Notice dated April 7, 2017

to Shareholders of
Puerto Rico AAA Portfolio Bond Fund, Inc. and
Puerto Rico AAA Portfolio Bond Fund II, Inc.

On August 29, 2014, Puerto Rico AAA Portfolio Bond Fund, Inc. and Puerto Rico AAA Portfolio Bond Fund II, Inc.1 (each a "Fund" and collectively, the "Funds") announced that, after considering the recommendations of management and all of the surrounding circumstances, each Fund's Board of Directors ("Board") had determined that it would be in the best interests of shareholders for each Fund to seek certain rulings and waivers from the Office of the Commissioner of Financial Institutions (the "OCFI") in connection with the proposed conversion of each Fund from a closed-end investment company under the Puerto Rico Investment Companies Act of 1954, as amended, to an open-end investment company under the Puerto Rico Investment Companies Act of 2013, as amended (the "Conversion"). Upon the issuance of the rulings and waivers by the OCFI in form and substance acceptable to the Board, and the review of final Conversion documentation by the Board, the Board would decide whether to recommend the Conversion to each Fund's stockholders for their approval. There can be no assurance that the OCFI will grant the requested rulings and waivers, or that the Board will decide to proceed with the Conversion and, if so, upon which terms and conditions.

While the process to open-end the Funds was commenced, the continuously evolving developments in Puerto Rico's fiscal and economic condition and the ongoing restructuring of Puerto Rico's debt, as well as the overall uncertainty in the market for Puerto Rico fixed income securities and for shares of the Funds' Common Stock, present challenges that make it impossible to determine whether or when the Conversion might occur. If the Board decides to proceed with the Conversion, the process would be effected in accordance with the requirements of Regulation 8470 issued by the OCFI, and further information about the Conversion would be included in a proxy statement/prospectus which would be mailed to stockholders. Because such proxy statement/prospectus will contain important information, including a more detailed description of what the Conversion entails, stockholders are urged to read them carefully if and when they become available.

This is not an offer, or a solicitation of an offer, to buy or sell any securities of a Fund.

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1 Each Fund is a non-diversified, closed-end management investment company registered under the Puerto Rico Investment Companies Act of 1954, as amended. Securities issued by a Fund may be purchased or otherwise transferred only to individuals who are residents of Puerto Rico and to entities whose principal office and principal place of business are located in Puerto Rico. A Fund's yield and net asset value (NAV) and the market price of the Fund's shares of common stock may fluctuate and will be determined by such factors as relative demand for and supply of the shares in the market, as well as general market, political, and economic conditions and other factors beyond the control of a Fund. A Fund's investment concentration in Puerto Rico securities makes it more susceptible to risk factors affecting those securities than an investment company invested across a broader geographical range. The shares trade at market price, which may be at a discount or premium to NAV, and no assurance can be given as to their liquidity or trading market.