This Plan of Liquidation (this "Plan") is adopted by the Puerto Rico Tax-Free Target Maturity Fund, Inc. (the "Fund"), a corporation under the laws of the Commonwealth of Puerto Rico and a non-diversified, closed-end investment company organized under the Puerto Rico Investment Companies Act of 1954, as amended (the "PR-ICA"), and whose investment objectives are (i) to achieve a high level of current income that, for certain Puerto Rico investors, is exempt from U.S. Federal and Puerto Rico income taxes, consistent with the preservation of capital, and (ii) to distribute to its holders of Common Stock during the period commencing on January 1, 2007 and ending approximately on December 31, 2022, an amount at least equal, in the aggregate, to the initial offering price of $10 per share of Common Stock. This Plan is adopted as a plan of liquidation for purposes of the Puerto Rico Internal Revenue Code of 2011 as amended (the "PR-IRC"), and the regulations thereunder, with respect to the Fund. This Plan is intended to accomplish the complete liquidation of the Fund and the cancellation of the Fund's outstanding shares of Common Stock (the "Shares"), in conformity with all applicable laws, including the laws of the Commonwealth of Puerto Rico, the PR-ICA, the PR-IRC, and the Fund's Articles of Incorporation and Prospectus dated July 31, 1996 (attached hereto as Exhibits A and B and hereinafter referred to as the "Articles" and the "Prospectus," respectively, and collectively, the "Organizational Documents").

WHEREAS, one of the Fund's investment objective is to distribute to its holders of Shares, during the period commencing on January 1, 2007 and ending approximately on December 31, 2022, an amount at least equal, in the aggregate, to the initial offering price of $10 per Share;

WHEREAS, the Fund's co-investment advisers have advised that the Fund be liquidated given the small level of assets in its portfolio;

WHEREAS, the Prospectus provides that, upon the reduction of the outstanding principal balance of the Fund's portfolio investments to 5% or less of the aggregate principal amount of the Fund's investments purchased with the proceeds to the Fund from the initial public offering of the Shares, the Fund may sell the remaining portfolio securities to any person, including any of the Fund's investment advisers, and use the proceeds to complete the distributions of principal on the Shares;

WHEREAS, the Fund's Board of Directors (the "Board"), on behalf of the Fund, has determined that it is in the best interests of the Fund to liquidate the remaining Fund portfolio securities and dissolve the Fund; and

WHEREAS, the Board has considered and unanimously adopted this Plan for liquidating the Fund, in accordance with the Organizational Documents, and has contemporaneously with the approval of this Plan, approved a final distribution of principal on the Shares equivalent to the Fund's available monies for distribution after payment of its debts;
NOW, THEREFORE, the Board of Directors deems in the best interests of the Fund to effect the liquidation of the Fund in the manner hereinafter set forth:

1. **Effective Date of Plan.** This Plan will become effective immediately upon a vote approving this Plan unanimously by all the members of the Fund's Board of Directors, which date is hereinafter called the "Effective Date."

2. **Cessation of Business.** As soon as is reasonable and practicable on or after the Effective Date, the Fund will cease its business as an investment company and will not engage in any business activities except for the purposes of winding up its business and affairs, marshaling and preserving the value of its assets, and distributing all remaining assets pro-rata to the holders of the Shares upon surrender of the corresponding Shares to Banco Popular de Puerto Rico, as the Fund's transfer agent, in accordance with the provisions of this Plan and after the payment to (or reservation of assets for payment to) all Fund creditors and discharging or making reasonable provisions for the Fund's liabilities.

3. **Notice of Final Distribution.** As soon as practicable after the Effective Date, the Fund will mail notices to every record owner of the Shares as of May 16, 2017, as well as other appropriate parties that the Fund will be effecting a final distribution of principal on the Shares. Such notice will also specify the date(s) at which the holders of the Shares may surrender their respective Share certificates, in exchange for such final distribution.

4. **Payment of Debts.** As soon as is reasonable and practicable on or after the Effective Date, subject to the provisions of Section 7 hereof, the Fund will determine and pay, or set aside in cash or equivalents, the amount of all known or reasonably ascertainable liabilities of the Fund incurred or expected to be incurred prior to the date of the final distribution provided for in Section 7 below.

5. **Liquidation of Assets.** As soon as is reasonable and practicable on or after the Effective Date, all the Fund's remaining portfolio securities will be converted to cash or cash equivalents.

