

**\$650,000,000**  
**GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO**  
**SENIOR NOTES, 2011 SERIES B (TAXABLE)**

**CERTIFICATE AS TO SUPPLEMENTAL INDENTURE**

I, RUBÉN MÉNDEZ BENABE, Secretary of the Board of Directors of Government Development Bank for Puerto Rico (the "Bank"), DO HEREBY CERTIFY that attached hereto is a true and correct copy of Supplement Number Eleven to Indenture, dated May 26, 2011, by and between the Bank and Banco Popular de Puerto Rico, as Trustee, which is substantially in the form presented to and approved by the Executive Committee of the Board of Directors of the Bank by resolution duly adopted on May 12, 2011.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Government Development Bank for Puerto Rico this 26<sup>th</sup> day of May, 2011.

*(Rubén Méndez Benabe)*

---

RUBÉN MÉNDEZ BENABE  
Secretary  
Government Development Bank for Puerto Rico

(SEAL)

This begins my protocol of public instruments corresponding to the year two thousand eleven (2011), today May twenty-six (26), two thousand eleven (2011) in San Juan, Puerto Rico.



*[Handwritten signature]*

Notary Public

----- **DEED NUMBER ONE (1)** -----

----- **SUPPLEMENT NUMBER ELEVEN (11) TO INDENTURE** -----

----- In the City of San Juan, Commonwealth of Puerto Rico, on this Twenty-Sixth (26<sup>th</sup>) day of May, Two Thousand Eleven (2011). -----

----- **BEFORE ME** -----

---HUGH GONZÁLEZ ROBISON, Attorney-at-Law and Notary Public in and for the Commonwealth of Puerto Rico, with residence in San Juan, Puerto Rico, and offices located on the Eighth (8th) floor of the Building located at two hundred seventy (270) Munoz Rivera Avenue, San Juan, Puerto Rico. -----

----- **APPEAR** -----

---AS PARTY OF THE FIRST PART: GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO (the "Bank"), employer identification number 66-0348572, a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by virtue of Act Number Seventeen (17) of September Twenty-Three (23), Nineteen Hundred Forty-Eight (1948), as amended, having its principal place of business in San Juan, Puerto Rico, represented herein by its Senior Vice-President, Javier Ramos Luiña, of legal age, married, executive, and resident of Guaynabo, Puerto Rico, who has been duly authorized to appear herein on behalf of the Bank pursuant to a resolution of the Executive Committee of the Bank's Board of Directors certified on May Twenty-Five (25), Two Thousand Eleven (2011), by Rubén Méndez Benabe, in his capacity as Secretary of the Board of Directors of the Bank, before Notary Hugh González Robison, under affidavit number eleven (11), and -----

*[Handwritten initials]*  
*[Handwritten initials]*



---AS PARTY OF THE SECOND PART: BANCO POPULAR DE

PUERTO RICO, employer identification number 66-0561870, a bank organized and existing under the laws of the Commonwealth of Puerto Rico, having its principal corporate offices in San Juan, Puerto Rico, which is authorized under such laws to exercise corporate trust powers (said bank and any other bank, banking association or trust company becoming successor trustee under this Indenture being hereinafter called the "Trustee"), represented herein by its Vice President, Hector Rivera Rivera, of legal age, married, banker and resident of San Juan, Puerto Rico, whose authority to appear herein on behalf of the Trustee is evidenced by a Certificate of Corporate Resolution, dated May Two (2), Two Thousand Eleven (2011), signed by Ignacio Alvarez, in his capacity as Assistant Secretary of the Trustee, under affidavit number one thousand three hundred forty five (1345) before Notary Public Marta M. Kury Latorre. -----

---I, the Notary, DO HEREBY CERTIFY that I am personally acquainted with the appearing parties herein and through their statements as to their respective ages, civil status, professions and residences. They assure me that they have, and in my judgment they do have, the necessary legal capacity to execute this instrument. Wherefore, they freely and voluntarily -----

----- **STATE** -----

---**WHEREAS**, the Bank and the Trustee are parties to a trust indenture, dated February Seventeen (17), Two Thousand Six (2006), as supplemented (the "Indenture"), providing for the issuance by the Bank of its Securities in one or more series. -----

*MMS*  
*H.R.R.*

----**WHEREAS**, the Bank has, by a resolution adopted by the Executive Committee of its Board of Directors, authorized the issuance of a series of Securities under the Indenture, to be designated as "Senior Notes, Two Thousand Eleven (2011) Series B (Taxable)" (the "Notes");-----

---**NOW, THEREFORE**, to set forth the terms of the Notes, the Bank and the Trustee are entering into this Supplement Number Eleven (11) to Indenture, and hereby agree as follows, for the equal and proportionate benefit of all holders of the Notes: -----



-----Section 1. Terms of the Notes. The terms applicable to the Notes are as

follows: -----

-----(a) Designation: Senior Notes, Two Thousand Eleven (2011) Series B (Taxable). -----

-----(b) Date: Each Note shall be dated the date of delivery thereof. -----

-----(c) Principal Amounts, Maturity Dates, Interest Rates and Prices: All as set forth in the Resolution adopted on May Twelve (12), Two Thousand Eleven (2011) by the Executive Committee of the Board of Directors of the Bank, among other things, authorizing the issuance of the Notes (the "Board Resolution"). -----

-----(d) Interest Payment Dates: The first (1<sup>st</sup>) day of each May and November, commencing November One (1), Two Thousand Eleven (2011).

