October 12, 2012

Mr. Eddy Trent
Director
Emerging Markets Consulting
#201, The Hong Kong Centre
Sothears Blvd, Phnom Penh
Kingdom of Cambodia

Re: infoDev Grant No. IBIC TF099090 Implementation of a Business Incubator in Cambodia Project
Additional Instructions: Disbursement

Dear Mr. Trent:

I refer to the Letter Agreement ("Agreement") between the International Bank for Reconstruction and Development ("World Bank"), acting as administrator of grant funds provided under the Information for Development ("infoDev") Multi-Donor Trust Fund, and Emerging Markets Consulting (EMC) ("Recipient") for the above-referenced project ("Project"), dated March 3, 2011. The Agreement provides that the World Bank may specify by notice to the Recipient additional instructions regarding the withdrawal of the grant proceeds for Grant TF099090 ("Grant"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

The attached World Bank Disbursement Guidelines for Projects, dated May 1, 2006, ("Disbursement Guidelines") (Attachment 1), are an integral part of the Disbursement Letter. The manner in which the provisions in the Disbursement Guidelines apply to the Grant is specified below. Sections and subsections in parentheses below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter and the Agreement, the capitalized terms used have the meanings ascribed to them in the Disbursement Guidelines.

I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Grant: Advance.

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four (4) months after the Closing Date specified in the Grant Agreement. Any changes to this date will be specified by notice to the Recipient from the World Bank.
II. Withdrawal of Grant Proceeds

(i) Authorized Signatures (subsection 3.1). The official authorized to sign Applications is the official specified in section 5.01 of the Grant Agreement and whose countersignature appears on the Agreement. The countersignature fulfills the requirement for a specimen signature.

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed Applications, together with supporting documents, to the address indicated below:

The World Bank
1818 H Street, NW
Washington, DC 20433
United States of America

Attention: Ms. Anushka Thewarapperuma
infoDev
MSN F5P-508

(iii) Advances (sections 5 and 6).

- Type of Designated Account (subsection 5.3): Segregated
- Currency of Designated Account (subsection 5.4): United States Dollars
- Financial Institution at which the Designated Account Will Be Opened (subsection 5.5): ANZ
- Ceiling (subsection 6.1): U.S.$ 300,000

(iv) Electronic Delivery (subsection 3.4) The World Bank may permit the Recipient to electronically deliver to the World Bank Applications (with supporting documents) through the World Bank’s Client Connection, web-based portal. The option to deliver Applications to the World Bank by electronic means may be effected if: (a) the Recipient has designated in writing, pursuant to the terms of subparagraph ( ) of this Section, its officials who are authorized to sign and deliver Applications and to receive secure identification devices (“Tokens”) from the World Bank for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Recipient have registered as users of Client Connection. If the World Bank agrees, the World Bank will provide the Recipient with Tokens for the designated officials. Following which, the designated officials may deliver Applications electronically by completing Form 2380, which is accessible through Client Connection (https://clientconnection.worldbank.org). The Recipient may continue to exercise the option of preparing and delivering Applications in paper form. The World Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient.
(v) Terms and Conditions of Use of Tokens to Process Applications. By designating officials to accept Tokens and by choosing to deliver the Applications electronically, the Recipient confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation ("Terms and Conditions of Use of Tokens") provided in Attachment 3; and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions.

III. Reporting on Use of Grant Proceeds

(i) Supporting Documentation (section 4). Supporting documentation should be provided with each Application, as set out below:

- For Applications for Advances (subsection 3.3) and for Reporting on the Use Advances (subsection 4.4):
  - Applications for advances should be accompanied by the documents specified in Attachment 4, including Interim Financial Reports in the format provided in Attachment 5

IV. Other Important Information


If you have any queries in relation to the above, please contact Samiha Boulos at sboulos@worldbank.org using the above reference.

Yours sincerely,

Vidya Narasimhan
Finance Officer, CTRLD

Attachments
Other Attachments with original letter.
4. Schedule of Advance Payments

Cleared with and cc: Mahwush Malik, LEGPS; LOA-TF; Ellen Olafsen, Task Team Leader;

Cc with copies: Douglas Graham, OPCFM; Vera Lapshina, Budget Officer.
**Schedule of Advance Payments**

The Recipient’s requests for withdrawal of Grant proceeds shall be made in accordance with the schedule set forth below, subject to the World Bank’s receipt of the relevant Application and Supporting Documentation, satisfactory to the World Bank. The Supporting Documentation for all Advances excepting the first Advance, shall include a Project Report and Interim Financial Report, and copies of any corresponding Deliverables, that cover the activities, results and deliverables financed by the preceding Advance.

<table>
<thead>
<tr>
<th>Advance</th>
<th>Indicative Timing and Supporting Documents for Application</th>
<th>Disbursement Amount</th>
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</table>
| **First Advance** | • Upon execution of the Agreement, and Application for the first advance;  
                        • After the World Bank’s receipt and approval of the Recipient’s updated itemized budget (Deliverable 1 as per the Agreement). | $200,000            |
| **Second Advance** | After the World Bank’s receipt and approval of the Recipient’s:  
                        • Progress Report on achievements to date;  
                        • Interim Financial Report and bank statements that covers the expenditures financed by the first advance;  
                        • Application for the second advance;  
                        • Contract with an independent auditor to audit the grant;  
                        • Updated itemized budget (as referred to Deliverable 1 in the Agreement);  
                        • Deliverables 2 to 7, 13 and 14 as per the Agreement. | $300,000            |
| **Third Advance** | After the World Bank's receipt and approval of the Recipient's:  
| | - Project Report on achievements;  
| | - Interim Financial Report and bank statements that covers the expenditures financed by the second advance;  
| | - Application for the third advance;  
| | - Updated itemized budget (as referred to Deliverable 1 in the Agreement);  
| | - Deliverables 15 and 16 per the Agreement. | $300,000  |
| **Fourth Advance** | After the World Bank's receipt and approval of the Recipient's:  
| | - Project Report on achievements;  
| | - Interim Financial Report and bank statements that covers the expenditures financed by the third advance;  
| | - Application for the fourth advance;  
| | - Updated itemized budget (as referred to Deliverable 1 in the Agreement);  
| | - Deliverables 8 to 12 and 17 to 20 as per the Agreement. | $121,225  |