REIMBURSABLE ADVISORY SERVICES AGREEMENT

between

CENTRAL DE INVERSIONES S.A.

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated September 10, 2014
AGREEMENT FOR REIMBURSABLE ADVISORY SERVICES

AGREEMENT dated the 0 day of September 2014, between Central de Inversiones S.A. (the "Client") and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the "Bank") (jointly referred to as "the Parties").

WHEREAS, the Client is a national semi-public entity (entidad de economía mixta), linked to the Ministry of Finance and Public Credit of the Republic of Colombia, and in charge of the Republic of Colombia's public asset collection and management;

WHEREAS, upon request of the Client, between February and March-2014, the Bank prepared and contributed with a technical document that develops the challenges and opportunities for reform of public asset management in Colombia and a preliminary methodology for a proposed potential intervention aimed at improving the Client's delivery of services on the following areas: international comparative analysis of public asset management entities, recovery strategies for legal contingencies based on empirical models, and valuation models for assets;

WHEREAS, the aforementioned activity was conducted as part of the Bank's ongoing engagement in Colombia and was closely coordinated with the Client, who at all times provided the required support;

WHEREAS, the Client has requested the Bank to provide to the Client reimbursable advisory services (the "Reimbursable Advisory Services" or "RAS") described in the Schedule to this Agreement to improve the efficiency of the Republic of Colombia's public asset collection and management system;

NOW, therefore, the Parties hereto agree as follows:

1. **Reimbursable Advisory Services.** The Bank shall provide to the Client the services ("Reimbursable Advisory Services" or "RAS") described in the Schedule to this Agreement, on the terms and conditions set out in this Agreement, including the Annex hereto, which constitutes an integral part hereof.

2. **Client Contacts.** In carrying out the Reimbursable Advisory Services, the Bank will work closely with the designated officials of the Client. The Client will provide the Bank with the names and contact information for said designated officials.

3. **Timing.** While the Bank undertakes to mobilize all reasonable means available to it to carry out the Reimbursable Advisory Services in a timely manner, the timetable set out in the Schedule to this Agreement has been prepared in good faith based in light of information currently available to the Bank, and is given on an indicative basis assuming
that: (i) the Client and its personnel will carry out their respective duties in a satisfactory
and timely manner; and (ii) the Client will at all times act in a timely manner in providing
information, making decisions and providing necessary support as provided herein and as
requested from time to time by the Bank.

4. **Payment.** (a) The Client shall pay the Bank a fixed fee of three hundred thousand
United States Dollars (US$ 300,000) in accordance with the following schedule of
payment:

<table>
<thead>
<tr>
<th>Amount of Installment</th>
<th>Event upon which Payment is Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 50%</td>
<td>Date of completion of Deliverable (2) as set forth in the table included in Section B of the Schedule to this Agreement.</td>
</tr>
<tr>
<td>2. 50%</td>
<td>Date of completion of Deliverable (5) as set forth in the table included in Section B of the Schedule to this Agreement.</td>
</tr>
</tbody>
</table>

(b) All payments to the Bank hereunder shall be made in full when due, upon submission of an invoice by the Bank. Payment shall be made, in United States Dollars, in immediately available funds, without any deductions whatsoever for taxes, duties, charges or other withholdings, and notwithstanding any pending dispute between the Parties, to such account as the Bank may from time to time designate in writing. Invoices will be accompanied by a copy of the agreed deliverables as set forth in the table included in Section B of the Schedule to this Agreement.

5. **Effectiveness.** This Agreement shall become effective as of the day and year first above written, once it has been duly signed by both Parties.

6. **Expiration.** This Agreement shall expire on the day falling five (5) months after the date of this Agreement unless it shall earlier be renewed with the mutual written agreement of the Client and the Bank.

7. **Termination.** Either the Client or the Bank may terminate this Agreement prior to its expiration upon ninety (90) calendar days’ written notice to the other. Upon receipt of such notice, the Parties shall take all appropriate steps to terminate in an orderly manner the activities then ongoing under the Reimbursable Advisory Services and to settle promptly all outstanding matters.

8. **Cooperation.** (a) The Client shall at all times provide the Bank, in a timely manner, with any and all information that may affect the performance of the Reimbursable Advisory Services, inform the Bank of any developments relating to the
Reimbursable Advisory Services, and do all things necessary to enable Bank Personnel to carry out the Reimbursable Advisory Services hereunder.

(b) It is expressly agreed and understood that the Bank shall bear no responsibility for delay in performance occasioned by the Client's failure to provide its contribution as set forth in Section D of the Schedule or otherwise cooperate as set forth in paragraph (a) above.

9. **Notices and Addresses.** (a) All notices required or permitted to be given pursuant to this agreement shall be in writing and shall be deemed to have been duly given or made when delivered by hand or by mail, or facsimile to the signatories to this Agreement at their addresses as set out below or such other addresses as may be notified by either party from time to time. Notices forwarded by registered mail shall be deemed to be delivered upon delivery. Notices made by facsimile transmission shall also be confirmed by mail, with their effective date being the date of initial transmission.

(b) The following addresses are specified for the purposes of this Agreement:

For the Client:
Central de Inversiones S.A.
Calle 63 No. 11-09
Bogotá
Colombia

Phone: (57-1)-5460480

For the Bank:
The World Bank
1818 H Street, NW
Washington, DC 20433
USA

Phone: (1-202) 477-1234
Fax: (1-202) 477-6391
IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as of the day and year indicated below.

CENTRAL DE INVERSIONES S.A.  INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:  
Authorized Representative  

Name:  
Viceministro  
Activo Público  

Date:  
September 10, 2014  

Authorized Representative  

Name:  
Issam A. Abousteiman  
Gerente de País  Colombia  

Date:  
September 10, 2014
A. **Reimbursable Advisory Services.** Except as the Client and the Bank may otherwise agree, the Reimbursable Advisory Services shall include the following activities:

(a) Carrying out of a comparative study of key international asset management entities with a focus on operational sustainability.

(b) Provision of support for the development of an international public asset management network, including the design of a proposed action plan for its establishment and the carrying out of workshops with international experts.

(c) Development of an instrument to classify lawsuits according to their probability of recovery in court or an out-of-court processes and the design of proposed protocols for portfolio recovery.

(d) Provision of recommendations for revising the Client’s asset valuation model.

Any change to the foregoing scope of work shall be set out in writing signed by the Client and the Bank, setting out the additional work to be undertaken and the fees in respect thereof.

B. **Timetable.** Except as the Client and the Bank may otherwise agree, the Bank shall endeavor to perform the Reimbursable Advisory Services in accordance with the following tentative timetable:

<table>
<thead>
<tr>
<th>Deliverables</th>
<th>Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deliverable 1. Comparative study on public asset management entities.</strong></td>
<td></td>
</tr>
<tr>
<td>1.1. Methodology for conducting the comparative study on public asset</td>
<td>Three (3) months after signature of this Agreement</td>
</tr>
<tr>
<td>management entities.</td>
<td></td>
</tr>
<tr>
<td>1.2. Literature and normative review on public asset management entities.</td>
<td></td>
</tr>
<tr>
<td>1.3. Minutes of the interviews with the officials from the public asset</td>
<td></td>
</tr>
<tr>
<td>management entities.</td>
<td></td>
</tr>
<tr>
<td>1.4. Draft of the comparative study on public asset management entities.</td>
<td></td>
</tr>
<tr>
<td>1.5. Validation of study by the peer-reviewers.</td>
<td></td>
</tr>
<tr>
<td>1.6. Minutes of the validation meetings with the peer-reviewers for</td>
<td></td>
</tr>
<tr>
<td>validating the technical document.</td>
<td></td>
</tr>
<tr>
<td>Deliverables</td>
<td>Due Dates</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
</tbody>
</table>
| **Deliverable 2.** Up to three (3) training workshops with the Client and international experts, including officials from foreign agencies that manage assets.  
2.1. Methodology for conducting the training workshops with the Client and international experts.  
2.2. Minutes of the training workshops with the Client and international experts.  
2.3. Document presenting the main findings of the training workshops with the Client and international experts, including specific recommendations on how to develop an international asset management network. | Four (4) months after signature of this Agreement |
| **Deliverable 3.** Protocols for portfolio recovery based on an empirical study (one in-court protocol and another out-of-court protocol) and technical document presenting the methodology for classifying the legal contingencies.  
3.1. Methodology for conducting the empirical study for designing the protocols for portfolio recovery and for classifying the legal contingencies, including the sampling strategy and the template for gathering the information of the legal contingencies selected.  
3.2. Creation of a database with information of the legal contingencies selected.  
3.3. Design of a statistical model for classifying the legal contingencies.  
3.4. Design of proposed protocols for portfolio recovery.  
3.5. Minutes of the validation meetings with the peer-reviewers for validating the statistical model for classifying the legal contingencies.  
3.6. Statistical model for classifying the legal contingencies validated by the peer-reviewers.  
3.7. Minutes of the validation meetings with the peer-reviewers for validating the protocols for portfolio recovery.  
3.8. Protocols for portfolio recovery validated by the peer-reviewers. | Four (4) months after signature of this Agreement |
| **Deliverable 4.** Technical report on the review of the Client’s asset valuation model.  
4.1. Methodology for conducting a review of the market price valuation models used by the Client.  
4.2. Literature review on asset valuation models used by asset management entities.  
4.3. Technical analysis of the market price valuation model used by the Client, including recommendations for diminishing the subjectivity in the calculation parameters. | Four (4) months after signature of this Agreement |
Deliverables Due Dates

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliverable 5. Technical document presenting the recommendations for the establishment of a regional asset management network</td>
<td>Four (4) months after signature of this Agreement</td>
</tr>
<tr>
<td>5.1. Methodology for establishing a regional asset management network.</td>
<td></td>
</tr>
<tr>
<td>5.2. Best practices and guidelines for designing regional networks in Latin America.</td>
<td></td>
</tr>
<tr>
<td>5.3. Design of a technical agenda for a potential regional asset management network.</td>
<td></td>
</tr>
<tr>
<td>5.4. Minutes of the validation meetings with the peer-reviewers on the technical agenda for a potential regional asset management network.</td>
<td></td>
</tr>
<tr>
<td>5.5. Technical agenda for a potential regional asset management network validated by peer-reviewers.</td>
<td></td>
</tr>
</tbody>
</table>

C. **Bank Personnel.** The following is an indicative list of the persons likely to be involved in carrying out the Reimbursable Advisory Services:

<table>
<thead>
<tr>
<th>Staff</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Responsibility</td>
</tr>
<tr>
<td>Jorge Luis Silva</td>
<td>Task Team Leader &amp; Public Sector Specialist</td>
</tr>
<tr>
<td>Pedro Arizti</td>
<td>Senior Public Sector Specialist</td>
</tr>
<tr>
<td>Fernando Monge</td>
<td>Counsel, LEGJR</td>
</tr>
<tr>
<td>David Santos</td>
<td>Extended-Term Consultant</td>
</tr>
<tr>
<td>Camilo Andres Avila</td>
<td>Extended-Term Consultant</td>
</tr>
<tr>
<td>Yesica Morales</td>
<td>Administrative support</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Short Term Consultants</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Responsibility</td>
</tr>
<tr>
<td>Eguiar Lizundia</td>
<td>Public Sector Consultant</td>
</tr>
<tr>
<td>Juan Pablo Mosquera</td>
<td>Public Sector Consultant</td>
</tr>
<tr>
<td>Nelson Amaya</td>
<td>Public Sector Consultant</td>
</tr>
<tr>
<td>Olga Kaganova</td>
<td>Public Sector Consultant (Asset Management Expert)</td>
</tr>
</tbody>
</table>

D. **Counterparts and Facilities.** The Client shall carry out the following activities in support of the Reimbursable Advisory Services:

(a) provide all the information required for the carrying out of the activities described in Section A of the Schedule to this Agreement; and

