June 22, 2011

Mr. Titon Mitra
Minister Counsellor
Development Cooperation
Australian Embassy
Level 23 Tower 2 RCBC Plaza
6819 Ayala Avenue
Makati City, Philippines 1200

Dear Mr. Mitra:

Trust Fund Administration Agreement for the Support for Philippines Basic Education Reforms Program (TF070813)
Amendment No. 2 to the Administration Agreement

We refer to the Administration Agreement dated July 31, 2007 (the “Administration Agreement”), signed between the Government of Australia, represented by the Australian Agency for International Development (the “Donor”) and the International Bank for Reconstruction and Development (“IBRD”), and the International Development Association (the “IDA”) (collectively the “Bank”) as amended on 25 March 2008, pursuant to which the Donor agreed to provide a grant of forty one million Australian Dollars (AUD 41,000,000) (the “Grant”) for the Support for Philippine Basic Education Reforms Program (“SPHERE”) (Trust Fund No. TF070813). We also refer to our recent discussions to amend the end disbursement date of the Trust Fund. Accordingly, the Administration Agreement is amended as set forth below in relation to the end disbursement date, banking information and contact information.

1. Section 2.01 of the Administration Agreement is amended to read as follows:

"Section 2.01. Upon signature by the Donor of this Administration Agreement, the Donor authorizes the Bank to transfer AUD1,000,000 from the Donor Balance Account (TF029047) to this trust fund (TF070813). The Donor shall deposit the Grant funds into such bank account designated by the Bank promptly following countersignature of this Administration Agreement by the Donor and submission of a payment request by the Bank in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Year*</th>
<th>AUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2007 (2006/07)</td>
<td>1,000,000 (already deposited in the balance Account)</td>
</tr>
<tr>
<td>FY 2008 (2007/08)</td>
<td>10,000,000</td>
</tr>
<tr>
<td>FY 2009 (2008/09)</td>
<td>10,000,000</td>
</tr>
<tr>
<td>FY 2011 (2010/11)</td>
<td>10,000,000</td>
</tr>
<tr>
<td>FY 2012 (2011/12)</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Total:</td>
<td>41,000,000</td>
</tr>
</tbody>
</table>

*Years in brackets refer to Australian financial year."
2. Section 4.01 of the Administration Agreement is amended to read as follows:

"Section 4.01. The Grant funds may be used to finance expenditures for the Project commencing from the effective date of the Grant Agreement and ending on December 31, 2012. The Bank may make disbursements of the Grant funds for up to six (6) months after such latter date for expenditures incurred on or before such date, in accordance with the Bank's applicable policies and procedures."

3. Section 6.01 of the Administration Agreement is amended to read as follows:

"Section 6.01 The officers responsible for coordination of all matters related to this Administration Agreement are:

For the Donor:
Hazel Aniceto
Portfolio Manager – Education
Tel: (632) 7578 142
Fax: (632) 7578265
E-mail: hazel.aniceto@ausaid.gov.au

For the Bank:
Lynnette Perez
Task Team Leader
Tel. (632) 9173019
Fax: (632) 6375870
Email: lperez@worldbank.org"

Except as specifically amended herein, all other provisions of the Administration Agreement remain unchanged.

Please confirm your agreement with the amendments set forth above, by countersigning, dating and returning to us the enclosed copy of this amendment letter. This amendment letter shall become effective as of the date of the countersignature.

Sincerely yours,

/s/ Chiyo Kanda

Acting Country Director, Philippines
East Asia and Pacific Region

AGREED:
GOVERNMENT OF AUSTRALIA, REPRESENTED BY THE AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT

By: /s/ Richard Moore
Title: First Assistant Director General
Date: 27/6/11