



**ALL DEPOSITORIES, NOMINEES, BROKERS AND OTHERS:
PLEASE FACILITATE THE TRANSMISSION OF THIS NOTICE
TO ALL BENEFICIAL OWNERS. ADDITIONAL COPIES OF
THIS NOTICE ARE AVAILABLE FOR THIS PURPOSE UPON
REQUEST AT THE ADDRESS SET FORTH BELOW.**

**NOTICE OF (I) EVENTS OF DEFAULT, (II) FAILURE TO MAKE
OCTOBER 1, 2018 INTEREST PAYMENTS, (III) RESULTS OF
SOLICITATION OF VOTES ON PROPOSED QUALIFYING
MODIFICATION FOR GOVERNMENT DEVELOPMENT BANK FOR
PUERTO RICO, (IV) STIPULATION RESOLVING OBJECTION OF
TITLE III DEBTORS' OFFICIAL COMMITTEE OF UNSECURED
CREDITORS TO APPROVAL APPLICATION AND (V) OTHER
DEVELOPMENTS RELATING TO TITLE VI PROCEEDING RELATING
TO PROPOSED QUALIFYING MODIFICATION**

**TO THE HOLDERS (THE "HOLDERS") OF
GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
SENIOR NOTES
(THE "NOTES")**

Affected CUSIP Nos.: See Appendix A*

Ladies and Gentlemen:

Wilmington Trust, N.A., is the successor trustee (the "Trustee") under that certain indenture dated as of February 17, 2006 (the "Base Indenture") by and among the Trustee and the Government Development Bank for Puerto Rico ("GDB" or the "Bank"), a public corporation and government instrumentality for the Commonwealth of Puerto Rico (the "Commonwealth"). Capitalized terms used but not defined herein have the respective meanings given to them in the Indenture (defined herein).

Events of Default

The above-referenced Notes were issued pursuant to the Base Indenture, as supplemented by those certain supplemental indentures relating to each series of Notes (the Base Indenture, as so supplemented, the "Indenture").

The Trustee previously notified you of the occurrence and continuance of certain Events of Default arising from the GDB's failure to make scheduled payments of principal and/or interest. Please refer to the Trustee's prior notices for more information regarding those Events of Default.

The Trustee hereby notifies you of the occurrence and continuance of additional Events of Default arising from the GDB's failure to cure the September 1, 2018 interest payment (the "September 1 Payment") default within thirty days.

Additional Defaults

The Trustee hereby further notifies you that GDB failed to pay the interest due and owing as of October 1, 2018. Appendix A attached hereto identifies the specific notes affected by and the dates of the above-mentioned defaults.

Extension of Moratorium on Payment of Covered Obligations

As you were previously notified, on June 29, 2018, pursuant to the authority granted to him under the Puerto Rico Financial Emergency and Fiscal Responsibility Act, as amended (the "Debt Compliance Act"), Governor Rossello issued Executive Order No. OE-2018-023 extending through December 31, 2018, the "emergency period" declared by the Debt Compliance Act during which the Governor can take measures to ensure fiscal responsibility in the Commonwealth government and also the protection of the health, safety and welfare of the residents of Puerto Rico. In extending the emergency period, the Governor also extended for the same period the effectiveness of the moratorium on the payment of all of GDB's "covered obligations" except deposits and interest obligations that do not require payments in cash (the "moratorium"), including payment on the Notes identified on Appendix A hereto, established pursuant to certain executive orders issued under the April 6, 2016 Puerto Rico Emergency Moratorium and Financial Rehabilitation Act (the "Moratorium Act").

PROMESA Oversight Board

As you were previously notified, on June 30, 2016, former President Obama signed the Puerto Rico Oversight, Management and Economic Stability Act ("PROMESA") into law. Among other measures, PROMESA mandates the creation of a seven-member Financial Oversight and Management Board (the "Oversight Board"), tasked with managing Puerto Rico's debt restructuring. On August 31, 2016, former President Obama announced appointment of the seven (7) members of the Oversight Board.

In a July 13, 2018 opinion and order ruling on certain motions to dismiss the Commonwealth's Title III Proceeding (defined below), the U.S. District Court (also defined below) found there to be "no constitutional defect in the method of appointment provided by Congress for the members of the Oversight Board." On July 30, 2018, the U.S. District Court certified its July 13, 2018 opinion and order for immediate appeal to the United States Court of Appeals for the First Circuit (the "First Circuit Court of Appeals"). By order entered September

7, 2018, the First Circuit Court of Appeals indicated that it contemplates hearing consolidated appeals challenging the constitutionality of the method of appointment of the members of the Oversight Board “in November.”

Webcasts of the Oversight Board’s public meetings and other information regarding the Oversight Board’s activities are available on the Oversight Board’s website: <http://www.juntasupervision.pr.gov/Oversightboard1/Pages/default.aspx>.

Independent Investigator’s Final Report

As you were previously notified, on August 20, 2018, the independent investigator (the “Independent Investigator”) retained by the Oversight Board to carry out a comprehensive investigation of Puerto Rico’s debt and its relation to the fiscal crisis issued its Final Investigative Report (the “Final Report”). The Final Report presents the independent investigator’s findings and recommendations with respect to twelve issues/entities, including GDB. The Final Report also includes a section devoted to “consideration of potential claims available to debtors, investors, and government regulators under applicable bodies of law that arise from the facts . . . found [by the independent investigator].” A copy of the Independent Investigator’s Final Report is available on the special website established by the Trustee’s counsel described below.

As you were also previously notified, on August 29, 2018, the Oversight Board announced that it had designated a Special Claims Committee consisting of Board members Andrew G. Biggs, Arthur J. Gonzalez, Ana J. Matosantos and David A. Skeel to review the Independent Investigator’s Final Report and “determine the scope of any further action to negotiate or pursue claims” “on behalf of the Title III debtors for the benefit of all creditors and parties in interest in the Title III cases.”

On September 18, 2018, the Oversight Board’s special investigation committee comprised of Board members Arthur J. Gonzalez, Ana J. Matosantos and David A. Skeel conducted a public hearing in San Juan, Puerto Rico at which interested parties were given an opportunity to hear and be heard regarding the results of the Final Report.

Title III Proceedings by the Commonwealth and Certain of Its Instrumentalities

As you were previously notified, the Oversight Board authorized and commenced Title III proceedings (the “Title III Proceedings”) on behalf of the Commonwealth (filed May 3, 2017), Puerto Rico Sales Tax Financing Corporation (“COFINA”) (filed May 5, 2017), Puerto Rico Highways and Transportation Authority (“HTA”) (filed May 21, 2017), Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (filed May 21, 2017) and Puerto Rico Electric Power Authority (“PREPA”) (filed July 2, 2017). Each of the Commonwealth, COFINA, HTA, ERS and PREPA (collectively, the “Title III Debtors”) seeks through its Title III Proceeding to effect a court-ordered plan for the adjustment of its debts.

The Title III Proceedings are pending in the U.S. District Court for the District of Puerto Rico (the “U.S. District Court”) and are being presided over by U.S. District Court Judge Laura Taylor Swain of the Southern District of New York, sitting by designation.

GDB Restructuring Support Agreement and Implementing Legislation

As you were previously notified, on May 15, 2017, GDB, the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”)¹ and certain holders of the Notes entered into a Restructuring Support Agreement (the “RSA”) pursuant to which the parties have agreed to undertake a financial restructuring of GDB (the “Proposed Restructuring”) on the terms and conditions set forth in a Restructuring Term Sheet attached to the RSA (the “Term Sheet”). The parties to the RSA intend for the Proposed Restructuring to be effected through a Qualifying Modification (the “Qualifying Modification”) pursuant to Title VI of PROMESA, which provides a mechanism for a territorial issuer and its creditors to effect a voluntary restructuring of the issuer’s bond debt. To date, the RSA has been amended six (6) times (the RSA as so modified by the six amendments, the “Amended RSA”). The Trustee refers Holders to prior notices for more information regarding the RSA and the amendments thereto.

In August 2017, the Puerto Rico Legislative Assembly passed and Governor Rossello signed legislation to implement the Proposed Restructuring (the “GDB Restructuring Act”). The GDB Restructuring Act was subsequently amended to make certain technical amendments on July 18, 2018. Among other things, the GDB Restructuring Act provides for the creation of the GDB Debt Recovery Authority (the “Issuer”), a newly formed statutory public trust and governmental instrumentality, to issue new bonds in connection with the Qualifying Modification.