(b) send written notifications to the Bank when a deliverable is considered acceptable to the Client. In the absence of a written notification from the Client ten (10) days after the Bank has furnished the deliverables to the Client, such deliverable will be considered acceptable to the Client.
E. **Records.** The Bank shall keep appropriate records of the Reimbursable Advisory Services in accordance with its normal record-keeping practices and shall furnish to the Client such information regarding the Reimbursable Advisory Services as the Client shall reasonably request.
1. **Performance Standard; Non-Exclusivity.** The Bank hereby shall carry out the Reimbursable Advisory Services with the same care and diligence as it uses in its other analytical and advisory activities. The engagement of the Bank as adviser to the Client hereunder is non-exclusive and shall not restrict the Client from engaging other advisers on the same or related issues.

2. **Bank Personnel.** The Bank shall, in its sole discretion, determine the composition of the staff (including staff holding consultant appointments) ("Bank Personnel") assigned to perform the Reimbursable Advisory Services. The Schedule to this Agreement contains an indicative list of Bank Personnel likely to be involved in carrying out the Reimbursable Advisory Services; provided, however, that the Bank retains at all times the right to assign such other person or persons in addition to, or substitution for, any of the persons appearing on that list as the Bank may deem necessary or appropriate in the performance of its duties hereunder. The Client may, if it has reasonable cause for dissatisfaction with the performance of any of the Bank Personnel, request the Bank to replace such person(s). For avoidance of doubt, it is agreed and understood that this Agreement does not create any employment or other contractual relationship between the Client and Bank Personnel.

3. **Client Contributions.** The Client shall carry out the activities and provide the facilities and other arrangements set out in the Schedule to this Agreement.

4. **Bank Operational Policies.** The Bank shall provide its advice in a manner consistent with its relevant environmental and social safeguards policies.

5. **Confidentiality.** The Parties agree that this Agreement and the outputs set out in the Schedule to this Agreement shall only be made available to the public after the Client has given its written consent to such disclosure. For this purpose, the Client hereby authorizes the Bank to publicly disclose this Agreement and the outputs set out in the Schedule to this Agreement in their final form. With respect to underlying information provided by the Client in support of the Reimbursable Advisory Services, the Client reserves the right to designate said information as confidential. The Bank may publicly disclose such information only after the Client has given its prior consent. With respect to underlying information (other than the final outputs) provided by the Bank in support of the Reimbursable Advisory Services, the Bank reserves the right to designate said information as confidential. The Client may publicly disclose such information only after the Bank has given its prior consent.

6. **Intellectual Property.** The intellectual property rights of the Parties in any of its pre-existing data or documents used by the Bank in connection with the Reimbursable Advisory Services shall remain with that Party. The intellectual property rights in new materials prepared by the Bank in connection with the Reimbursable Advisory Services
shall belong to the Bank; provided, however, that the Client shall have the global, non-exclusive, perpetual (for the duration of the copyright), and royalty-free right to use, copy, display, distribute, publish and create derivative works of all or part of these materials and incorporate the information therein in its research, papers, publications, web sites, and other media without the consent of the Bank, subject to the limitations on disclosure of confidential information and any third party rights, as indicated in paragraph 5, Confidentiality, of this Annex.

7. **Representation of the Bank’s views and use of the Bank’s name, marks and logo.** (a) The Client agrees that it shall not represent, or permit the representation of, the Bank’s views without the prior written consent of the Bank.

(b) The Client further agrees that it shall not use, or permit the use of the Bank’s name, marks or logos in any advertisements, promotional literature or information without the prior written consent of the Bank, and that if such consent is provided that it shall use the name, marks and logos strictly in accordance with the permission provided and with the insertion of the Bank’s usual disclaimers.

(c) Both Parties shall include the appropriate attribution and disclaimers in new materials prepared in connection with the Reimbursable Advisory Services.

8. **Disclaimers and Liabilities.** (a) While the Bank will make diligent efforts in its performance of the Reimbursable Advisory Services, the Bank makes no express or implied representation or warranty as to the extent of success that may be achieved in the implementation of any recommendation contained in any work product prepared by or with the assistance of the Bank or Bank Personnel.

