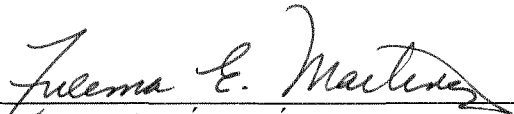


\$397,935,000
GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO
SENIOR NOTES, 2011 SERIES I

CERTIFICATE AS TO SUPPLEMENTAL INDENTURE

I, ZULEMA MARTÍNEZ-ÁLVAREZ, 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 Sixteen to Indenture, dated December 28, 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 December 21, 2011.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Government Development Bank for Puerto Rico as of the 12th day of January, 2012.



ZULEMA MARTÍNEZ-ÁLVAREZ
Secretary
Government Development Bank for Puerto Rico

(SEAL)

-----DEED NUMBER SEVEN (7)-----

-----SUPPLEMENT NUMBER SIXTEEN (16) TO INDENTURE--

-----In the City of San Juan, Commonwealth of Puerto Rico, on this
Twenty Eighth (28th) day of December, 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) Muñoz 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 Executive Vice-
President, José R. Otero Freiría, of legal age, married, executive, and resident
of Dorado, 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 December Twenty One (21), Two
Thousand Eleven (2011), by Zulema Martínez-Álvarez, in her capacity as
Secretary of the Board of Directors of the Bank, before Notary Public Hugh
González Robison, under affidavit number sixteen (16), and-----

---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"),

H.R.R.



represented herein by its Vice President, Héctor 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 December Two (2), Two Thousand Eleven (2011), signed by Jorge A. Rivera Febres, in his capacity as Assistant Secretary of the Trustee, under affidavit number one thousand four hundred two (1,402) 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.-----

---WHEREAS, the Bank has, by a resolution adopted by the Executive Committee of its Board of Directors, authorized the issuance of two series of Securities under the Indenture, to be designated as (i) "Senior Notes, Two Thousand Eleven (2011) Series H" (the "Series H Notes") and (ii) "Senior Notes, Two Thousand Eleven (2011) Series I" (the "Series I Notes" and, together with the Series H Notes, the "Notes");-----

---NOW, THEREFORE, to set forth the terms of the Notes, the Bank and the Trustee are entering into this Supplement Number Sixteen (16) to Indenture, and hereby agree as follows, for the equal and proportionate benefit of all holders of the Notes: -----

----Section 1. Terms of the Series H Notes and the Series I Notes.-----

----- (a) The terms applicable to the Series H Notes are as follows: -----

----- (i) Designation of Series H Notes: Senior Notes, Two Thousand Eleven (2011) Series H. -----

----- (ii) Dated date of Series H Notes: Each Series H Note shall be dated

H.R.R.



the date of delivery thereof. All Series H Notes shall be issued and delivered on the same date. The Series I Notes may be issued and delivered on a date that is subsequent to the date of issuance and delivery of the Series H Notes.

-----(iii) Principal Amounts, Maturity Dates, Interest Rates and Prices of Series H Notes: All as set forth in the Resolution adopted on December Twenty One (21), 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").-----

-----(iv) Interest Payment Dates of Series H Notes: Interest on the Series H Notes will be paid on the first day of each month, commencing February One (1), Two Thousand Twelve (2012).-----

-----(v) Redemption Provisions of Series H Notes: The Series H Notes are subject to redemption prior to maturity all as set forth in the Board Resolution.-----

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

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

-----(viii) Aggregate Principal Amount of Series H Notes: One Billion Three Hundred Ninety Nine Million Forty Five Dollars (\$1,399,045,000).

-----(ix) Use of Proceeds of Series H Notes: The Bank will use the proceeds of the Series H Notes (A) 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, (B) to purchase and/or refund a portion of the Refunded Notes (as defined in the Board Resolution) and (C) to pay the costs of issuance of the Series H Notes.

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----- (b) The terms applicable to the Series I Notes are as follows:-----

----- (i) Designation of Series I Notes: Senior Notes, Two Thousand Eleven (2011) Series I.-----

----- (ii) Dated date of Series I Notes: Each Series I Note shall be dated the date of delivery thereof. All Series I Notes shall be issued and delivered on the same date. The Series I Notes may be issued and delivered on a date that is subsequent to the date of issuance and delivery of the Series H Notes.

----- (iii) Principal Amounts, Maturity Dates, Interest Rates and Prices of Series I Notes: All as set forth in the Board Resolution.-----

----- (iv) Interest Payment Dates of Series I Notes: Interest on the Series I Notes will be paid on the first day of each month, commencing February One (1), Two Thousand Twelve (2012).-----


----- (v) Redemption Provisions of Series I Notes: The Series I Notes are not subject to redemption prior to maturity.-----

----- (vi) Aggregate Principal Amount of Series I Notes: Three Hundred Ninety Seven Million Nine Hundred Thirty Five Thousand Dollars (\$397,935,000).-----

----- (vii) Use of Proceeds of Series I Notes: The Bank will use the proceeds of the Series I Notes (A) 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, (B) to purchase and/or refund a portion of the Refunded Notes (as defined in the Board Resolution) and (C) to pay the costs of issuance of the Series I Notes.

----- (c) The terms applicable to both the Series H Notes and the Series I Notes are as follows:-----

----- (i) 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


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immediately available funds.-----

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

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

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

-----(v) 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 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 Sixteen (16) 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. -----

JR
H.R.R.



---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 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.-----


H.P.R.