As you were also previously notified, on May 8, 2018, the Oversight Board certified the Amended RSA as a Voluntary Agreement pursuant to Section 104(i) of PROMESA and a Qualifying Modification pursuant to Section 602(g) of PROMESA, consented to the designation of Epiq Bankruptcy Solutions, LLC as Information Agent and Calculation Agent with respect to the solicitation of consents to the Qualifying Modification, and established two pools of bond claims (collectively, the “Pools” and each a “Pool”) for purposes of voting on the Qualifying Modification: one for claims guaranteed by the Commonwealth (the “Guaranteed Bond Claims Pool”)² and one for non-guaranteed claims (the “GDB Bond Claims Pool”).

Results of Solicitation of Votes on the Qualifying Modification

As you were previously notified, on August 9, 2018, AAFAF and GDB announced the commencement of the solicitation (the “Solicitation”) of votes from GDB’s creditors who are Eligible Voters to approve the Qualifying Modification. On September 10, 2018, GDB and

¹ Pursuant to Act 2-2017, AAFAF has been given the sole responsibility to renegotiate, restructure and/or reach an agreement with creditors on all or part of the debt issued by any government instrumentality of the Commonwealth.

² Notes having CUSIP Nos. 745177FQ3, 745177FR1, and 745177FS9 are subject to a guarantee given by the Commonwealth.

AAFAF issued a Supplement to the Solicitation Statement (the “Supplement”), which, among other things, contained additional disclosures regarding objections to the Qualifying Modification and a potential settlement with the Municipality of San Juan. The deadline for delivering votes on the Qualifying Modification was September 12, 2018, at 5:00 p.m., New York City time.

On September 21, 2018, GDB and AAFAF issued a press release announcing the final results of the Solicitation and indicating that the requisite votes were received for creditor approval of the Qualifying Modification. Specifically, eligible voters holding over 74.8% of the aggregate principal amount of the Participating Bond Claims in the GDB Bond Claims Pool delivered properly completed ballots to the Calculation Agent, with over 97.4% of those voting in the GDB Bond Claims Pool voting to approve the Qualifying Modification. In addition, 100% of the aggregate principal amount of the Participating Bond Claims in the Guaranteed Bond Claims Pool voted to approve the Qualifying Modification. A copy of the September 21, 2018 press release is attached to this notice, as well as being available on the special website established by the Trustee’s counsel described below.

Additionally, in a September 13, 2018 press release GDB and AAFAF disclosed that five of the six municipalities that hold Participating Bond Claims had voted in favor of the Qualifying Modification and that 26 of the 30 municipalities eligible pursuant to the GDB Restructuring Act to receive a disbursement of 55% of Excess CAE had executed settlement agreements to receive such disbursements.

GDB and AAFAF have indicated that they intend to seek certification of the results of Solicitation (also referred to as the Requisite Approvals) by the Oversight Board as soon as possible.

Title VI Proceeding

As you were also previously notified, on August 10, 2018 (the “Commencement Date”), GDB commenced a proceeding under Title VI of PROMESA (the “Title VI Proceeding”) in the U.S. District Court by filing an application for approval of the Qualifying Modification pursuant to PROMESA section 601(m)(1)(D). The Title VI Proceeding is Case No. 3:18-cv-01561-LTS. Court filings in the Title VI Proceeding are available free of charge at the website maintained by the Information Agent, Epiq Bankruptcy Solutions, LLC: <http://dm.epiq11.com/#/case/PR4/info>. At the direction of the U.S. District Court, GDB and AAFAF filed a proposed order for approval of the Qualifying Modification on September 10, 2018 and a revised proposed approval order on September 20, 2018. On September 17, 2018, GDB and AAFAF filed an informative motion with the U.S. District Court clarifying the scope of releases by the Commonwealth and other Government Entities of certain rights and claims related to GDB under the GDB Restructuring Act.

As you were previously notified, on the Commencement Date GDB filed a motion (the “Procedures Motion”) for approval of procedures and a schedule in connection with the U.S. District Court’s consideration of the Qualifying Modification. The U.S. District Court conducted

a hearing on the Procedures Motion on September 7, 2018, and on September 17, 2018 entered an order (the “Procedures Order”) approving procedures and a schedule for approval of the Qualifying Modification.

Pursuant to the Procedures Order, preliminary objections to the Qualifying Modification were to be filed by September 14, 2018 at 5:00 p.m. Atlantic Standard Time (as extended from time to time for certain parties, the “Preliminary Objection Deadline”). The Procedures Order also establishes a supplemental objection deadline of October 17, 2018 at 5:00 p.m. Atlantic Standard Time, for filing objections to the Qualifying Modification based solely upon facts learned in discovery that were reasonably not known to the objector as of the Preliminary Objection Deadline. The Procedures Order sets October 31, 2018 at 2:00 p.m. Atlantic Standard Time as the deadline for GDB and AAFAF to file a consolidated reply to objections to the Qualifying Modification. A total of four (4) preliminary objections to the Qualifying Modification were filed by the Preliminary Objection Deadline, including objections by the UCC and Siemens (both defined below). **A hearing on approval of the Qualifying Modification by the U.S. District Court has been set for November 6, 2018 at 10:00 a.m. Atlantic Standard Time.**

Standing Objections

As you were previously notified, on September 1, 2018, GDB and AAFAF filed an objection to the standing of the Official Committee of Unsecured Creditors of all the Title III Debtors (except COFINA) (the “UCC”) to appear and be heard in the Title VI Proceeding (the “GDB/AAFAF Standing Objection”). The Oversight Board filed a separate objection to the standing of the UCC (the “Oversight Board Standing Objection,” and together with the GDB/AAFAF Standing Objection, the “Standing Objections”). On September 13, 2018, the UCC filed its response to the Standing Objections. On September 27, 2018, GDB, AAFAF and the Oversight Board filed a consolidated reply to the UCC’s response to the Standing Objections. As more fully described below in the section of this notice entitled “Stipulation Resolving the UCC’s Objection to Approval of the Qualifying Modification,” on October 9, 2018, the U.S. District Court so-ordered a stipulation resolving the parties’ disputes, including disputes relating to the Standing Objections.

Memorandum Order Denying UCC’s Stay Enforcement Motion

As you were previously notified, on August 22, 2018, the UCC filed a motion in the Title III Proceedings seeking to enforce the automatic stay against certain actions to be taken in connection with the Title VI Proceeding and the proposed GDB restructuring (the “Title III Stay Motion”). On September 18, 2018, the U.S. District Court entered a memorandum order denying the Title III Stay Motion (the “Stay Enforcement Denial Order”), holding, among other things, that PROMESA “does not expressly prohibit the Title III Debtor from entering into negotiated resolutions of disputes over property rights or otherwise taking actions to dispose of its property” and that “[t]he GDB Restructuring [defined as consisting of the Title VI Proceeding and the GDB Restructuring Act] . . . is a vehicle to effectuate a transaction by, not against, the Debtors and is not subject to the strictures of the automatic stay.”

On October 2, 2018, the UCC appealed the Stay Enforcement Denial Order to the U.S. District Court.

Additional Actions Taken by the UCC Relative to the Title VI Proceeding

As you were previously notified, on September 6, 2018, the UCC filed in the Title III Proceedings (i) an adversary complaint for declaratory and injunctive relief (the “Declaratory Judgment Action”) against the Commonwealth, GDB, AAFAF, and the Oversight Board seeking a declaration that the GDB Restructuring Act is invalid and unenforceable, on the grounds, among other reasons, that the GDB Restructuring Act amounts to a *de facto* bankruptcy law that is inconsistent with Title III of PROMESA, and (ii) a motion (the “Derivative Standing Motion”) requesting entry of “an order granting it derivative standing to act on behalf of the Title III Debtors (other than COFINA) . . . for the limited purpose of . . . object[ing] to the GDB Restructuring, including with respect to GDB’s Title VI Application, and to otherwise challenge the legality of the purported Qualifying Modification.” The UCC notes that it is not, at this time, seeking derivative standing to prosecute affirmative claims against GDB or the GDB Releasees (as that term is defined in the Derivative Standing Motion). On September 18, 2018, the U.S. District Court entered a scheduling order with respect to (1) motions to dismiss the Declaratory Judgment Action for lack of standing and (2) the Derivative Standing Motion. GDB/AAFAF and the Oversight Board filed separate motions to dismiss the Declaratory Judgment Action (the “Declaratory Judgment Action Motions to Dismiss”) and separate objections to the Derivative Standing Motion on September 21, 2018. On September 28, 2018, the UCC filed an omnibus objection to the Declaratory Judgment Action Motions to Dismiss and an omnibus reply in support of its Derivative Standing Motion. On October 1, 2018, GDB, AAFAF and the Oversight Board filed a joint reply memorandum of law in support of their Declaratory Judgment Action Motions to Dismiss.

