Mr. Fernando Tenjo Galarza  
Director General  
Center for Latin American Monetary Studies  
Durango 54, Col. Roma  
06700 Mexico DF  
Mexico  

Dear Mr. Galarza,  

Re: Grant to the Center for Latin American Monetary Studies (CEMLA) Grant No. TF016793 – Debt Management Facility Phase II  
Additional Instructions: Disbursement  

I refer to the Letter Agreement (“Agreement”) between the International Bank for Reconstruction and Development and the International Development Association (collectively, “World Bank”), acting as administrators of grant funds provided by the various donors (“Donors”) under the Debt Management Facility Phase II (DMF II) (TF No. 072132), and Center for Latin American Monetary Studies (CEMLA) (“Recipient”) for the above-referenced project, dated 10-27-14. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF016793 (“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, 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:  

- Reimbursement  
- Advance  
- Direct Payment
(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 notified by the World Bank.

(iii) **Disbursement Conditions (subsection 3.8).** Please refer to the Withdrawal Conditions in the Grant Agreement.

**II. Withdrawal of Grant Proceeds**

(i) **Authorized Signatures (subsection 3.1).** A letter in the Form attached (Attachment 2) should be furnished to the World Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank  
1818 H Street, N.W.  
Room No. MC 2-341  
Washington, D.C. 20433  
United States of America  
Attention: Director, Loan Department

(ii) **Applications (subsections 3.2 - 3.3).** Please provide completed and signed applications for withdrawal, together with supporting documents through the World Bank’s Client Connection, web-based portal, following the instructions for electronic delivery. In the case the recipient does not have internet access, the World Bank may permit the delivery of applications for withdrawal, together with supporting documents, in accordance with subsection 3.3, to the following address:

The World Bank  
11, Taramani Main Road, Taramani  
Chennai – 600113, India  
Attention: Loan Department

(iii) **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 (i) of this Section, its officials who are authorized to sign and deliver Applications and to receive secure identification credentials ("SIDC") 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 SIDC 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.
(iv) **Terms and Conditions of Use of SIDC to Process Applications.** By designating officials to use SIDC 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 Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation* ("Terms and Conditions of Use of SIDC") provided in Attachment 3; and (b) to cause such official to abide by those terms and conditions.

(v) **Minimum Value of Applications (subsection 3.5).** The Minimum Value of Applications for Reimbursements and Direct Payments is USD 30,000.

(vi) **Advances (sections 5 and 6).**

- **Type of Designated Account (subsection 5.3):** Pooled
- **Currency of Designated Account (subsection 5.4):** USD
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):**
  - **Name of the beneficiary:** Centro de Estudios Monetarios Latinoamericanos, A.C.
  - **Address of the beneficiary:** Durango No. 54, Col. Roma, Delegación Cuauhtémoc, C.P. 06700, México, D.F.
  - **Account number:** 7001701358
  - **Name of the beneficiary bank:** HSBC Mexico, S.A. Institución de Banca Múltiple, Grupo Financiero HSBC
  - **Address of the beneficiary bank:** Paseo de la Reforma No. 347 Col. Cuauhtémoc, C.P. 06500, Delegación Cuauhtémoc, México, D.F.
  - **SWIFT code:** BIMEMXMM
  - **Special payments instructions CLABE:** 021180070017013582
  - **Intermediary bank:** HSBC NUEVA YORK
  - **Routing code:** MRMDUS33

- **Ceiling (subsection 6.1):** Forecast for two quarters

III. **Reporting on Use of Grant Proceeds**

(i) **Supporting Documentation (section 4).** Supporting documentation should be provided with each application for withdrawal as set out below:

- **For requests for Reimbursement:**
  - Interim Financial Report in the form attached (Attachment 4); and
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5)
- 4 -

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3):

- Interim Financial Report in the form attached (Attachment 4); and

- List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5); and,

IV. Other Important Information


If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to download Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver Applications by electronic means are required to register with Client Connection before electronic delivery can be effected. For more information about the website and registration arrangements, please contact the World Bank by email at clientconnection@worldbank.org.

If you have any queries in relation to the above, please contact a Finance Officer at CTRLD-TF@worldbank.org using the above reference.

Yours sincerely,

[Signature]

Marcelo Giugale
Senior Director
Macroeconomic and Fiscal Global Practice.

