His Excellency
Carlos Enrique Cáceres Chávez
Minister of Finance
Ministry of Finance
Edificio Ministerio de Hacienda
Boulevard de los Héroes # 1231
San Salvador, El Salvador

RE: El Salvador: Judicial Modernization Project (Loan 7135-SV)

Amendment to the Loan Agreement

Excellency:

We refer to the Loan Agreement (the Agreement) between the Republic of El Salvador (the Borrower) and the International Bank for Reconstruction and Development (the Bank) dated January 30, 2004, as amended, for the above-captioned Project. Capitalized terms used in this Amendment Letter and not defined herein have the meaning ascribed to them in the Agreement. All other provisions of the Loan Agreement except as amended herein, shall remain in full force and effect.

Pursuant to your letter, dated May 25, 2010, requesting a reallocation of funds among Categories of the disbursement table and an increase in the disbursement percentages, we are pleased to inform you that the Bank agrees to these requests. Consequently, the Agreement is hereby amended as follows:

1. Paragraph 1 of Schedule 1 to the Agreement is hereby amended and replaced to read in its entirety as set forth in the Attachment to this Amendment Letter.

Please confirm your agreement to the foregoing amendment by signing and dating this Amendment Letter in the spaces provided below. This Amendment Letter will be executed in two counterparts, each of which shall be an original. Upon your confirmation, please return one fully executed original to us. The provisions set forth in this Amendment Letter will become effective, as of the date of countersignature, upon receipt by the Bank of one fully executed original of this Amendment Letter.
Sincerely,

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Laura Frigenti
Director
Central America Country Management Unit
Latin America and the Caribbean Region

AGREED:

REPUBLIC OF EL SALVADOR

By:  /s/ Carlos Enrique Cáceres Chávez
Authorized Representative

Name: Carlos Enrique Cáceres Chávez

Title:  *Ministro de Hacienda*

Date:  August 25, 2010
1. The table below sets forth the Categories of items to be financed out of the proceeds of the Loan, the allocation of the amounts of the Loan to each Category and the percentage of expenditures for items so to be financed in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (Expressed in Dollars)</th>
<th>% of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works</td>
<td>7,279,648</td>
<td>75%</td>
</tr>
<tr>
<td>(2) Goods (except as covered in Categories (4), and (5) below)</td>
<td>4,774,295</td>
<td>100% of foreign expenditures and 90% of local expenditures</td>
</tr>
<tr>
<td>(3) Consultants’ services (including audits)</td>
<td>5,075,947</td>
<td>90% of foreign expenditures and 90% of local expenditures</td>
</tr>
<tr>
<td>(4) Training</td>
<td>833,365</td>
<td>90%</td>
</tr>
<tr>
<td>(5) Operating Costs</td>
<td>54,745</td>
<td>90%</td>
</tr>
<tr>
<td>(6) Front- end Fee</td>
<td>182,000</td>
<td>Amount due under Section 2.04 of this Agreement</td>
</tr>
<tr>
<td>(7) Premia for Interest Rate Caps and Interest Rate Collars</td>
<td>0</td>
<td>Amount due under Section 2.09 (c) of this Agreement</td>
</tr>
<tr>
<td>(8) Unallocated</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>18,200,000</strong></td>
<td></td>
</tr>
</tbody>
</table>