H.E. Simón Lizardo Mézquita
Minister of Finance
Ministry of Finance
Av. Mexico No. 45
Gazcue
Santo Domingo, Dominican Republic

Re: Dominican Republic
Health Sector Reform Second Phase APL (PARSS 2)
Loan No. 7777-DO
Amendment to the Loan Agreement

Excellency:

We refer to the above-referenced Loan Agreement between the Dominican Republic ("Borrower") and the International Bank for Reconstruction and Development ("Bank") dated October 30, 2009 ("Loan Agreement"). We also refer to your letter dated October 7, 2015 requesting a reallocation of funds of the above-mentioned Project.

In view of the above and our recent discussions relative to the percentage of the Borrower's counterpart funds, the Bank proposes to amend the Loan Agreement to (a) reduce counterpart funding; and (b) reallocate funds from Category 1 to Category 3.

Accordingly, the Loan Agreement is amended as follows: The table under Section IV.A.2 of Schedule 2 to the Loan Agreement is hereby amended and replaced in its entirety to read as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Capitation Transfers under Part A of the Project</td>
<td>8,670,658</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, Non-consultant Services, consultants’ services, Training and Operating Costs under Part B of the Project</td>
<td>7,000,000</td>
<td>83%</td>
</tr>
<tr>
<td>(3) Goods, Non-consultant Services, consultants’ services (including audits), Training and Operating Costs under Part C of the Project</td>
<td>14,653,092</td>
<td>85%</td>
</tr>
<tr>
<td>(4) Goods, Non-consultant Services, consultants’ services, Training and Operating Costs under Part D of the Project</td>
<td>100,000</td>
<td>100%</td>
</tr>
<tr>
<td>Category</td>
<td>Amount of the Loan Allocated (expressed in USD)</td>
<td>Percentage of Expenditures to be financed (inclusive of Taxes)</td>
</tr>
<tr>
<td>----------</td>
<td>-----------------------------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>(5) Front-end Fee</td>
<td>76,250</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(6) Premia for Interest Rate Caps and Interest Rate Collars</td>
<td>0</td>
<td>Amount payable pursuant to Section 2.07 (c) of this Agreement</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>30,500,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

All other terms and conditions of the Loan Agreement remain in full force and effect.

Please confirm your agreement with the foregoing amendment, on behalf of the Borrower, by signing and dating this letter in the spaces provided below. This amendment letter shall be executed in two counterparts each of which shall be an original and one of which shall be returned to us.

In order to use the proceeds of the Loan Agreement to finance expenses that had been originally planned to be financed by counterpart funds from the Borrower from January 19, 2010 (the Effective Date of the Loan Agreement), the provisions set forth in this amendment letter shall become effective as of January 19, 2010, upon receipt by the Bank of one fully executed original of this letter.

Please also note that the Restructuring Paper dated December 4, 2015, a copy of which is enclosed herewith, will be disclosed on the Bank’s external website as per the Bank’s policy on Access to Information.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By Karin Kemper
Acting Country Director
Caribbean Country Management Unit
Latin America and the Caribbean Region

AGREED:

DOMINICAN REPUBLIC

By: [Signature]
Title: Minister of Finance
Date: February 03, 2016

Enclosure