



GOVERNMENT OF PUERTO RICO
 PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY

OFFICE OF FINANCIAL ADVISORY

Governmental Financing
 Contracts Regulations

MAXIMUM INTEREST RATE

Effective Period: October 1–31, 2023

INTRODUCTION:

The Government Financing Contracts Regulation No. 8071 of September 7, 2011 (the “Regulation”), approved by the Board of Directors of the Government Development Bank (the “Bank”), through Resolution No. 9599 of August 17, 2011, sets forth the norms that govern the procedures for the approval of the award or assignment of any leasing contract or financing contract, subject to the provisions of Act No. 265 of September 2, 2003.

Act No. 2 of January 18, 2017, created the Puerto Rico Fiscal Agency and Financial Advisory Authority (the “Authority”). Subject to Article 5, Section (c) of such Act, the Authority was created to assume all the Bank’s roles as the Fiscal Agent, Financial Advisory and Informative Agent for all the entities of the Government of Puerto Rico. Also provides that all the Bank’s existing regulations for this role, approved by the Bank before said Act, would continue in full force until any amendment or modification is made by the Authority. For the purpose of this document, references to the Authority shall mean as successor to the Bank.

DEFINITION:

Pursuant to the provisions of Article 3, Definitions, Section I, of the Regulation, the Maximum Interest is:

- *“The Maximum Interest Rate allowed for Financing Contracts, as set by the Bank (now the Authority) from time to time. Said interest rate shall be set by the Bank (now the Authority) periodically.”*

MAXIMUM INTEREST APPLICABLE:

The Authority establishes the following maximum interest rates for financing contract transactions.

MATURITY (YEARS)	MAXIMUM INTEREST (%)
1	8.50
2	8.70
3	8.80
4	9.00
5	9.10

These rates shall be in effect from **October 1st through October 31st 2023**, subject to changes at the discretion of the Authority. For the maximum interest applicable for transactions with maturities of 6 years or more, please contact the Authority.