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
4. Form of Statement of Expenditure
5. Form of Payments Against Contracts Subject to the World Bank’s Prior Review
November 18, 2014

Marcelo Giugale
Senior Director
THE WORLD BANK
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: Grant No. TF016793 (Grant to the Center for Latin American Monetary Studies (CEMLA))

Dear Mr. Giugale:

I refer to the Letter Agreement ("Agreement") between the Center for Latin American Monetary Studies (CEMLA) ("Recipient") acting for the benefit of Eligible Member Countries (as defined in Agreement) and the International Bank for Reconstruction and Development and the International Development Association (collectively, "World Bank"), acting as administrators of grant funds provided by the various donors ("Donors") under the Debt Management Facility Phase II (DMF II) (TF No. 072132) for the above-referenced project, date October 27, 2014, providing the above Grant. For the purposes of Section 3.04 (b) of the Standard Conditions, as defined in the Agreement, any of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient to sign applications for withdrawal under this Grant.

For the purpose of delivering Applications to the World Bank, each of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting individually to deliver Applications, and evidence in support thereof on the terms and conditions specified by the World Bank.

This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the World Bank by electronic means. In full recognition that the World Bank shall rely upon such representations and warranties, including without limitation, the representations and warranties contained in the Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation ("Terms and
Conditions of Use of SIDC™), the Recipient represents and warrants to the World Bank that it will cause such persons to abide by those terms and conditions.

This Authorization replaces and supersedes any Authorization currently in the World Bank records with respect to this Agreement.

Jaime Coronado, Coordinador de Programas de Deuda Pública

Specimen Signature

Eréndira Fuentes, Administradora de Programas de Deuda Pública

Specimen Signature:

Yours Truly,

Dr. Fernando Tenjo Galarza
Director General
Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation

March 1, 2013

The World Bank (Bank)\(^1\) will provide secure identification credentials (SIDC) to permit the Borrower\(^2\) to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

SIDC can be either: (a) hardware-based (Physical Token), or (b) software-based (Soft Token). The Bank reserves the right to determine which type of SIDC is most appropriate.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide SIDC to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.

2. Each Signatory must register as a user on the Bank’s Client Connection (CC) website (https://clientconnection.worldbank.org) prior to receipt of his/her SIDC. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Initialization of SIDC.

1. Prior to initialization of SIDC by a Signatory, the Signatory will acknowledge having read, understood and agreed to be bound by these Terms and Conditions of Use.

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\(^1\)“Bank” includes IBRD and IDA.

\(^2\)“Borrower” includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.
2. Where a Physical Token is to be used, promptly upon receipt of the Physical Token, the Signatory will access CC using his/her account name and CC Password and register his/her Physical Token and set a personal identification number (PIN) to be used in connection with the use of his/her Physical Token, after which the Physical Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Where a Soft Token is to be used, the Signatory will access CC using his/her account name and CC Password and set a personal identification number (PIN) to be used in connection with the use of his/her Soft Token, after which the Soft Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the SIDC, the Signatory will be a “SIDC User”. The Bank will maintain in its database a user account (Account) for each SIDC User for purposes of managing the SIDC of the SIDC User. Neither the Borrower nor the SIDC User will have any access to the Account.

3. Prior to first use of the SIDC by the SIDC User, the Borrower shall ensure that the SIDC User has received training materials provided by the Bank in use of the SIDC.

C. **Use of SIDC.**

1. Use of the SIDC is strictly limited to use in the delivery of Applications by the SIDC User in the manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other use of the SIDC is prohibited.

2. The Bank assumes no responsibility or liability whatsoever for any misuse of the SIDC by the SIDC User, other representatives of the Borrower, or third parties.

3. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank in granting SIDC) that each SIDC User understands and will abide by, these Terms and Conditions of Use, including without limitation the following:

4. **Security**

4.1. The SIDC User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.

4.2. The SIDC User shall not allow anyone else to utilize his/her SIDC to deliver an Application to the Bank.

4.3. The SIDC User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.

4.4. If the SIDC User believes a third party has learned his/her PIN or has lost his/her Physical Token he/she shall immediately notify clientconnection@worldbank.org.
4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised SIDC, and take other reasonable steps to ensure such SIDC are disabled immediately.

5. **Reservation of Right to Disable SIDC**

5.1. The Borrower shall reserve the right to revoke the authorization of a SIDC User to use a SIDC for any reason.

5.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a SIDC, de-activate a SIDC User’s Account or both.