Stipulation Resolving the UCC’s Objection to Approval of the Qualifying Modification

On October 5, 2018, AAFAF and GDB filed an informative motion (the “Informative Motion”) with the U.S. District Court that disclosed that AAFAF, GDB, the Oversight Board and the UCC had “arrived at a mutually agreeable resolution of the UCC’s concerns related to the GDB Restructuring, as reflected in [a] Stipulation” attached to the Informative Motion. On October 9, 2018, the U.S. District Court approved the stipulation resolving the UCC’s concerns related to the GDB Restructuring (the “Stipulation”). A copy of the so-ordered Stipulation is attached to this notice as well as being available through the special website established by the Trustee’s counsel described below. Among other things, the Stipulation provides for the UCC to withdraw and not refile or otherwise pursue its Derivative Standing Motion, Declaratory Judgment Action, Title III Stay Motion and appeal of the Stay Enforcement Denial Order in the Title III Proceedings and its preliminary objection to the Qualifying Modification and all discovery requests in the Title VI Proceeding. Holders should refer to the appended Stipulation for the complete terms of the resolution of the parties’ disputes.

Settlement of Municipality of San Juan's Law Suit Challenging the Proposed Restructuring

As you were previously notified, on July 26, 2017, the Municipality of San Juan (“San Juan”) commenced a law suit against the Oversight Board, GDB and AAFAF in the U.S. District Court alleging, among other things, that the Proposed Restructuring fails to comply with the requirements of PROMESA and the U.S. Constitution (Case No. 3:17-cv-2009-LTS (D.P.R.)) (the “RSA Law Suit”). Seven (7) other Commonwealth municipalities were granted leave to intervene in the RSA Law Suit, subject to certain conditions. The Trustee refers holders to prior notices for additional information regarding the RSA Law Suit.

The Trustee hereby notifies you that on September 20, 2018, GDB and San Juan disclosed that they had entered into a settlement agreement (the “Settlement Agreement”), providing for, among other things, payment, currently with the execution of the Settlement Agreement, by GDB of 55% of San Juan’s Certified Excess CAE (as that term is defined in the Settlement Agreement) in full, final and complete settlement, accord and satisfaction of San Juan’s Certified Excess CAE (totaling \$6,526,590) and the discharge (and release by San Juan) of any remaining portion of San Juan’s Certified Excess CAE pursuant to Article 502 of the GDB Restructuring Act. As a result of the Settlement Agreement, San Juan has agreed that its claims in the RSA Law Suit predicated upon the RSA’s treatment of San Juan’s Excess CAE are dismissed and that any remaining claims in the RSA Law Suit shall be dismissed upon approval of the Qualifying Modification. On September 21, 2018, the U.S. District Court entered judgment closing the RSA Law Suit.

Status of Other Law Suits Involving GDB

Siemens Transportation Partnership Puerto Rico, S.E. v. Puerto Rico Highways and Transportation Authority, et al., Adv. Pro. No. 18-00030-LTS

As you were previously notified, GDB was named as a defendant in a Title III adversary proceeding (styled *Siemens Transportation Partnership Puerto Rico, S.E. v. Puerto Rico Highways and Transportation Authority, et al.*, Adv. Pro. No. 18-00030-LTS) (the “Title III Adversary Proceeding”) commenced by Siemens Transportation Partnership Puerto Rico, S.E. (“Siemens”) on March 26, 2018, in which Siemens seeks, among other things, the release to it of \$13 million held in an account at GDB. GDB disputes that the \$13 million is subject to an enforceable escrow under Puerto Rico law such that GDB would be required to hold the funds segregated from GDB’s overall liquidity. The other defendants in the adversary proceeding include the Oversight Board, AAFAF and HTA, which incurred the \$13 million debt in connection with the settlement of certain payment disputes relating to a construction project.

As you were also previously notified, the parties fully briefed motions to dismiss the Siemens adversary complaint filed by GDB and the Oversight Board on its own behalf and as representative of HTA.

As you were previously notified, on July 25, 2018, the U.S. District Court ordered, among other things, that the disposition of the issues in the Title III Adversary Proceeding will be resolved in connection with GDB's Title VI Proceeding and, as agreed by the parties, the monies in dispute, in the sum of \$13 million, will be held by GDB until a determination on the Qualifying Modification in the Title VI Proceeding, without prejudice to requests for an extension of such hold.

On September 14, 2018, Siemens filed a preliminary objection to approval of the Qualifying Modification in the Title VI Proceeding, referencing the claims and arguments asserted in its adversary complaint, its memorandum of law in opposition to GDB and the Oversight Board's motions to dismiss the adversary complaint, and its sur-reply to GDB's reply in support of its motion to dismiss.

Cooperativa de Ahorro y Credito Abraham Rosa, et al. v. Commonwealth of Puerto Rico, et al., Adv. Pro. No. 18-00028-LTS

As you were previously notified, on March 22, 2018, seven state-chartered Puerto Rico credit unions, known as cooperativas (the "Cooperatives"), filed an adversary complaint in the jointly administered Title III Proceedings against the Commonwealth, the Oversight Board, AAFAF, GDB, the GDB Debt Recovery Authority, the Public Corporation for the Supervision and Insurance of Cooperatives of Puerto Rico ("COSSEC") and others.

On August 6, 2018, GDB moved to dismiss the Cooperatives' law suit (the "GDB Motion to Dismiss"). On August 8, 2018, AAFAF filed a joinder to the GDB Motion to Dismiss. The Oversight Board and Title III Debtor defendants filed a separate motion to dismiss (together with the GDB Motion to Dismiss, the "Motions to Dismiss") on August 6, 2018. On August 8, 2018, the U.S. District Court entered an order setting a briefing schedule. On September 5, 2018, the U.S. District Court entered a revised briefing schedule, setting November 6, 2018 as the deadline for the plaintiff Cooperativas to file objections to the Motions to Dismiss and January 9, 2019 as the deadline for the defendants to file replies in support of the Motions to Dismiss. The court will take the Motions to Dismiss on submission unless determined otherwise.

Regarding Proofs of Claim

On May 29, 2018, on behalf of itself and the holders, the Trustee timely submitted a proof of claim against the Commonwealth on account of the Commonwealth's guaranty of the Series 2013 B-1 Senior Notes (CUSIP Nos. 745177FQ3, 745177FR1 and 745177FS9) (the "Senior Guaranteed Notes") in an amount of not less than \$110,000,000.00 representing the aggregate original issue amount of the Senior Guaranteed Notes plus an undetermined amount for interest owing with respect to the Senior Guaranteed Notes as of the commencement date of the Title III proceeding and an unliquidated claim for the Trustee's fees, costs and expenses payable under Section 607 of the Indenture. The Trustee's proof of claim against the Commonwealth also asserted a claim against the Commonwealth in an aggregate amount of not less than \$3,615,931,671.00, representing the aggregate original issue amount of Senior Notes that do not comprise the Senior Guaranteed Notes (the "Remaining Senior Notes") plus an

undetermined amount for interest owing with respect to the Remaining Senior Notes in anticipation of any possible finding by a court of competent jurisdiction that the Commonwealth is, in fact, an obligor under the Remaining Senior Notes or any possible entry of an order by a court of competent jurisdiction effecting substantive consolidation of GDB with the Commonwealth. Additionally, the Trustee submitted proofs of claim against the Commonwealth, COFINA, HTA, ERS and PREPA asserting claims for any amounts recoverable by holders of Senior Notes (whether asserted in a proof of claim filed by a holder of Senior Notes on or prior to the claims bar date in the Title III proceedings or not) on account of the transfer of assets of GDB by or to the Commonwealth, COFINA, HTA, ERS and PREPA, premised on several different legal theories, including, without limitation, illegal transfer under the GDB Enabling Act, fraudulent transfer and unconstitutional taking of private property.

Holders may view and/or download copies of the proofs of claim submitted against the Commonwealth, COFINA, HTA, ERS and PREPA through the special website established by the Trustee's counsel described below.

Any distributions made on account of the proofs of claim will be made to holders of record. Accordingly, Noteholders who sell their claims will not be entitled to any recovery on the Notes.