-----(e) Place and Time of Payment of Principal and Interest: Office of the Bank or its agent (including the Trustee) in San Juan, Puerto Rico. Interest on the Notes will be paid in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public or private debts. The Bank shall pay principal and interest to the Trustee not later than one (1) Business Day prior to its due date in immediately available funds. -----

-----(f) Denominations: Five Thousand Dollars (\$5,000) principal amount and any integral multiple of Five Thousand Dollars (\$5,000) in excess thereof. -----

-----(g) Redemption Provisions: The Notes are subject to redemption prior to maturity at the option of the Bank, on any date, either in whole or in part (and if in part, in such order of maturity as directed by the Bank), at a price equal to the greater of: -----

-----(i) the principal amount of the Notes to be redeemed; or -----

-----(ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Notes to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Notes are to be redeemed, discounted to the date on which such Notes are to be redeemed on a semiannual basis, assuming a Three Hundred Sixty (360) day year consisting of Twelve (12) Thirty (30)

902  
H.R.R.



day months, at the Treasury Rate (as defined below) plus Forty-Five (45) basis points; -----

-----plus, in each case, accrued interest on the Notes to be redeemed to the redemption date. -----

-----"Treasury Rate" means, with respect to any redemption date for a particular Note the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least Two (2) business days prior to the redemption date, but not more than Forty-Five (45) calendar days (excluding inflation indexed securities), or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Notes to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than One (1) year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of One (1) year will be used. -----

-----(h) Conditional Notice of Redemption: In the event the Bank elects to redeem all or a portion of the Notes, the Bank may issue a conditional notice of redemption, as set forth in the Board Resolution. -----

-----(i) Revocation of Notice of Redemption: In the event the Bank elects to revoke its election to redeem such Notes, a notice of revocation of such redemption may be issued, as set forth in the Board Resolution. -----

-----(j) Additional Provisions: Certain additional terms of the Notes are set forth in the form of Note. -----

-----(k) Aggregate Principal Amount of Notes: Six Hundred Fifty Million Dollars (\$650,000,000). -----

-----(l) Use of Proceeds: The Bank will use the proceeds of the Notes (i) for general corporate purposes of the Bank, including, but not limited to, increasing its investment portfolio and making loans to, and purchasing obligations of, the Commonwealth of Puerto Rico and its public corporations, instrumentalities and municipalities, (ii) to refund the Refunded Notes (as



112  
H.P.R.

defined in the Board Resolution) and (iii) to pay the costs of issuance of the Notes. -----

----- (m) Issuance of Notes in Book-Entry Form: The Notes shall be eligible for book-entry delivery and settlement through The Depository Trust Company, New York, New York facilities. -----

----- (n) Payments due on Saturdays, Sundays and Holidays. In any case where the Stated Maturity of interest on or principal of the Notes or the date fixed for redemption of any Notes shall be a Saturday, Sunday or a day on which the Trustee is required, or authorized or not prohibited, by law (including executive orders) to close and is closed, then payment of such interest, principal or redemption price, as applicable, need not be paid by the Trustee on such date but may be paid on the next succeeding Business Day on which the Trustee is open for business with the same force and effect as if paid on the Stated Maturity or the date fixed for redemption, and no interest shall accrue for the period after such Stated Maturity or date fixed for redemption. -----

----- Section 2. Form of Note. The Notes shall be substantially in the form attached as an exhibit to the Board Resolution, with such changes as may be permitted by such Board Resolution and the Indenture. -----

----- Section 3. Execution of Notes. The Authorized Officers mentioned in the Board Resolution are authorized, in the name and on behalf of the Bank, to execute the Notes either by manual or facsimile signature, and to affix the seal of the Bank thereto, all in the manner provided in the Indenture. -----

--- **IN WITNESS WHEREOF**, the parties hereto have caused this Supplement Number Eleven (11) to Indenture to be duly executed as of the date first above written. -----

----- **ACCEPTANCE** -----

--- The appearing parties accept this Deed as drafted and confirm that the same has been drawn in accordance with their instructions. -----

--- I, the Notary, hereby certify that the appearing parties have read this Deed, that I have advised the appearing parties of their right to have witnesses present at its execution, which they waived, and that I advised them of the

9/17/12  
H.R.R.



legal effect of this Deed; and they acknowledged that they understood the contents of this Deed and such legal effect, and thereupon they signed this Deed before me, affixing their initials to each and every page thereof. I, the Notary, DO HEREBY ATTEST. -----

*[Handwritten signature]*  
Javier R. ...

*[Handwritten signature]*



*[Handwritten initials]*  
H.R.R.

