

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**FOURTH SUPPLEMENTAL VERIFIED STATEMENT
OF THE AD HOC GROUP OF GENERAL OBLIGATION
BONDHOLDERS PURSUANT TO BANKRUPTCY RULE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), made applicable to these Title III cases by Section 310 of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), 48 U.S.C. § 2170, and in accordance with the *Fifth Amended Notice, Case Management and Administrative Procedures* [ECF No. 3730-1] (the “Amended Case Management Procedures”), this fourth supplemental verified statement (this “Fourth Supplemental Statement”) is submitted by certain holders (the “Ad Hoc Group of General Obligation Bondholders”)² of bonds issued or guaranteed by the Commonwealth of Puerto Rico (the “General Obligation Bonds”).

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III Case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“PRHTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III Case numbers are listed as bankruptcy case numbers due to software limitations).

² The Ad Hoc Group of General Obligation Bondholders consists of: (i) Aurelius Capital Management, LP, on behalf of its managed entities (“Aurelius”); (ii) Autonomy Capital (Jersey) LP, on behalf of certain of its

In support of this Fourth Supplemental Statement, the Ad Hoc Group of General Obligation Bondholders respectfully states as follows:

1. In or around July 2015, certain members of the Ad Hoc Group of General Obligation Bondholders engaged Paul, Weiss, Rifkind, Wharton & Garrison LLP (“Paul, Weiss”) and Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP (“Robbins, Russell”) to represent their interests as holders of General Obligation Bonds. From time to time thereafter, certain additional holders of General Obligation Bonds have joined and certain other holders have departed the Ad Hoc Group of General Obligation Bondholders. In October 2016, the Ad Hoc Group of General Obligation Bondholders retained Jiménez, Graffam & Lausell, as its Puerto Rico counsel (together with Paul, Weiss and Robbins, Russell, “Counsel”).

2. On July 13, 2017, Counsel submitted the *Verified Statement of the Ad Hoc Group of General Obligation Bondholders Pursuant to Bankruptcy Rule 2019* [ECF No. 630]. On November 3, 2017, Counsel submitted the *First Supplemental Verified Statement of the Ad Hoc Group of General Obligation Bondholders Pursuant to Bankruptcy Rule 2019* [ECF No. 1625]. On June 21, 2018, Counsel submitted the *Second Supplemental Verified Statement of the Ad Hoc Group of General Obligation Bondholders Pursuant to Bankruptcy Rule 2019* [ECF No. 3336]. On August 9, 2018, Counsel submitted the *Third Supplemental Verified Statement of the Ad Hoc Group of General Obligation Bondholders Pursuant to Bankruptcy Rule 2019* [ECF No. 3757]. On August 10, 2018, Counsel submitted the *Corrected Third Supplemental Verified Statement of the Ad Hoc Group of General Obligation Bondholders Pursuant to Bankruptcy Rule 2019* [ECF No. 3761].

affiliated investment funds (“Autonomy”); and (iii) Monarch Alternative Capital LP, on behalf of certain of the funds and accounts it manages (“Monarch”). The Ad Hoc Group of General Obligation Bondholders does not assume any fiduciary or other duties to any other creditor or person.

3. In accordance with the Amended Case Management Procedures, Counsel submits this Fourth Supplemental Statement to update the disclosable economic interests that are currently held by the Ad Hoc Group of General Obligation Bondholders in relation to the Debtors. The information set forth herein (including Exhibit A attached hereto) is based on information provided to Counsel by the Ad Hoc Group of General Obligation Bondholders and is intended only to comply with Bankruptcy Rule 2019 and the Amended Case Management Procedures.

4. The members of the Ad Hoc Group of General Obligation Bondholders hold disclosable economic interests, or act as investment advisors or managers to funds, entities and/or accounts or their respective affiliates that hold disclosable economic interests in relation to the Debtors. The names and addresses of each of the members of the Ad Hoc Group of General Obligation Bondholders, together with the nature and amount of each disclosable economic interest held by each of them in relation to the Debtors are set forth on Exhibit A attached hereto.³

5. As of the date of this Fourth Supplemental Statement, Counsel only represents the Ad Hoc Group of General Obligation Bondholders in respect of its members' General Obligation Bonds.⁴ In addition, each member of the Ad Hoc Group of General Obligation Bondholders (a) does not assume any fiduciary or other duties to any other creditor or

³ Individuals associated with members of the Ad Hoc Group of General Obligation Bondholders may own debt of the Debtors in their individual capacities, but Counsel does not represent such individuals in such capacities.