Direction to the Trustee

The Indenture provides that the holders of a majority in principal amount of each series Notes currently outstanding have the right, after furnishing indemnity satisfactory to the Trustee, to direct the method and place of conducting all proceedings by the Trustee to be taken in connection with the enforcement of the Noteholders' or the Trustee's rights and remedies under the Indenture, provided such direction is in accordance with law and the provisions of the Indenture. The Noteholders' ability to direct the Trustee is further subject to the requirements of the Indenture (including, *inter alia*, Section 603 of the Indenture), which, among other things, state that the Trustee shall be under no obligation to institute any suit or to take any remedial action under the Indenture or any other documents relating to the Notes until it shall be indemnified to its satisfaction against any and all reasonable compensation for services, costs and expenses, outlays, and counsel fees and other disbursements and against all liability.

Trustee Reservation of Rights

No delay or forbearance by the Trustee to exercise any right or remedy accruing upon the occurrence of a default, or otherwise under the terms of the Indenture or other documentation relating thereto or under applicable law, shall impair any such right or remedy or constitute a waiver thereof or acquiescence therein.

Website for Accessing Certain Publicly Available Information

Certain publicly available information which may be of interest to Noteholders, as well as prior notices given to Noteholders by the Trustee, is available to Noteholders through a special link on the website of the Trustee's counsel. Noteholders wishing to access this information should go to the following web page:

<http://www.drinkerbiddle.com/capabilities/services/bondholders/government-development-bank>.

Retention of Counsel

The Trustee has retained the law firm of Drinker Biddle & Reath LLP and specifically, Kristin Going of that firm, to represent it in connection with the subject matter of this notice and the Notes generally. Ms. Going's address is Drinker Biddle & Reath LLP, 1177 Avenue of the Americas, 41st Floor, New York, New York 10036-2714 and her telephone number is 212-248-3273.

Communications with Trustee

The Trustee will continue to provide information concerning this matter to the holders as it becomes available. If you have any questions concerning this notice, inquiries may be directed to Jay Smith at Wilmington Trust, N.A. at (410) 545-2193 or jhsmith@wilmingtontrust.com, or to the Trustee's counsel: Kristin Going and Marita Erbeck at Drinker Biddle & Reath LLP at (212) 248-3273 (Going)/(973) 549-7076 (Erbeck) or Kristin.Going@dbr.com/Marita.Erbeck@dbr.com. The Trustee may conclude, however, that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. Holders should not rely upon the Trustee as their sole source of information. This notice is provided for informational purposes only. The Trustee gives no legal, financial or tax advice regarding the Notes or the matters described herein. Holders should consult their own professionals regarding the Notes and the events described above.

Wilmington Trust, N.A., as Successor
Trustee

Dated: October 10, 2018

* The Trustee makes no representation as to the accuracy of the CUSIP number provided and used herein.

Appendix A

<u>CUSIP Number</u>	<u>Series</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Scheduled Debt Service Payment Dates for Which Payment Was Not Received</u>
745177CH6	2006B	5.00%	12/1/2016	12/1/2016
745177CJ2	2006B	5.00%	12/1/2017	12/1/2016, 6/1/2017, 12/1/2017
745177EN1	2010A	5.50%	8/1/2020	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177ET8	2010C	5.40%	8/1/2019	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177FB6	2011H	4.15%	8/1/2017	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017
745177FC4	2011H	4.50%	8/1/2019	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177FD2	2011H	4.90%	8/1/2021	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177FE0	2011H	4.95%	8/1/2022	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018

745177FF7	2011H	5.00%	8/1/2023	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177FH3	2011H	5.20%	8/1/2026	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177FK6	2011I	4.35%	8/1/2018	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018
745177FQ3	2013B-1	8.00%	12/1/2017	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017
745177FR1	2013B-1	8.00%	12/1/2018	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177FS9	2013B-1	8.00%	12/1/2019	8/1/2016, 9/1/2016, 10/1/2016, 11/1/2016, 12/1/2016, 1/1/2017, 2/1/2017, 3/1/2017, 4/1/2017, 5/1/2017, 6/1/2017, 7/1/2017, 8/1/2017, 9/1/2017, 10/1/2017, 11/1/2017, 12/1/2017, 1/1/2018, 2/1/2018, 3/1/2018, 4/1/2018, 5/1/2018, 6/1/2018, 7/1/2018, 8/1/2018, 9/1/2018, 10/1/2018
745177EP6	2010B	5.75%	8/1/2025	8/1/2016, 11/1/2016, 2/1/2017, 5/1/2017, 8/1/2017, 11/1/2017, 2/1/2018, 5/1/2018, 8/1/2018
745177EU5	2010D	5.75%	8/1/2025	8/1/2016, 11/1/2016, 2/1/2017, 5/1/2017, 8/1/2017, 11/1/2017, 2/1/2018, 5/1/2018, 8/1/2018
745177EX9	2011B	4.70%	5/1/2016	5/1/2016
745177FM2	2012A	3.88%	2/1/2017	8/1/2016, 2/1/2017

745177FN0	2012A	4.38%	2/1/2019	8/1/2016, 2/1/2017, 8/1/2017, 2/1/2018, 8/1/2018
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GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial
Advisory Authority

Municipal Secondary Market Disclosure Information Cover Sheet Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access System (EMMA)

Additional / Voluntary Event-Based Disclosure

THIS FILING RELATES TO ALL OR SEVERAL SECURITIES ISSUED BY THE ISSUER, OR ALL OR SEVERAL SECURITIES OF A SPECIFIC CREDITOR:

Issuer's Name: Government Development Bank for Puerto Rico (GDB)

Other Obligated Person's Name (if any): _____

Nine-digit CUSIP number(s): 745177

TYPE OF INFORMATION PROVIDED:

- A. Amendment to Continuing Disclosure Undertaking
- B. Change in Obligated Person
- C. Notice to Investor Pursuant to Bond Documents
- D. Communication from the Internal Revenue Service
- E. Bid for Auction Rate and Other Securities
- F. Capital or Other Financing Plan
- G. Litigation / Enforcement Action
- H. Change of Tender Agent. Remarketing Agent or Other On-going Party
- I. Derivative or Other Similar Transaction
- J. Other Event-Based Disclosures: Press Release: AAFAF and GDB Announce the Final Results of the Solicitation of Votes to Approve the GDB Qualifying Modification.

I represent that I am authorized by the issuer, obligor or its agent to distribute this information publicly.

/s/ Sebastián M. Torres Rodríguez

Sebastián M. Torres Rodríguez
Puerto Rico Fiscal Agency and Financial Advisory Authority,
as Fiscal Agent for the Commonwealth

Dated: September 21, 2018





GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial Advisory Authority
Government Development Bank for Puerto Rico

Friday, September 21, 2018

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AAFAF AND GDB ANNOUNCE THE FINAL RESULTS OF THE SOLICITATION OF VOTES TO APPROVE THE GDB QUALIFYING MODIFICATION

(San Juan, P.R.) — Today, the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”, by its Spanish acronym) and the Government Development Bank for Puerto Rico (“GDB”) announced that the final results of the previously announced solicitation of votes (the “Solicitation”) seeking creditor approval of the qualifying modification (the “Qualifying Modification”) for GDB under Title VI of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”) contemplated under the restructuring support agreement, by and among GDB and certain of GDB’s creditors, dated as of May 15, 2017 (as amended, modified or supplemented, the “Restructuring Support Agreement”) are consistent with the preliminary results previously announced by AAFAF and GDB on September 13, 2018.

The Solicitation was subject to the terms and conditions set forth in the Solicitation Statement, dated August 9, 2018, the Preliminary Offering Memorandum attached thereto and all supplemental disclosures, risk factors, exhibits, appendices and attachments to each (collectively, as supplemented or amended from time to time, the “Solicitation Statement”). All defined terms used herein but not otherwise defined have the meaning ascribed to them in the Solicitation Statement.

Final Results of the Solicitation

According to information provided by the Calculation Agent (as defined below), prior to 5:00 p.m., New York City time, on September 12, 2018 (the “Voting Deadline”), GDB received the necessary votes from holders of Participating Bond Claims to approve the Qualifying Modification as required under PROMESA.



GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial Advisory Authority
Government Development Bank for Puerto Rico

PRESS RELEASE

Specifically, prior to the Voting Deadline, eligible voters delivered Ballots to the Calculation Agent voting approximately 74% of the aggregate principal amount of the Participating Bond Claims in the GDB Bond Claims Pool, with approximately 97% of the Participating Bond Claims that voted in such pool voting to approve the Qualifying Modification. In addition, the necessary votes were received with respect to the Guaranteed Bond Claims Pool. Details regarding the final results of the Solicitation are shown in the tables below.

	Aggregate Principal Amount of Participating Bond Claims that Voted to		Aggregate Amount (and Percentage) of Participating Bond Claims in the applicable GDB Pool that Voted on the Qualifying Modification
	Approve the Qualifying Modification	Reject the Qualifying Modification	
GDB Bond Claims Pool	\$3,004,526,817	\$79,442,304	\$3,083,969,121 (74.85%)
Guaranteed Bond Claims Pool	\$110,000,000	\$0	\$110,000,000 (100%)

As a result, the Majority Vote Requirement was satisfied for each GDB Pool, as shown below.

	Aggregate Principal Amount of Participating Bond Claims		Percentage of Participating Bond Claims in the applicable GDB Pool that Voted to Approve the Qualifying Modification
	that Voted to Approve the Qualifying Modification	in the applicable GDB Pool	
GDB Bond Claims Pool	\$3,004,526,817	\$4,120,389,707	72.92%
Guaranteed Bond Claims Pool	\$110,000,000	\$110,000,000	100%

In addition, the Supermajority Vote Requirement was satisfied for each GDB Pool, as shown below.

	Aggregate Principal Amount of Participating Bond Claims		(A/B)
	that Voted to Approve the Qualifying Modification (A)	in the applicable GDB Pool that Voted in the Solicitation (B)	
GDB Bond Claims Pool	\$3,004,526,817	\$3,083,969,121	97.42%
Guaranteed Bond Claims Pool	\$110,000,000	\$110,000,000	100%



PRESS RELEASE

GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial Advisory Authority
Government Development Bank for Puerto Rico

The consummation of the Qualifying Modification is subject to, among other things, the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) certifying the Requisite Approvals and the United States District Court for the District of Puerto Rico (the “District Court”) entering an order approving the Qualifying Modification as satisfying the requirements of Section 601 of PROMESA. AAFAF and GDB intend to seek such certification from the Oversight Board as soon as possible. Entry of the District Court order is currently expected to occur on or after November 6, 2018.

BofA Merrill Lynch acted as the lead solicitation agent and Barclays Capital Inc. acted as the co-solicitation agent for the Solicitation. Epiq Corporate Restructuring acted as the calculation agent and the information agent (the “Calculation Agent”) for the Solicitation.

This press release is not a solicitation of votes, an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering, solicitation or sale would be unlawful.

Forward-Looking Statements

This press release includes forward-looking statements, which include, but are not limited to, expectations with respect to the Qualifying Modification and the Oversight Board’s certification of the Requisite Approvals. AAFAF and GDB cannot provide assurances that future developments affecting AAFAF, GDB, the Qualifying Modification or the transactions described in the Solicitation Statement (including the Preliminary Offering Memorandum) will be as anticipated. Actual results may differ materially from those expectations due to a variety of factors. Any forward-looking statement made in this release speaks only as of the date hereof and AAFAF and GDB do not undertake any obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

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**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

THE GOVERNMENT DEVELOPMENT BANK
FOR PUERTO RICO,

Applicant.

PROMESA
Title VI

Case No. 18-01561

**DECLARATION OF JANE SULLIVAN ON
BEHALF OF EPIQ CORPORATE RESTRUCTURING
CERTIFYING THE TABULATION OF VOTES CAST ON THE
QUALIFYING MODIFICATION FOR GDB UNDER TITLE VI OF PROMESA**

I, Jane Sullivan, declare, under penalty of perjury:

1. I am Executive Vice President of Epiq Corporate Restructuring, LLC (“**Epiq**”) located at 777 Third Avenue, 12th Floor, New York, New York 10017. I am over the age of 18 years. I do not have a direct interest in these proceedings and should be considered an impartial party.

2. I submit this declaration (the “**Declaration**”) with respect to the solicitation and tabulation of votes cast on the Qualifying Modification¹ of Banco Gubernamental de Fomento Para Puerto Rico (the Government Development Bank for Puerto Rico or “**GDB**”) Under Title VI of PROMESA.

3. Except as otherwise indicated herein, all facts set forth herein are based upon my personal knowledge or my review of the relevant documents. I am authorized to submit this Declaration on behalf of Epiq. If I were called upon to testify, I could and would testify competently as to the facts set forth herein.

¹ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Solicitation Statement.

4. Epiq was designated as the calculation agent and the information agent (the “**Calculation Agent**”) and as such was authorized to assist with, *inter alia*, soliciting, receiving, reviewing, determining the validity of, and tabulating Ballots cast by holders of Participating Bond Claims with respect to the Qualifying Modification.

5. The procedures for voting (the “**Voting Procedures**”) were outlined in the Solicitation Statement and in the Ballots. All beneficial owners of Participating Bond Claims as of the July 31, 2018 record date (the “**Voting Record Date**”) in each of the two GDB Pools (each, an “**Eligible Voter**”) were entitled to vote. In accordance with the Voting Procedures, Epiq solicited the votes of Eligible Voters as of the Voting Record Date.

6. Eligible Voters holding GDB Bond Claims and Eligible Voters holding Guaranteed Bond Claims voted separately in the Solicitation to approve the Qualifying Modification, and each Eligible Voter was entitled to cast their vote in the aggregate principal amount of their Participating Bond Claim(s) in the applicable GDB Pool. The amounts in the applicable GDB Pools were based upon the GDB Bond Claims Pool Voting Amount and Guaranteed Bond Claims Pool Voting Amount, as reflected in the Solicitation Statement.

7. September 12, 2018, 5:00 p.m., New York City time, was established as the deadline (the “**Voting Deadline**”) for Eligible Voters to deliver properly completed Ballots to Epiq. Ballots returned by mail, hand delivery, or overnight courier were received by personnel of Epiq at the offices of Epiq in New York, New York. All Ballots received by Epiq by the Voting Deadline were reviewed and tabulated in accordance with the Voting Procedures.

8. Summaries of timely received, valid votes are shown in **Exhibit A**. The results enumerated in Exhibit A show that GDB received the necessary votes from holders of Participating Bond Claims to approve the Qualifying Modification as required under PROMESA. Specifically,

Exhibit A reflects that Eligible Voters of over 74.8% of the aggregate principal amount of the Participating Bond Claims in the GDB Bond Claims Pool voted, and that, of those that voted in such pool, over 97.4% of the Participating Bond Claims voted to approve the Qualifying Modification, reflecting over 72.9% of the aggregate principal amount. In addition, 100% of the aggregate principal amount of the Participating Bond Claims in the Guaranteed Bond Claims Pool voted to approve the Qualifying Modification.

9. A report of Ballots received and not included in the tabulation prepared by Epiq and the reason for exclusion of such Ballots is attached hereto as **Exhibit B**.

[Remainder of page intentionally left blank.]

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

DATED: September 19, 2018
New York, New York



Jane Sullivan
Executive Vice President
Epiq Corporate Restructuring, LLC

Exhibit A

EXHIBIT A**THE GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO****Tabulation Summaries****Summary of valid Ballots received:**

	Aggregate Principal Amount of Participating Bond Claims that Voted to:		Aggregate Amount (and Percentage) of Participating Bond Claims in the applicable GDB Pool that Voted on the Qualifying Modification
	Approve the Qualifying Modification	Reject the Qualifying Modification	
GDB Bond Claims Pool	\$3,004,526,817	\$79,442,304	\$3,083,969,121 (74.85%)
Guaranteed Bond Claims Pool	\$110,000,000	\$0	\$110,000,000 (100%)

Summary of votes to Approve the Qualifying Modification as a percentage of the applicable *overall* GDB Pool:

	Aggregate Principal Amount of Participating Bond Claims		Percentage of Participating Bond Claims in the applicable GDB Pool that Voted to Approve the Qualifying Modification
	that Voted to Approve the Qualifying Modification	in the applicable GDB Pool	
GDB Bond Claims Pool	\$3,004,526,817	\$4,120,389,707	72.92%
Guaranteed Bond Claims Pool	\$110,000,000	\$110,000,000	100%

Summary of votes to Approve the Qualifying Modification as a percentage of the applicable GDB Pool that *voted*:

