His Excellency  
Dr. Iván Acosta  
Minister of Finance and Public Credit  
Ministry of Finance and Public Credit  
Managua, Nicaragua

RE Multi-donor Trust Fund for the Nicaragua Public Financial Management  
Project TF No 014059  
Amendment No. 2 to the Grant Agreement

Excellency:

We refer to the Grant Agreement (the Grant Agreement) between the Republic of Nicaragua (the Recipient) and the International Bank for Reconstruction and Development and the International Development Association (the World Bank) acting as administrator of grant funds provided by the Multi-donor Trust Fund, dated March 14, 2013 for the Nicaragua Public Financial Management Project (the Project). Capitalized terms in this letter (Amendment Letter) and not defined herein shall have the meaning ascribed to them in the Grant Agreement.

We also refer to your letter No. MHCP-DM-E-0190-06-2015, dated June 19, 2015, whereby the Recipient requests certain amendments to the Grant Agreement. We are pleased to inform you that the World Bank concurs with the request, and accordingly amends the Grant Agreement as set forth below:

1. The amount of available Grant funds is increased by an additional six hundred ninety-two thousand US Dollars (USD 692,580.25). The increase in the Grant amount reflects a supplemental contribution of the Donor to the Project.

2. The disbursement table in Section 3.01. of the Annex to the Grant Agreement is amended to read as set forth in Attachment 1 to this Amendment Letter.

Except as specifically amended in this letter, all other terms and conditions of the Grant Agreement shall remain in full force and effect.
Please indicate your agreement with the foregoing amendments to the Grant Agreement on behalf of the Recipient by countersigning and dating two original copies of this letter and returning one countersigned original to us. The amendments to the Grant Agreement shall become effective as of the date of countersignature of this letter.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/
INTERNATIONAL DEVELOPMENT ASSOCIATION

J. Humberto Lopez
Director
Central America
Latin America and the Caribbean Region

AGREED:

REPUBLIC OF NICARAGUA

By

Authorized Representative

Name: Iván Acosta Montalván
Title: Ministro de Hacienda
Date: 18 Agosto 2015
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditure to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Non-consulting services, consultants’ services and Training for the Project</td>
<td>3,233,149.25</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Operating Costs under Part 1, Part 2, and Part 4 of the Project</td>
<td>118,431.00</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>3,351,580.25</td>
<td>100%</td>
</tr>
</tbody>
</table>