⁴ On or around August 20, 2018, Counsel started representing Aurelius and Monarch, in their capacity as holders of COFINA bonds, solely in connection with the negotiation and documentation of the *Amended and Restated Plan Support Agreement*, dated as of September 21, 2018, by and among the Oversight Board, AAFAF, COFINA, the PSA Creditors and Bonistas del Patio [ECF No. 4068; Ex. B] (along with the related term sheet, the "A&R PSA"), as well as the Plan, Disclosure Statement, and Settlement Motion (as such terms are defined in the A&R PSA).

person and (b) does not purport to act, represent or speak on behalf of any other entities in connection with the Debtors' Title III Cases.

6. Nothing contained in this Fourth Supplemental Statement (or Exhibit A hereto) is intended to or should be construed to constitute (a) a waiver or release of any claims filed or to be filed against or interests in the Debtors held by any member of the Ad Hoc Group of General Obligation Bondholders, its affiliates or any other entity, or (b) an admission with respect to any fact or legal theory. Nothing in this Fourth Supplemental Statement (or Exhibit A hereto) should be construed as a limitation upon, or waiver of, any rights of any member of the Ad Hoc Group of General Obligation Bondholders to assert, file and/or amend any proof of claim in accordance with applicable law and any orders entered in these cases.

7. Additional holders of General Obligation Bonds may become members of the Ad Hoc Group of General Obligation Bondholders, and certain members of the Ad Hoc Group of General Obligation Bondholders may cease to be members in the future. Counsel reserves the right to further amend or supplement this Fourth Supplemental Statement as necessary for that or any other reason in accordance with Bankruptcy Rule 2019.

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8. The undersigned verify that the foregoing is true and correct to the best of their knowledge.

Dated: San Juan, Puerto Rico
October 19, 2018

**PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP**

/s/ Andrew N. Rosenberg
Andrew N. Rosenberg (*pro hac vice*)
Richard A. Rosen (*pro hac vice*)
Walter Rieman (*pro hac vice*)
Kyle J. Kimpler (*pro hac vice*)
Karen R. Zeituni (*pro hac vice*)
1285 Avenue of the Americas
New York, NY 10019
Telephone: (212) 373-3000
Facsimile: (212) 757-3990
E-Mail: arosenberg@paulweiss.com

**ROBBINS, RUSSELL, ENGLERT, ORSECK,
UNTEREINER & SAUBER LLP**

/s/ Mark T Stancil
Lawrence S. Robbins (*admitted pro hac vice*)
Mark T. Stancil (*admitted pro hac vice*)
Gary A. Orseck (*admitted pro hac vice*)
Kathryn S. Zecca (*admitted pro hac vice*)
Ariel N. Lavinbuk (*admitted pro hac vice*)
Donald Burke (*admitted pro hac vice*)
1801 K Street, NW
Washington, D.C. 20006
Telephone: (202) 775-4500
Facsimile: (202) 775-4510
E-Mail: mstancil@robbinsrussell.com

JIMÉNEZ, GRAFFAM & LAUSELL

/s/ Ramón Rivera Morales
J. Ramón Rivera Morales
USDC-PR Bar No. 200701
PO Box 366104
San Juan, PR 00936-6104
Telephone: (787) 767-1030
Facsimile: (787) 751-4068
E-Mail: rrivera@jgl.com

Counsel to the Ad Hoc Group of General Obligation Bondholders

EXHIBIT A

Names, Addresses and Disclosable Economic Interests of the Members of the Ad Hoc Group of General Obligation Bondholders¹

