in respect of any act of omission or commission which the Service Provider or its employee/s or its representatives/s or its Service Provider/s has/have done which is contrary to or in breach of the terms of this contract and/or any instruction that may be given by the Bank.
- b. The Bank shall not be liable to indemnify or be liable or responsible for any loss or damage which the Service Provider may suffer by reason of the Service Provider having acted contrary to or in breach of the terms of the contract and/or any instructions that may be given by the Bank.

#### **ARTICLE XI- CHANGE IN THE CONSTITUTION**

The Service Provider shall make no change whatsoever in its constitution/nature of business during the continuance/validity of this contract to impair or discharge the liability of the Service Provider.

#### **ARTICLE XII - RETURN OF DOCUMENTS, PAPERS, AMOUNTS, PROPERTIES, LETTERS OF THE BANK ON TERMINATION**

In the event of expiry or termination of this contract by either party for any reason whatsoever, the Service Provider shall forthwith return to the Bank all documents, papers, properties of the Bank that belongs to the Bank or held by the Service Provider on behalf of the Bank and any other deliverables as mentioned in the TOR which forms integral part of this agreement The Service Provider shall be responsible or liable for any loss or damages to such properties.

#### **ARTICLE XIII- CONTACT PERSON**

Contact persons for the entire period of agreement shall be the persons as mentioned in Article (XIX) of this agreement

Any change in the contact person(s) and/or their details shall be communicated in writing to the other.

#### **ARTICLE XIV – TERMINATION**

Any rights or obligations including any obligations to making payment/s as compensation or indemnification by the Service Provider prior to the date of receipt of the notice of termination of this contract by the Service



Provider shall not be prejudiced and such rights of the Bank and obligations of the Service Provider shall be enforceable in spite of the termination of this contract.

Bank may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the firm/entity, terminate the contract in whole or part: if the firm/entity fails to deliver any or all of the service within the period(s) specified in the Contract, or within any extension thereof granted by the Bank pursuant to conditions of contract or if the firm/entity fails to perform any other obligation(s) under the Contract.

In the event Bank terminates the Contract in whole or in part, the Bank may award, upon such terms and in such manner, as it deems appropriate, services similar to those undelivered and the firm/entity shall be liable to Bank for any excess costs for such similar services. However, the firm/entity shall continue the performance of the contract to the extent not terminated.

#### **ARTICLE XV- CONTINGENCY PLAN**

The Service Provider shall have a viable Contingency Plan to provide uninterrupted service to the Bank. The plan will need to be tested from time to time and the Bank may review the plan as and when required.

#### **ARTICLE XVI- KYC REQUIREMENTS AND INSPECTION**

It shall be the responsibility of the Service Provider to go through the entire Know Your Customer (KYC) requirement for its vendors/suppliers/agents/sub agents and employee or any other person engaged by it. The Bank or regulator of the Bank or any other party to whom the Bank is responsible may visit, inspect, audit and require any information from its business/office. In such case, the Service Provider shall extend its full cooperation and support.

#### **ARTICLE VII- CONFIDENTIALITY**

The Service Provider, its employees and staffs shall maintain strict confidentiality in respect of any information relating to the Bank, which may be known to them or, which they may come across in course of providing the services under this contract or otherwise and that such confidentiality shall be maintained even after the expiry or termination of this contract. The Bank, however, may disclose such information relating to the Service Provider as per its legal/ regulatory requirements.

In case of failing to maintain the confidentiality in respect of information relating to the Bank by the Service Provider, its employees and staff as a result should the Bank face any losses, the Service Provider will be liable to compensate the Bank at least double to losses faced by the Bank.

#### **ARTICLE VIII- PUBLICITY:**

The Service Provider shall not publicize (for example by making press statements or by issuing press releases) or release any information in relation to or about this Agreement except with the Bank's prior written consent.

**ARTICLE VIX – NOTICE OR REQUESTS**

Any notice or requests shall be deemed to be duly given or made when it shall have been delivered by hand, postal mail, courier (except of electronic mail for the Service Provider, however the Bank may deliver through electronic mail also), cable or fax to the party to which it is required to be given or made at such party's address specified below or at such other address as either party may specify & communicate to other party in writing.

For the Bank

For the Service Provider

Name : .....

Name : .....

Designation : .....

Designation : .....

Email Address : .....

Email Address : .....

**ARTICLE VX- AMENDMENT OF CONTRACT**

This Contract may be amended by mutual agreement in writing between the Bank and the Service Provider.

**ARTICLE VXI- PERFORMANCE GUARANTEE**

The Service Provider, within 7 days from the date of signing of this Contract shall provide performance bank guarantee amounting NPR ..... (Say Nepali Rupees ..... Only) i.e. 5% of total cost. Such performance bank guarantee should be issued by a bank/financial institutions acceptable to the Bank with validity of 180 days. In case of non-performance of any of the obligations arising out from this contract by the Service Provider or violation of any terms of this contract, the Bank shall be entitled to invoke the bank guarantee(s) in full and forfeit the proceeds thereof.

**ARTICLE VXII – PERIOD OF PERFORMANCE AND RENEWAL**

This Contract shall come into effect from ..... and shall continue to be in force until .....

**ARTICLE VXII – DISPUTE SETTLEMENT**

In event of any differences or dispute in connection with this agreement over the rights or obligations of the parties, the courts of Nepal alone would have the jurisdiction to entertain such dispute for final settlement.

Provided that in case of failure to comply with the terms and conditions set forth in this Contract by the Service Provider, the Bank shall be entitled to rescind this contract immediately without any obligation in Bank's part.

Any terms and conditions if not specifically mentioned herein shall be governed by the prevailing Contract Act 2056 (1999).

**IN WITNESS WHEREOF**, duly authorized representatives of both the parties, verification of which has been waived hereby, have signed and executed this contract on the date mentioned hereinabove in the presence of the witnesses appearing hereunder at the office of the Bank.

On behalf of the Bank

On behalf of the Service Provider

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 .....  
 .....

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 .....  
 .....

Witness:

Witness:

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Name:

Name:

Address:

Address