	Aggregate Principal Amount of Participating Bond Claims		(A/B)
	that Voted to Approve the Qualifying Modification (A)	in the applicable GDB Pool that Voted in the Solicitation (B)	
GDB Bond Claims Pool	\$3,004,526,817	\$3,083,969,121	97.42%
Guaranteed Bond Claims Pool	\$110,000,000	\$110,000,000	100%

Exhibit B

THE GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
 Report of Excluded Ballots

Participating Bond Claims Pool	Name	Claims Pool Voting Amount	Approve/Reject	Ballot Number	Reason for Exclusion
GDB BOND CLAIMS	BANK OF NY (901)	\$5,000.00	APPROVE	MB102	BALLOT WAS RECEIVED AFTER THE VOTING DEADLINE
GDB BOND CLAIMS	BB&T SEC (702) - 44002289	\$30,000.00	APPROVE	MB63.2	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	BB&T SEC (702) - 74166474	\$50,000.00	APPROVE	MB63.1	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	BENEFICIAL HOLDER - DO52000230	\$100,000.00	APPROVE	BH006.1	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	BENEFICIAL HOLDER - DO52000230	\$250,000.00	APPROVE	BH006.2	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	BENEFICIAL HOLDER - DO52000230	\$300,000.00	APPROVE	BH007	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	BENEFICIAL HOLDER - G52-1423439	\$25,000.00	APPROVE	BH003	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	BENEFICIAL HOLDER - G52-1423538	\$50,000.00	APPROVE	BH001	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	BENEFICIAL HOLDER - G52-1423553	\$50,000.00	APPROVE	BH002	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	BENEFICIAL HOLDER - G52-1423736	\$83,000.00	APPROVE	BH004	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	BENEFICIAL HOLDER - G52-1423736	\$400,000.00	APPROVE	BH005	BENEFICIAL HOLDER VOTE NOT SUBMITTED ON A MASTER BALLOT
GDB BOND CLAIMS	OPPENHEIME (571) - G521412523	\$75,000.00	APPROVE	MB98.1	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	PEDRO L. CASANOVAS	\$40,000.00	APPROVE	014	(1) BALLOT WAS RECEIVED AFTER THE VOTING DEADLINE; (2) NOT ABLE TO IDENTIFY HOLDER AS AN ELIGIBLE VOTER.
GDB BOND CLAIMS	RAYMOND (725) - 58717440	\$200,000.00	APPROVE	MB103	BALLOT WAS RECEIVED AFTER THE VOTING DEADLINE
GDB BOND CLAIMS	RAYMOND (725) - 58717440	\$125,000.00	APPROVE	MB104	BALLOT WAS RECEIVED AFTER THE VOTING DEADLINE
GDB BOND CLAIMS	RAYMOND (725) - 58717440	\$375,000.00	APPROVE	MB105	BALLOT WAS RECEIVED AFTER THE VOTING DEADLINE
GDB BOND CLAIMS	RAYMOND (725) - 58717440	\$750,000.00	APPROVE	MB106	BALLOT WAS RECEIVED AFTER THE VOTING DEADLINE
GDB BOND CLAIMS	RAYMOND (725) - 58717440	\$35,000.00	APPROVE	MB107	BALLOT WAS RECEIVED AFTER THE VOTING DEADLINE
GDB BOND CLAIMS	SSB&T CO (997)	\$190,000.00	APPROVE	B2.6.41	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$21,000.00	APPROVE	B2.6.97	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$266,000.00	APPROVE	B2.6.143	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$80,000.00	APPROVE	B4.6.50	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$460,000.00	APPROVE	B4.6.86	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$35,000.00	APPROVE	B4.6.116	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$5,000.00	APPROVE	B6.6.42	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$250,000.00	APPROVE	B6.6.100	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$115,000.00	APPROVE	B1.6026	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$25,000.00	APPROVE	B1.6054	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$627,699.00	APPROVE	B3.6331	DUPLICATIVE OF VOTE INCLUDED IN TABULATION

THE GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
 Report of Excluded Ballots

Participating Bond Claims Pool	Name	Claims Pool Voting Amount	Approve/Reject	Ballot Number	Reason for Exclusion
GDB BOND CLAIMS	SSB&T CO (997)	\$200,000.00	APPROVE	B3.6384	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$745,000.00	APPROVE	B5.6572	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$10,000.00	APPROVE	B5.6645	DUPLICATIVE OF VOTE INCLUDED IN TABULATION
GDB BOND CLAIMS	SSB&T CO (997)	\$844,000.00	APPROVE	B1.6126	DUPLICATIVE OF VOTE INCLUDED IN TABULATION

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

THE GOVERNMENT DEVELOPMENT BANK
FOR PUERTO RICO,

Applicant.

PROMESA
Title VI

Case No. 18-1561-LTS

**STIPULATION RESOLVING THE OBJECTION OF THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS OF ALL TITLE III DEBTORS
(OTHER THAN COFINA) TO THE APPROVAL APPLICATION**

TO THE HONORABLE COURT:

WHEREAS, on August 10, 2018, the Government Development Bank for Puerto Rico (“**GDB**”) and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“**AAFAF**”) filed the *Application, Pursuant to Section 601(M)(1)(D) of the Puerto Rico Oversight, Management, and Economic Stability Act, for Approval of the Qualifying Modification for GDB* [ECF No. 1] (the “**Application**”), thereby commencing the above captioned action under Title VI of PROMESA in the United States District Court for the District of Puerto Rico (the “**Court**”);¹

WHEREAS, also on August 10, 2018, this Court entered an Order setting August 20, 2018 as the deadline for parties to file a notice of intention to object to the Qualifying Modification. [ECF No. 7];

WHEREAS, on August 20, 2018, the Court approved a stipulation among GDB, AAFAF, and the Official Committee of Unsecured Creditors of all Title III Debtors (other than COFINA) (the “**UCC**”) extending the Notice of Intention to Object and Standing Objection Deadlines to August 22 and September 1, 2018, respectively [ECF No. 29];

¹ Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Application or the Offering Memorandum, as applicable [ECF No. 5-15 Ex. E; Case No. 18-01561].

WHEREAS, on August 22, 2018, the UCC filed the *Official Committee of Unsecured Creditors' Notice of Intention to Object Regarding Purported Qualifying Modification for Government Development Bank* [ECF No. 59];

WHEREAS, on September 1, 2018, the Financial Oversight and Management Board filed the *Objection of Financial Oversight and Management Board for Puerto Rico as the Administrative Supervisor of the Government Development Bank for Puerto Rico to the Official Committee of Unsecured Creditors' Notice of Intention to Object to the Qualifying Modification for Government Development Bank* [ECF No. 111];

WHEREAS, on September 1, 2018, GDB and AAFAF filed the *GDB and AAFAF's Objection to the Official Committee of Unsecured Creditors' Standing to Object to the Approval Application* [ECF No. 112];

WHEREAS, on September 6, 2018, the UCC filed the *Complaint of Official Committee of Unsecured Creditor' of All Title III Debtors (other than COFINA) for Declaratory Judgment with Respect to GDB Restructuring* [Case No. 17-03283, ECF No. 3880];

WHEREAS, on September 6, 2018, the UCC filed the *Official Committee of Unsecured Creditors' Motion for Order Granting Derivative Standing to Act on Behalf of Title III Debtors for Certain Limited Purposes and Other Related Relief with Respect to Restructuring of Government Development Bank for Puerto Rico* [Case No. 17-03283, ECF No. 3881];

WHEREAS, on September 13, 2018, the UCC filed the *Omnibus Response of Official Committee of Unsecured Creditors to GDB/AAFAF's and Oversight Board's Standing Objections* [ECF No. 131];

WHEREAS, on September 14, 2018, the UCC filed the *Preliminary Objection of Official Committee of Unsecured Creditors of All Puerto Rico Title III Debtors (other than COFINA) to*

Proposed PROMESA Title VI Modification of Government Development Bank for Puerto Rico [ECF No 136];

WHEREAS, on September 21, 2018, the Oversight Board filed the *Notice of the Financial Oversight and Management Board's Motion to Dismiss the Complaint for Lack of Standing* [ECF No. 6; Case No. 18-00101] and the *Financial Oversight and Management Board's Memorandum of Law in Support of Its Motion to Dismiss Complaint for Lack of Standing* [Case No. 18-00101, ECF No. 7];

WHEREAS, on September 21, 2018, GDB and AAFAF filed *GDB and AAFAF's Motion to Dismiss Complaint for Lack of Standing* [ECF No. 8; Case No. 18-00101] and the *Memorandum of Law in Support of GDB and AAFAF's Motion to Dismiss Complaint for Lack of Standing* [Case No. 18-00101, ECF No. 9];