Name of Creditor ²	Address	Nature and Amount of Disclosable Economic Interest
Aurelius Capital Management, LP	535 Madison Avenue New York, NY 10022	<ul style="list-style-type: none"> • \$353,615,495 in General Obligation Bonds • \$63,491,533 in General Obligation Bonds (insured by monoline insurer)³ • \$19,061,450 in PRHTA Bonds (insured by monoline insurer)³ • \$51,295,000 in COFINA Senior Bonds⁴ • \$192,850,000 in COFINA Subordinated Bonds⁴
Monarch Alternative Capital LP	535 Madison Avenue 26 th Floor New York, NY 10022	<ul style="list-style-type: none"> • \$340,717,143 in General Obligation Bonds • \$34,595,000 in General Obligation Bonds (insured by monoline insurer)³ • \$56,244,250 in PRHTA Bonds (insured by monoline insurer)³ • \$133,235,047 in COFINA Senior Bonds⁴ • \$262,880,770 in COFINA Subordinated Bonds⁴

¹ To the best of Counsel’s knowledge, the information included herein is accurate as of October 17, 2018. The amounts set forth herein include only outstanding principal and do not include overdue interest, interest on overdue interest and principal, and accrued interest or other amounts that may be owing under the applicable debt documents and laws. The amounts set forth herein include any disclosable economic interests that were sold, but had not yet settled, as of October 17, 2018. The amounts set forth herein do not include any disclosable economic interests that were bought, but had not yet settled, as of October 17, 2018.

² Each entity on this Exhibit A holds disclosable economic interests, or acts as investment advisor or manager to funds, entities and/or accounts or their respective subsidiaries that hold disclosable economic interests, in relation to the Debtors.

³ The amounts set forth herein reflect payments made by the monoline insurer on account of such bonds.

⁴ As was disclosed in the A&R PSA, Aurelius Capital Master, Ltd. (an affiliate of Aurelius Capital Management, LP) and Six PRC Investments LLC (an affiliate of Monarch Alternative Capital LP) are PSA Creditors (as defined in the A&R PSA). In accordance with the terms set forth in the A&R PSA, each PSA Creditor shall receive, based upon such entity’s respective COFINA bond holdings as of August 7, 2018, certain consummation costs in cash on the effective date of the plan of adjustment for COFINA.

Autonomy Capital (Jersey) LP	7-9 Conway Street Conway House, 2 nd Floor Saint Helier, Jersey JE2 3NT	<ul style="list-style-type: none"> • \$1,028,703,000 in General Obligation Bonds⁵
TOTAL		<ul style="list-style-type: none"> • \$1,723,035,638 in General Obligation Bonds • \$98,086,533 in General Obligation Bonds (insured by monoline insurer)³ • \$75,305,700 in PRHTA Bonds (insured by monoline insurer)³ • \$184,530,047 in COFINA Senior Bonds • \$455,730,770 in COFINA Subordinated Bonds

⁵ Autonomy is not a holder of COFINA bonds. As was disclosed in the *Commonwealth of Puerto Rico’s Motion Pursuant to Bankruptcy Rule 9019 for Order Approving Settlement Between the Commonwealth of Puerto Rico and Puerto Rico Sales Tax Financing Corporation* [ECF No. 4067] (the “Settlement Motion”), in late August 2018, certain holders of COFINA bonds reached out to Autonomy requesting that Autonomy participate in the mediation regarding the plan of adjustment for COFINA and the Original Plan Support Agreement, and, specifically, that Autonomy evidence its decision not to object to settlement of the Commonwealth-COFINA Dispute or confirmation of the plan of adjustment for COFINA. Although not a holder of COFINA bonds, Autonomy entered into that certain Plan Support Agreement Letter (the “PSA Letter”), dated as of September 21, 2018 by and between Autonomy, Aurelius Capital Master, Ltd., and Six PRC Investments LLC, on the one hand, and COFINA, AAFAF and the Oversight Board, on the other hand, pursuant to which, Autonomy agreed (i) not to object to the Settlement Motion or to confirmation of the plan of adjustment for COFINA, (ii) to instruct its counsel to state at the hearing for approval of the Settlement Motion and at the hearing for confirmation of the plan of adjustment for COFINA that Autonomy does not object to approval of the Settlement Motion and the confirmation of the plan of adjustment for COFINA, and (iii) to be bound by certain provisions of the A&R PSA. The terms of the PSA Letter, which included a mutual exchange of consideration, were negotiated in good faith by the parties as part of the larger mediation supervised by Chief Bankruptcy Judge Houser. Capitalized terms used but not otherwise defined in this footnote shall have the meanings set forth in the Settlement Motion.

