April 11, 2012

Lenin str. 63,
Mogilev 212030,
Belarus

Re: infoDev Grant No. TF012046
Strengthening innovative early-stage enterprises through scaling up existing Business Incubators in Belarus Project
Additional Instructions: Disbursement Letter

Dear Mr. Molochkov:

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 Joint-Stock Company "Technological Park Mogilev" (ZAO "TPM") ("Recipient") for the above-referenced project ("Project"), dated April 11, 2012. 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 TF012046 ("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 Method may be used under the Grant: Advance.

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 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. Samiha Boulos
infoDev
MSN F5P-503

(iii) Advances (sections 5 and 6) to TPM.

- 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): PRIORBANK MOGILEV
- Ceiling (subsection 6.1): USD 50,000

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 2, including Interim Financial Reports in the format provided in Attachment 3

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3): The periodicity specified in Attachment 2.
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,

Valerie D’Costa
infoDev Manager

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Schedule of Advance Payments
3. Form of Interim Financial Report
4. Designated Account Reconciliation Statement

Cleared with and cc: Sau Ngan Wong, LEGPS; LOA-TF; Ellen Olafsen, Task Team Leader;

Cc with copies: Douglas Graham, OPCFM; Vera Lapshina, Budget Officer.
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>Indicative Timing and Supporting Documents for Application</th>
<th>Disbursement Amount</th>
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</table>
| First Advance | Upon receipt by the Bank of the countersigned Agreement, and Application for the first advance  
- After the World Bank’s receipt and approval of the Recipient’s updated itemized budget, Project Implementation Plan/workplan, and Procurement Plan  
- After Project registration in the Ministry of Economy Republic of Belarus by Grant Recipient and informing World Bank about it | $50,000 |
| Second Advance | After the World Bank’s receipt and approval of the Recipient’s:  
- Project Report in the form of an updated Project Scorecard;  
- Interim Financial Report and bank statements that covers the expenditures financed by the first advance;  
- Application for the second advance.  
- Contract with an independent and World Bank approved auditor to audit the grant;  
- Updated itemized budget  
- A reconciliation of the Designated Account, in the form attached (Attachment 4), with a copy of the bank statement | $25,000 |
ILLUSTRATIVE SIMPLIFIED INTERIM FINANCIAL REPORTS  
PERIOD ENDED ON ............

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<thead>
<tr>
<th>Particulars</th>
<th>Budget</th>
<th>Expenditure</th>
<th>Projected sources &amp; applications</th>
<th>Balance</th>
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<tr>
<td>Opening Balance</td>
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<td>Received from the World Bank</td>
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<td>Interest received on Grants</td>
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<td>Other funds, if any</td>
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<td>Total Expenditure</td>
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<td>Program Support Cost (if any)</td>
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<td>Total Expenditures</td>
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Note: While preparing the Chart of Accounts for reporting expenditures and the content of the financial reports, consider the grant disbursement categories.
## DESIGNATED ACCOUNT RECONCILIATION STATEMENT

**TRUST FUND NUMBER**

**ACCOUNT NUMBER** WITH (BANK)

### 1. TOTAL ADVANCED BY WORLD BANK (OR COFINANCER)

- $ __________________

### 2. LESS: TOTAL AMOUNT RECOVERED BY WORLD BANK

- $ __________________

### 3. EQUALS PRESENT OUTSTANDING AMOUNT ADVANCED TO THE DESIGNATED ACCOUNT (NUMBER 1 LESS NUMBER 2) = $ __________________

### 4. BALANCE OF DESIGNATED ACCOUNT PER ATTACHED BANK STATEMENT AS OF DATE $ __________________

### 5. PLUS: TOTAL AMOUNT CLAIMED IN THIS APPLICATION NO. = $ __________________

### 6. PLUS: TOTAL AMOUNT WITHDRAWN AND NOT YET CLAIMED REASON: $ __________________

### 7. PLUS: AMOUNTS CLAIMED IN PREVIOUS APPLICATIONS NOT YET CREDITED AT DATE OF BANK STATEMENTS

<table>
<thead>
<tr>
<th>APPLICATION NO.</th>
<th>AMOUNT *</th>
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**SUBTOTAL OF PREVIOUS APPLICATIONS NOT YET CREDITED** + $ __________________

### 8. MINUS: INTEREST EARNED - $ __________________

### 9. TOTAL ADVANCE ACCOUNTED FOR (NO. 4 THROUGH NO. 9) = $ __________________

### 10. EXPLANATION OF ANY DIFFERENCE BETWEEN THE TOTALS APPEARING ON LINES 3 AND 9:

### 11. DATE: __________________ SIGNATURE: __________________

**TITLE: __________________**

* ALL ITEMS SHOULD BE INDICATED ON THE BANK STATEMENT