WHEREAS, on September 21, 2018, the Oversight Board filed the *Objection of Financial Oversight and Management Board to Official Committee of Unsecured Creditors' Motion for Order Granting Derivative Standing to Act on Behalf of Title III Debtors for Certain Limited Purposes and Other Related Relief with Respect to Restructuring of Government Development Bank for Puerto Rico* [Case No. 17-03283, ECF No. 3959];

WHEREAS, on September 21, 2018, GDB and AAFAF filed *Objection of the Government Development Bank for Puerto Rico and the Puerto Rico Fiscal Agency and Financial Advisory Authority to the Official Committee of Unsecured Creditors' Derivative Standing Motion* [Case No. 17-03283, ECF No. 3961];

WHEREAS, on September 27, 2018, GDB and AAFAF filed *GDB and AAFAF's Reply to the Official Committee of Unsecured Creditors' Omnibus Response to GDB/AAFAF's and Oversight Board's Standing Objections* [ECF No. 170];

WHEREAS, on September 27, 2018, the Oversight Board filed the *Financial Oversight and Management Board for Puerto Rico's Reply to Omnibus Response of Official Committee of Unsecured Creditors to GDB/AAFAF's and Oversight Board's Standing Objections* [ECF No. 171];

WHEREAS, on September 28, 2018, the UCC filed the *Omnibus Objection of Official Committee of Unsecured Creditors of All Title III Debtors (other than COFINA) to Motions to Dismiss Committee's Complaint Relating to GDB Restructuring for Lack of Standing* [Case No. 18-00101, ECF No. 15];

WHEREAS, on September 28, 2018, the UCC filed the *Official Committee of Unsecured Creditors' Omnibus Reply in Support of Its Motion for Order Granting Derivative Standing to Act on Behalf of Title III Debtors for Certain Limited Purposes and Other Related Relief with Respect to Restructuring of Government Development Bank for Puerto Rico* [Case No. 17-03283, ECF No. 3992];

WHEREAS, on October 1, 2018, the Oversight Board, GDB, and AAFAF filed the *Joint Reply Memorandum of Law of Financial Oversight and Management Board, GDB, and AAFAF in Support of Their Motions to Dismiss Complaint for Lack of Standing* [Case No. 18-00101, ECF No. 18];

WHEREAS, subsequent to the filing of the foregoing pleadings, counsel for GDB, AAFAF, the Oversight Board and the UCC (collectively, the "**Parties**") have met and conferred in an effort to resolve the objections raised in such pleadings.

WHEREAS, as a result of those discussions, the Parties have arrived at a mutually agreeable resolution.

NOW, THEREFORE, IT IS HEREBY STIPULATED AS FOLLOWS:

I. PET Distribution

1. On the Closing Date, the Government Development Bank for Puerto Rico (“**GDB**”) shall transfer \$20 million in cash (the “**Fixed Settlement Cash**”) to the Public Entity Trust (as defined in the GDB Restructuring Act).

2. In addition, GDB shall transfer to the Public Entity Trust any cash retained by GDB on the Closing Date that remains after satisfaction of the obligations pursuant to the Cash Adjustments for which such cash was retained (such excess, if any, “**Excess Adjustment Cash**”), in an aggregate amount up to \$10 million (such Excess Adjustment Cash so transferred, the “**Contingent Settlement Cash**” and together with the Fixed Settlement Cash and the Excess Litigation Cash (as defined below), the “**Settlement Cash**”). The Public Entity Trust shall be entitled to receive the first identifiable Excess Adjustment Cash amounts, and the GDB Debt Recovery Authority shall not receive any such Excess Adjustment Cash until the Public Entity Trust receives Contingent Settlement Cash in the amount of \$10 million.

3. The Designated Deposit (as defined in the GDB Restructuring Act) of (i) the Puerto Rico Electric Power Authority (“**PREPA**”) in the amount of \$114,108,631 (the “**PREPA Designated Deposit**”) and (ii) the Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“**ERS**”) in the amount of \$32,948,612 (the “**ERS Designated Deposit**” and, together with the PREPA Designated Deposit, the “**Title III Debtor Designated Deposits**”) shall be allowed claims against the Public Entity Trust. The Title III Debtor Designated Deposits shall be transferred to the Public Entity Trust, in accordance with the GDB Restructuring Act, and the Public Entity Deed of Trust shall provide that the Title III Debtor Designated Deposits shall be

- a. with respect to the Settlement Cash, first priority claims, senior to all other Designated Deposits;

- b. with respect to all other assets of the Public Entity Trust, *pari passu* (but for the avoidance of doubt, not including any federal funds) with all other Designated Deposits, *provided that* the Title III Debtor Designated Deposits shall be reduced on account of the Settlement Cash received.

4. Any distributions from the Public Entity Trust to the Title III Debtor or other Government Entity made hereunder shall be distributed and used in accordance with applicable law, including, but not limited to, the *Law to Guarantee Payment to Our Pensioners and Establish a New Plan for Defined Contributions for Public Servants*, Act No. 106 (2017).²

5. For the avoidance of doubt, the Title III Debtor Designated Deposits shall not be subject to any additional claims for setoff, netting, recoupment, or reduction, including in respect of any causes of action for preferential transfers, asserted by GDB, which shall be deemed settled as of the Closing Date.

II. Legal Claims

6. GDB acknowledges and affirms that the Legal Claims (as defined herein) are property of the applicable Title III Debtor or other Government Entity (other than GDB).

7. Regardless of whether the affirmation in Paragraph 6 hereof is accurate, to the extent GDB has any property interest in the Legal Claims, such interest shall be transferred as of the Closing Date to the applicable Title III Debtor or other Government Entity (the “**Transferee**”).

8. “**Legal Claims**” shall mean all legal rights, claims, and causes of action, including contingent or unknown causes of action, in law or in equity, that GDB may assert or be a party to, in its capacity as fiscal agent or financial advisor, or such other representative capacity to a Title III Debtor (or the entity that became a Title III Debtor) or other Government Entity other than GDB (including claims relating to the issuance of bonds by the Title III Debtors or Government

² The UCC is reserving all its rights with respect to the distribution of any funds from the Public Entity Trust to any of the Title III Debtors.

Entities other than GDB), and for which the intended or actual primary economic beneficiary of the transaction or series of transactions giving rise to the cause of action was a Title III Debtor (or the entity that became a Title III Debtor) or other Government Entity other than GDB, but shall exclude (i) any legal right, claim or cause of action relating to the issuance of any bond by GDB (or any of its subsidiaries or successors) and (ii) any legal right, claim or cause of action released or to be released under the GDB Restructuring Act (as in effect on the date hereof, and reflecting the modifications set forth in the *Informative Motion Regarding Releases Under Article 702 of the GDB Restructuring Act* [Docket No. 151 in Case No. 18-1561 (LTS)]).

9. To the extent a Legal Claim is asserted and any defendant(s) to such claim asserts an indemnification claim against GDB on account of such transferred Legal Claims, the Transferee shall assume such indemnification obligations, but only to the extent of GDB's interest, if any, in the transferred Legal Claims. To the extent a Transferee assumes any indemnification obligations of GDB, it shall control the defense of any indemnification claims asserted on account of such obligations.

10. GDB shall be required to provide reasonable cooperation to the Transferee in connection with the Transferee's prosecution of the Legal Claims and, as applicable, the defense of any indemnification claims, including, but not limited to, reasonable cooperation in responding to any Transferee discovery efforts; *provided, however*, nothing herein shall obligate GDB to provide any privileged information to any Transferee; *provided further*, that the applicable Transferee shall be responsible for all costs associated with GDB's reasonable cooperation.

11. The Title III Court shall have jurisdiction over any dispute with respect to the allocation of the Legal Claims among the Title III Debtors. The rights of the Oversight Board and

AAFAP under PROMESA, including under section 305, with respect to such issues are expressly preserved.

12. Nothing herein gives the UCC or its constituents any rights or standing with respect to the Legal Claims or any of the rights of any Transferee under this Stipulation. For the avoidance of doubt, nothing herein shall be interpreted to grant the UCC authority to prosecute the Legal Claims; *provided, however*, that nothing herein shall preclude the UCC from seeking derivative standing in the Title III Cases to bring such claims on behalf of the Title III Debtor; *provided further*, nothing herein shall prevent AAFAP or the Oversight Board from objecting to such relief.