6. **Care of Physical Tokens**

6.1. Physical Tokens will remain the property of the Bank.

6.2. The Bank will physically deliver a Physical Token to each Signatory designated to receive one in a manner to be determined by and satisfactory to the Bank.

6.3. Physical Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Physical Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Physical Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Physical Token.

6.4. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care of Physical Tokens are available at http://www.rsa.com.

7. **Replacement**

7.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Physical Tokens will be replaced at the expense of the Borrower.

7.2. The Bank reserves the right, in its sole discretion, not to replace any Physical Token in the case of misuse, or not to reactivate a SIDC User’s Account.
### Interim Financial Report Template

**Project Name, Project ID, TF# or DGF File #**

<table>
<thead>
<tr>
<th>Main activity</th>
<th>Total WB approved Budget</th>
<th>In house Consulting Services ($)</th>
<th>Dissemination Cost ($)</th>
<th>Training/Workshops/Seminar cost ($)</th>
<th>Others ($)</th>
<th>Total for the Quarter ($)</th>
<th>Exchange Rate applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance including any co finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Funds received from WB under DMF II for the reporting period</td>
<td></td>
<td></td>
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<tr>
<td>Funds received from Co finance for the period</td>
<td></td>
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</tr>
</tbody>
</table>

#### Project Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Actual Expenditure ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity 1</td>
<td>Regional Workshop for DITPS-DSF</td>
<td>73,663.00</td>
</tr>
<tr>
<td>Activity 2</td>
<td>Training Event (WDC and IIV)</td>
<td>9,560.00</td>
</tr>
<tr>
<td>Activity 3</td>
<td>Travel &amp; Venue for DelIPA MTDS RP and others</td>
<td>43,448.00</td>
</tr>
</tbody>
</table>

**Sub Total Actual Project Activity Expenditure (a)**

<table>
<thead>
<tr>
<th>WB Approved Budget for Activities</th>
<th>126,671.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>46,448.00</td>
<td>83,223.00</td>
</tr>
</tbody>
</table>

**WB Approved Budget for Activities**

<table>
<thead>
<tr>
<th>Administrative cost</th>
<th>12,967.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Fee</td>
<td>3,000.00</td>
</tr>
</tbody>
</table>

**Sub Total Actual operating cost (b)**

| WB approved budget for Operating Cost | 15,967.00 |
|                                      | 3,000.00 |
|                                      | 12,967.00 |

**Total Expenditure of WB Grant c = a+b**

| Total WB Budget approved for DMF II project (d) | 142,638.00 |
|                                               | 46,448.00 |
|                                               | 83,223.00 |
|                                               | 12,967.00 |

**Expenses covered charged by Co-Finance**

<p>| Co-financer expenditure | |
|-------------------------| |</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Co-Financer Expenditure</td>
<td>87,244.00</td>
</tr>
<tr>
<td>Total Actual Costs for the Project including Co</td>
<td></td>
</tr>
<tr>
<td>financing</td>
<td></td>
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<tr>
<td>Total Project Budget including Co financing</td>
<td>229,882.0</td>
</tr>
<tr>
<td>Closing Balance</td>
<td></td>
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<tr>
<td>World Bank DMF II Funds Carried Forward</td>
<td></td>
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<tr>
<td>Co financing Funds Carried Forward</td>
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</tbody>
</table>

Prepared by and Date

Authorized signatory Signature and Date
Statement of Expenditures (SOE)

Payments made during the period from ______ to ______

For expenditures against the contracts not subject to the Bank Prior Review

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Category No. (**)</th>
<th>Currency and Total Amount of Contract</th>
<th>Currency and Total Amount of Invoice Covered by Application (Net of Retention)</th>
<th>Eligible % from Schedule I of Loan/Credit Agreement</th>
<th>Amount Eligible for Financing (4 x 5)</th>
<th>Currency and Amount Paid from Special Account (if Applicable)</th>
<th>Exchange Rate (Col. 7 divided by Col. 6)</th>
<th>Remarks</th>
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**TOTALS**

Supporting documents for this SOE retained at ____________________________

(insert location)

(*) A separate SOE form should be used for retroactive financing

(**) Items should be grouped by category; or alternatively, a separate SOE form may be used for each category
## Payments Made during Reporting Period
### Against Contracts Subject to the Bank’s Prior Review

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of WB’s Non Objection to Contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>WB’s Share of Amt Paid to Supplier during Period</th>
</tr>
</thead>
<tbody>
<tr>
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