6. **Final Distribution.** As soon as is reasonable and practicable on or after the Effective Date (the "Liquidation Date"), the Fund will mail to the holders of the Shares a notice to all record owners of the Shares, indicating that the Fund will be effecting a final distribution on the Shares and specifying the date(s) at which any holders of the Shares may surrender their respective Share certificates, in exchange for such final distribution. The Fund will deliver the full amount of such final distribution to its transfer agent Banco Popular de Puerto Rico, for delivery to the record owners of the Shares against surrender of the Shares so held.

In the event that any of the holders of the Shares do not surrender their Share certificates or otherwise approve the surrender of their Shares within 14 calendar days after the time specified in the before-mentioned Notice, the Fund shall transmit a second written
notice to the remaining holders of the Shares to surrender their Shares in exchange for the corresponding final distribution or otherwise approve the surrender of its Shares. Upon the transmittal of such second notice, the Fund will open an account with Banco Popular de Puerto Rico, in the name and on behalf of the Fund and its remaining holders of Shares, subject to applicable abandoned property laws. The expenses incurred in establishing and maintaining such account will be charged against the assets therein.

7. **Satisfaction of Puerto Rico Income Withholding Tax Requirements.** To the extent necessary, the Fund will, by the Liquidation Date, have declared and paid a dividend or dividends which, together with all previous such dividends, will have the effect of distributing to the Fund's holders of the Shares all of the Fund's taxable income for the taxable years ending at or prior to the Liquidation Date (computed without regard to any deduction for dividends paid), and all of the Fund's net capital gain, if any, realized in the taxable years ending at or prior to the Liquidation Date (after reduction for any available capital loss carry-forward) and any additional amounts necessary to avoid any excise tax for such periods.

8. **Power of the Board and Fund Officers.** Subject to the authority and approval of the Board, each of the officers of the Fund, individually and severally, will have the authority to do or authorize any or all acts and things as provided for in this Plan and any and all such further acts and things as they may consider necessary or desirable to carry out the purposes of this Plan, including the execution and filing of all certificates, documents, information returns, tax returns and other papers which may be necessary or appropriate to implement this Plan or which may be required by the provisions of the PR-ICA or any other applicable laws. The death, resignation, or disability of any member of the Board or any officer of the Fund will not impair the authority of the surviving or remaining members of the Board or officers to exercise any of the powers provided for in this Plan.

Upon holders surrendering for cancellation upon dissolution of all outstanding Share certificates, all officers of the Fund are individually empowered to file for the dissolution of the Fund with the Puerto Rico Department of State. In the event that any of the holders of the Shares do not surrender their Share certificates or otherwise approve the surrender of their Shares, a meeting of the Fund's holders of the Shares will be scheduled upon Banco Popular de Puerto Rico, as the Fund's transfer agent, receiving the surrender of 66 2/3 or more of the outstanding Shares of the Fund. In such meeting, any officer of Banco Popular de Puerto Rico will be authorized to vote the surrendered Shares in favor of the Fund's dissolution.

9. **Amendment of Plan.** The Board will have the authority to authorize or ratify such variations from, or amendments to, the provisions of this Plan as may be necessary or appropriate to effect the marshaling of the Fund's assets and effect complete liquidation of the Fund and the distribution of the Fund's net assets to its holders of the Shares in redemption of the Fund's Shares, in accordance with the laws of the Commonwealth of Puerto Rico, the PR-ICA, the PR-IRC, and the Organizational Documents, if the Board
determines that such action would be in the best interests of the Fund and its holders of Shares

10. **No Personal Liability.** The obligations of the Fund entered into in the name, or on behalf thereof, by any members of the Board or Fund officers, representatives, or agents are made not individually, but only in such capacities, and are not binding upon any of the other members of the Board, the Fund's holders of the Shares, or representatives of the Fund personally, but bind only the assets of the Fund, and all persons dealing with the Fund must look solely to the assets of the Fund for the enforcement of any claims against the Fund for any reason pertaining to the Fund or this Plan.

11. **Books and Records of the Fund.** Upon the Fund's dissolution, the books and records of the Fund shall be maintained by Banco Popular de Puerto Rico, as the Fund's administrator, for a period of six (6) years.

**PUERTO RICO TAX-FREE TARGET MATURITY FUND, INC.**

Agreed and accepted:

By: /s/ Javier Rubio  
Javier Rubio  
Senior Vice-President

By: /s/ Leslie Highley  
Leslie Highley  
Senior Vice-President