III. GDB's Net Claim Against Commonwealth

13. The indebtedness owed by the Commonwealth to GDB that is to be transferred to the Public Entity Trust pursuant to the GDB Restructuring Act shall, as of the Closing Date, be reduced by the amount of the federal funds on deposit at GDB restored by the Commonwealth (which is, approximately, \$312 million). The claims of GDB against the Commonwealth in respect of such indebtedness shall remain subject to allowance in the Commonwealth's Title III Case, *provided* that such claim may not be allowed in an amount greater than \$578 million.

14. In exchange, GDB shall transfer to the Public Entity Trust the first cash or cash equivalents that constitute net proceeds of Causes of Action that remain after, or are received by GDB after, in GDB's sole determination, all contingent and unliquidated claims against GDB arising on or before the Closing Date have been satisfied, up until ERS and PREPA obtain net proceeds totaling 55 cents on the dollar of the Title III Debtor Designated Deposits (without reduction for payments from the Fixed Settlement Cash or the Contingent Settlement Cash) (such excess, if any, the "**Excess Litigation Cash**"). For the avoidance of doubt (i) GDB shall have the sole authority and absolute discretion to commence, prosecute, settle, offset against claims against

GDB, or release any such Cause of Action and (ii) the UCC shall not have the right to, and shall not have or seek standing to, directly, indirectly or derivatively, commence, direct, compel the prosecution of, settle, resolve, sell, transfer or dispose of any such Cause of Action or any litigation, other enforcement action or resolution thereof. For the avoidance of doubt, the causes of action described in this Paragraph 14 are Causes of Action other than the Legal Claims.

IV. UCC Release

15. The UCC shall withdraw, with prejudice, and shall not refile or otherwise assert or pursue, directly or indirectly:

- a. Any and all claims, objections, filings, requests for relief, or discovery requests in connection with, arising out of, or relating to the GDB Restructuring Act, the Qualifying Modification and the GDB Restructuring (as defined in the UCC Preliminary Objection (defined below)).
- b. Any and all claims, objections, filings, motions, and requests for relief in the Title III Cases (Case Nos. 17-3283, 17-3566, 17-9686, 17-4780, Adv. Proc. No. 18-0101) pertaining to the GDB Restructuring Act, the Qualifying Modification or the GDB Restructuring, including any appeals related thereto, including
 - i. *Official Committee of Unsecured Creditors' Motion for Order Granting Derivative Standing to Act on Behalf of Title III Debtors for Certain Limited Purposes and Other Related Relief With Respect to Restructuring of Government Development Bank for Puerto Rico* [Case No. 17-3283, Docket No. 3881];
 - ii. *Urgent Motion of Official Committee of Unsecured Creditors, Pursuant to Bankruptcy Code Sections 105(a) and 362, for Entry of Order Enforcing Automatic Stay and Court's June 29, 2017 Order Confirming Application of Automatic Stay With Respect to GDB Restructuring* [Case No. 17-3283, Docket No. 3797];
 - iii. *Complaint of Official Committee Of Unsecured Creditors of All Title III Debtors (Other Than COFINA) for Declaratory Judgment with Respect to GDB Restructuring* [Adv. Proc. No. 18-0101, Docket No. 1]; and
 - iv. *Official Committee of Unsecured Creditors' Notice of Appeal of Order Denying Motion to Enforce the Automatic Stay* [Case No. 17-3283, Docket No. 3998].

- c. Any and all claims, objections, filings, motions, requests for relief, and discovery requests in the in the GDB Title VI Case (Case No. 18-01561), including, but not limited to
 - i. *Notice of Intention to Object Regarding Purported Qualifying Modification for Government Development Bank* [Docket No. 59; Case No. 18-1561];
 - ii. *Preliminary Objection of Official Committee of Unsecured Creditors of All Puerto Rico Title III Debtors (Other Than COFINA) to Proposed PROMESA Title VI Modification of Government Development Bank for Puerto Rico* [Docket No. 136; Case No. 18-1561] (the “UCC Preliminary Objection”);
 - iii. Discovery requests, including Requests for Production of Documents, Interrogatories, Requests for Admission, Notices of Deposition, and Subpoenas to Testify at a Deposition, served by the Official Committee of Unsecured Creditors on September 14, 2018.

16. From the date hereof, all deadlines with respect to the matters described in 15(b)(i)-(iv) and 15(c)(i)-(iii) shall be stayed unless and until this Stipulation is terminated.

17. The UCC agrees that it will not commence, join, seek any relief with respect to, or otherwise participate in, including as *amicus curiae*, any future proceedings (including, but not limited to, any appellate proceedings) in or in connection with the GDB Title VI Case or otherwise relating to the GDB Restructuring Act, the Qualifying Modification or the GDB Restructuring, other than to give effect to and enforce the terms of this Stipulation.

18. The UCC agrees that it releases, and will not bring, assert, pursue, or otherwise advance, directly or indirectly, on its own behalf or derivatively, any claims, objections, avoidances, rights, rights of recovery, remedies or causes of action against GDB, GDB’s current officers or directors (but only with respect to their role as GDB officers or directors from January 1, 2017 through the present), the GDB Debt Recovery Authority, the GDB Debt Recovery Authority’s directors and officers, or the assets transferred to the GDB Debt Recovery Authority, or seek to require GDB to assert any cause of action; *provided, however*, that any rights that the

UCC may have to object to GDB's claim against the Commonwealth, and any rights of other parties to oppose such objection, are preserved.

19. The UCC agrees to modify its pending Rule 2004 discovery requests in the Title III Case so that such requests (and any future Rule 2004 requests, or any other discovery requests related to the GDB Restructuring) ("**Discovery**") are limited to matters unrelated to the GDB Restructuring. The UCC agrees that it will not seek Discovery in connection with any Cause of Action (as defined in the Solicitation Statement) that will be released by the Qualifying Modification and the GDB Restructuring Act (as in effect on the date hereof, but reflecting the modifications set forth in the *Informative Motion Regarding Releases Under Article 702 of the GDB Restructuring Act* [Docket No. 151 in Case No. 18-1561 (LTS)]).

V. Reservation of Rights

20. The UCC, AAFAF, GDB and the Oversight Board each reserves all rights, and does not waive any arguments, regarding the GDB Restructuring, any contentions of law or fact raised in connection with the above referenced pleadings, or the UCC's standing (or lack of thereof).

21. To the extent that, after the date hereof, the Qualifying Modification, the GDB Restructuring Act or the related transaction documents are modified, amended or altered in a manner that adversely impacts (a) the rights of the Public Entity Trust to the Settlement Cash and (b) rights of the Title III Debtors under the settlement, the UCC shall have the right to terminate this agreement and assert any of its objections related thereto, and the agreements and waivers in Section IV hereof shall be of no force and effect.

VI. Enforcement of Agreement

22. Any dispute concerning the interpretation or the enforcement of the terms and provisions hereof shall be submitted to the Title III Court; provided that any dispute concerning

whether a cause of action constitutes a Legal Claim, or GDB's rights against a Transferee in respect of an indemnification obligation relating to a Legal Claim, shall be an issue solely between the Oversight Board, in its capacity as representative of the Title III Debtors (to extent such cause of action relates to, or such Transferee is, a Title III Debtor), GDB and AAFAF, but over which the Title III Court shall have jurisdiction.

23. This Stipulation shall be valid, binding, and enforceable upon the Court SO ORDERING this Stipulation. This Stipulation shall be effective when the Qualifying Modification is approved and consummated; *provided however*, the approval of the Qualifying Modification shall be conditioned upon the Approval Order providing that this Stipulation (including the transfers contemplated herein) is valid, binding, and enforceable.

VII. Miscellaneous

24. Except as otherwise provided herein, this Stipulation may not be modified other than by a signed writing executed by the Parties, and so ordered by the Court.

25. Each Party executing this Stipulation represents that such party has the full authority and legal power to do so.

26. This Stipulation may be executed in counterparts and each such counterpart together with the others shall constitute one and the same instrument.

27. This Stipulation constitutes the entire agreement and understanding between the Parties relating to the subject matter herein and supersedes all previous or contemporaneous oral or written representations, understandings or agreements between the Parties.

28. This Court shall retain jurisdiction over the subject matter of this Stipulation to resolve all disputes arising under or relating to this Stipulation.

IT IS SO STIPULATED.

DATED: October 4, 2018

Respectfully Submitted

By: /s/ Peter Friedman

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SO ORDERED.

Dated: October 9, 2018

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge