



COMMONWEALTH OF
PUERTO RICO

Government Development Bank
for Puerto Rico



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PUERTO RICO

Treasury Department



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JOINT STATEMENT FROM TREASURY SECRETARY AND GDB CHAIRMAN ON PASSAGE OF BILL APPROVING GENERAL OBLIGATION BOND FINANCING

San Juan – Today, Treasury Secretary Melba Acosta Febo and Government Development Bank for Puerto Rico (GDB) Chairman David H. Chafey provided a joint statement regarding the Puerto Rico Legislature’s approval of the proposed General Obligation bond issuance of up to \$3.5 billion. The bill was signed into law today by the Governor of the Commonwealth of Puerto Rico, Alejandro García Padilla.

“We are pleased that both the Senate and the House have approved the authorization for this proposed financing, and that Governor García Padilla has signed this bill into law. We plan to use the offering proceeds principally to repay outstanding lines of credit with GDB, strengthen the GDB’s liquidity, and refinance other outstanding debt.”

“This proposed bond issuance will support Puerto Rico’s ongoing and aggressive actions to continue strengthening its fiscal position and will provide additional flexibility as the Island continues its progress on economic development and job creation initiatives.”

The bill authorizes the Secretary of the Treasury to consent to New York as choice of law and jurisdiction with respect to the bonds.

Barclays, Morgan Stanley and RBC Capital Markets have been selected as joint lead managers for the upcoming GO bond issuance, with Barclays acting as lead book-running manager.

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Forward-Looking Statements

The information included in this statement contains certain forward-looking statements. These forward looking statements may relate to the fiscal and economic condition, economic performance, plans and objectives of the Commonwealth of Puerto Rico or its agencies or instrumentalities. All statements contained herein that are not clearly historical in nature are forward looking.

This statement is not a guarantee of future performance and involves certain risks, uncertainties, estimates, and assumptions by the Commonwealth and/or its agencies or instrumentalities that are difficult to predict. The economic and financial condition of the Commonwealth and its agencies or instrumentalities is affected by various financial, social, economic, environmental, and political factors. These factors can be very complex, may vary from one fiscal year to the next, and are frequently the result of actions taken or not taken, not only by the Commonwealth and/or its agencies or instrumentalities, but also by entities such as the government of the United States of America or other nations that are not under the control of the Commonwealth. Because of the uncertainty and unpredictability of these factors, their impact cannot, as a practical matter, be included in the assumptions underlying the Commonwealth's or its agencies or instrumentalities' projections.