(b) Without limitation to the immunities and privileges of the Bank under its Articles of Agreement and other applicable rules of law, the Bank shall not be liable to the Client, or any of its subsidiaries and affiliates or any of their respective shareholders or any lender or investor or potential investor, or other third party for any loss, cost, damage or liability that the Client shall incur as a result of the Reimbursable Advisory Services.

(c) The Parties acknowledge and agree that it is not the purpose of this Agreement to create a partnership, joint venture or similar arrangement whereby the Parties could be held jointly liable vis-a-vis third Parties or for any other purposes. Nothing herein shall constitute a commitment by the Bank to provide financing to the Client in respect of the Project or otherwise.

9. **Enforceability.** The rights and obligations of the Bank and the Client under this Agreement shall be valid and enforceable in accordance with their terms, notwithstanding the law of any state or political subdivision thereof to the contrary.

10. **Settlement of Disputes.** (a) The Parties hereto will endeavor in good faith to resolve any differences and disputes under, or in connection with, this Agreement by
amicable settlement. Any dispute arising out of or in connection with this Agreement which is not settled by agreement of the Parties shall be finally settled by arbitration in accordance with the UNCITRAL Arbitration Rules in force on the date of this Agreement. In the event of a conflict between the UNCITRAL Arbitration Rules and the terms of this Agreement, the terms of this Agreement shall govern.

(b) Neither the Client nor the Bank shall be entitled in any proceeding under paragraph (a) of this Section to assert any claim that any provision of these Standard Conditions or of the RAS Agreement is invalid or unenforceable because of any provision of the Bank’s Articles of Agreement.

11. **Privileges and Immunities; Tax Immunity.** The Client recognizes and shall take all reasonable steps to give effect to the status, immunities and privileges of the Bank and its Personnel set forth in the Bank’s Articles of Agreement and other applicable rules of law. The Parties acknowledge and agree that no provision of this Agreement, nor the submission to arbitration by the Bank, in any way constitutes or implies a waiver, renunciation, termination, or modification by the Bank of any privilege, immunity or exemption of the Bank granted in the Bank’s Articles of Agreement and other applicable rules of law. This includes, *inter alia*, the immunity of the Bank, its assets, income and its operations and transactions, from all taxation and customs duties.

12. **Amendments.** Any amendment or waiver of, or any consent given under, any provision of this Agreement shall be in writing and, in the case of an amendment, signed by the Parties.

13. **Saving of Rights.** No course of dealing and no failure or delay by any party hereto in exercising any power, remedy, discretion, authority or other right under this Agreement shall impair, or be construed to be a waiver of or an acquiescence in, that or any other power, remedy, discretion, authority or right under this Agreement, or in any manner preclude its additional or future exercise.

14. **Successors and Assignees; No Assignment without Consent.** This Agreement binds and benefits the respective successors and assignees of the Parties, provided that none of them may assign this Agreement in whole or in part without the prior written consent of the other.

15. **Entire Agreement and Counterparts.** (a) This Agreement, together with its Schedule, constitutes the entire agreement among the Parties hereto and supersedes any and all prior agreements, understandings and arrangements, oral or written, between the Parties with respect to the subject matter hereof.

(b) This Agreement may be executed in several counterparts, each of which is an original, but all of which constitute the same agreement.

(c) This Agreement has also been prepared in the Spanish language at the request of the Client, however, only the English version of the Agreement shall be legally binding.
16. **Termination.** Notwithstanding termination or expiration of this Agreement, the provisions of this Agreement relating to: (i) obligation of confidentiality under Section 5 of this Annex; (ii) the obligations spelled out in Sections 6 on Intellectual Property and 11 on Privileges and Immunities of this Annex; and (iii) the obligation of the Client to pay to the Bank remuneration for the Reimbursable Advisory Services performed prior to the date of termination or expiration of the Agreement, as well as reimbursement of any reasonable costs related to the termination of the Agreement by the Client, shall continue in full force and effect.