February 6, 2015

Mr. Henry K. Rotich
Cabinet Secretary
The National Treasury
Treasury Building
Nairobi, Kenya

Dear Mr. Rotich:

Re: Republic of Kenya: Additional Financing
Cash Transfer for Orphans and Vulnerable Children Project - TF097272
Amendment to Additional Grant

We refer to the Additional Grant between the Republic of Kenya ("Recipient") and the International Development Association ("World Bank"), acting as administrator of grant funds provided by Department for International Development – UK (DFID) under the Cash Transfer for Orphans and Vulnerable Children Program for the Additional Financing for the Cash Transfer for Orphans and Vulnerable Children Project, dated December 19, 2013, and to the Original Grant Agreement dated July 8, 2010, as amended.

We also refer to the understanding reached with the Recipient to increase the Additional Grant amount to reflect the availability of funds in the amount of thirty three million United States Dollars ($33,000,000), bringing the total Additional Grant amount to forty eight million fifty three thousand seven hundred and twenty six United States Dollars ($48,053,726). Therefore:

1. Paragraph 3.01 of the Agreement is deleted and replaced with the following:

   “3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, an additional grant in an amount of forty eight million fifty three thousand seven hundred and twenty six United States Dollars ($48,053,726) (“Additional Grant”) to assist in financing the Project (the Original Grant and Additional Grant together referred to as the “Grant”). With this Additional Grant, the total amount extended to the Recipient aggregates to seventy nine million two hundred eighty four thousand four hundred and forty six United States Dollars ($79,284,446). The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.”

2. The table in Section IV of Schedule 2 to the Agreement is amended to read as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Original Grant</th>
<th>Amount of the Additional Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants’ services and Training</td>
<td>2,550,121</td>
<td>-</td>
<td>100%</td>
</tr>
</tbody>
</table>
(1) Goods, works, consultants’ services Training and Operating Costs

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>8,359,358</th>
<th>100%</th>
</tr>
</thead>
</table>

(2) Cash Transfers under Part 1 (i) of the Project

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>39,694,368</th>
<th>100% of amounts disbursed</th>
</tr>
</thead>
</table>

TOTAL AMOUNT

<table>
<thead>
<tr>
<th></th>
<th>31,230,720</th>
<th>48,053,726</th>
</tr>
</thead>
</table>

All other provisions of the Agreement, as amended hereby, shall remain in full force and effect.

Please confirm your agreement with the foregoing by signing, dating and returning to us the enclosed copy of this letter. Upon receipt by the World Bank of the copy of this Agreement countersigned by you, this Amendment will become effective as of the date of the countersignature.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

Darietou Gaye
Country Director
Eritrea, Kenya and Rwanda
Africa Region

AGREED:
REPUBLIC OF KENYA

By
Authorized Representative

Name: HENRY K. ROTICH
Title: CABINET SECRETARY, NATIONAL TREASURY
Date: 27-2-2015.