



File Classification: ATN/CF-9831-RS
RE2/FSS-CEP-027.06

July 17, 2006

Mr. Assad Mahmood
General Manager
Deutsche Bank
DB Microfinance Funds
60 Wall Street, 21st Floor
MS: NYC 60-2110
New York, NY 10005

Re: Inter-American Development Bank – Deutsche Bank’s contribution concerning the Ninth Inter-American Forum on Microenterprise: “Access to New Markets and Better Services for the Majority”.

Dear Mr. Mahmood:

By means of this letter agreement, the Inter-American Development Bank (the “IADB”) is pleased and honored to acknowledge and accept the offer of a grant of five thousand U.S. dollars (U.S.\$5,000.00) (the “Contribution”) from Deutsche Bank (“DB”) to support the Ninth Inter-American Forum on Microenterprise: “Access to New Markets and Better Services for the Majority” (the “Forum”) that is expected to take place in Quito, Ecuador on September 13, 14, and 15, 2006, substantially on the terms described in the attachment hereto (the “Attachment”) and in the IADB Technical Cooperation RG-T1210.

The Contribution will be accounted for separately from IADB’s assets at the discretion of the IADB, and will be administered together with other contributions received by the IADB.

The utilization of the Contribution will be subject to the following terms:

1. DB shall make available five thousand U.S. dollars (U.S.\$5,000.00) to cover general expenses of the Forum, unless the parties agree otherwise in writing. Any major deviations from the objectives or activities described herein (including the Attachment) will require DB’s written approval. The Contribution shall be made in U.S. dollars and the IADB shall have the right to exchange the funds into other currencies at its discretion, without assuming any risk in the conversion of currencies.

2. The Contribution shall be transferred to the IADB in full in a single installment, upon the IADB's written request, to the account #04404221 "Inter-American Development Bank - Cofinancing Account" opened by the IADB at Deutsche Bank America Trust, New York (swift # BKTRUS33XXX). Such account is denominated in U.S. dollars.
3. DB acknowledges and agrees that the Contribution shall be completely untied and that the procurement of goods and services to be financed with the Contribution shall be undertaken in accordance with the IADB's policies and procedures. The IADB may keep for its own account, as compensation for its administrative costs in relation to the Contribution, any investment income generated by the Contribution pending its disbursement for the Forum.
4. Unless otherwise agreed between DB and the IADB in writing, any portion of the Contribution not used for the purposes described herein shall be cancelled and returned to DB as soon as possible after the Forum takes place.
5. The IADB shall provide to DB information on the use of the Contribution and the Forum as may be maintained by the IADB in the course of its regular operations, and that DB may reasonably request in writing.
6. The IADB shall list DB as a sponsor in the Forum materials. The IADB may also use DB's name and/or logo in any other way or form in the Forum materials, including any publications and/or advertisements. DB agrees to obtain the IADB's written consent before using the IADB's name in any way or form, related or not to the Forum.
7. DB will be regarded as a sponsor of the Forum. DB acknowledges that no other benefits will be afforded to DB as a result of the Contribution.
8. DB further acknowledges that the IADB's commitment to use the Contribution as contemplated herein is subject to the IADB's formalization of all internal approvals necessary for the Forum.
9. At the IADB, the Micro, Small and Medium Enterprise Division of the Sustainable Development Department (SDS/MSM) shall have technical responsibility for the Forum, including specific coordination with DB regarding the Forum and any reporting requirements related thereto. The contact person at SDS/MSM is Mr. Alvaro R. Ramírez, Chief (tel: (202) 623-1604, e-mail: alvaror@iadb.org). The Cofinancing Division of the Financial Support Services Subdepartment of the Regional Operations Department 2 (RE2/FSS/CEP) will be responsible for forwarding to DB the transfer request mentioned in paragraph 2. The contact person at RE2/FSS/CEP is Mr. Bertus J. Meins, Chief (tel: (202) 623-2914, e-mail: bertusm@iadb.org).
10. Any communications addressed to DB in connection with this letter agreement will be sent to your attention at the address mentioned above.
11. Subject to its policies and procedures with respect to the disclosure of information, the IADB may make this letter agreement publicly available.

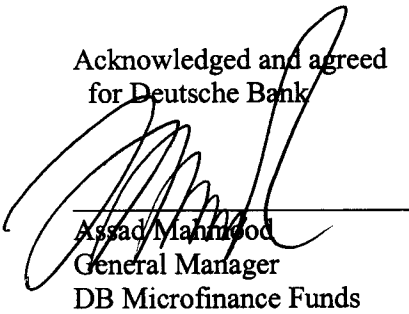
On behalf of the IADB, I wish to express our sincere appreciation for the important support provided by DB for the Forum.

Sincerely,



Bertus J. Meins
Chief, Cofinancing Division
Financial Support Services Subdepartment
Regional Operations Department 2

Acknowledged and agreed
for Deutsche Bank



Assad Mahmood
General Manager
DB Microfinance Funds

Date: 9/29, 2006

**Ninth Inter-American Forum on Microenterprise:
“Access to New Markets and Better Services for the Majority”**

13, 14, and 15 September 2006
Quito, Ecuador

The Micro, Small and Medium Enterprise Division of the Inter-American Development Bank is pleased to announce the Ninth Inter-American Forum on Microenterprise. This year's theme is: *“Access to New Markets and Better Services for the Majority”*. We expect to have over 1,000 participants from Latin America, the Caribbean, and other parts of the world, providing a meeting point where participants will have the opportunity to make contacts and share experiences.

The Ninth Forum will bring together investors, donor agencies, and microenterprise service providers, including NGOs, commercial banks, cooperatives, and community organizations.

The objectives of the Ninth Forum will be to promote the sharing of strategies and practices which are being developed and applied in both urban and rural areas, to expand and improve the access to microfinance and enterprise development services to microenterprises that have had little or no access to these services. These microenterprises include very low-income and subsistence microenterprises, microenterprises in rural areas or underserved urban or semi-urban areas, women and indigenous microentrepreneurs, and other marginalized microenterprises. The Forum will seek to disseminate the most successful experiences in the region, by giving the participants the necessary technical and conceptual tools, and by encouraging discussions on the provision of financial and business-development services for microenterprises and small businesses.

The 2006 Forum will include innovative workshops and panels aimed at:

- Exploring experiences and best practices in the provision of financial services, including to underserved and marginalized groups such as microenterprises in rural and semi-urban areas;
- Analyzing strategies and practices for stimulating growth and productivity in the sector through the development of markets, the strengthening of production chains, and the improvement of competitiveness of microenterprises;
- Encouraging debates about best practices in national and sub-national SME policies and strategies to promote and support the creation of new enterprises and the growth of existing ones;
- Facilitating and promoting the discussion about lessons learned and how to apply these in future initiatives.