

UNITED STATES DISTRICT COURT
FOR THE 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

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Puerto Rico Electric Power Authority,

Debtor.

PROMESA
Title III

No. 17 BK 4780-LTS

**Court Filing Relates Only to
PREPA and Shall Only be Filed
in Case No. 17 BK 4780-LTS and
Main Docket 17 BK 3283-LTS**

**TWELFTH SUPPLEMENTAL VERIFIED STATEMENT OF
THE AD HOC GROUP OF PREPA BONDHOLDERS PURSUANT
TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (“**Bankruptcy Rule 2019**”), and the *Order Further Amending Case Management Procedures* (the “**Case Management Order**”) [Case No. 17-3283, Dkt. No. 13383], this supplemental verified statement (the “**Twelfth Supplemental Statement**”) is submitted by certain holders (the “**Ad Hoc Group of PREPA Bondholders**” or the “**Ad Hoc Group**”) of Power Revenue Bonds and Power

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 (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 (“HTA”) (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); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Revenue Refunding Bonds (collectively, the “**Bonds**”) issued by the Puerto Rico Electric Power Authority (“**PREPA**”) under a trust agreement between PREPA and U.S. Bank National Association, as successor trustee, dated January 1, 1974, as amended and supplemented, in connection with the case (“**PREPA Title III Case**”) commenced by the above-captioned debtor on July 2, 2017 under Title III of PROMESA.

In support of the Twelfth Supplemental Statement, the Ad Hoc Group respectfully states as follows:

1. As of the date of this Twelfth Supplemental Statement, in this Title III Case, the undersigned represent the Ad Hoc Group (each holder in the Ad Hoc Group, a “**Member**”).
2. On or about June 26 and June 27, 2014, certain funds managed or advised by OppenheimerFunds, Inc. (“**Oppenheimer**”) and Franklin Advisers, Inc. (“**Franklin**”) retained Kramer Levin Naftalis & Frankel LLP (“**Kramer Levin**”) to challenge as unconstitutional the recently passed and soon to be enacted Puerto Rico Debt Enforcement and Recovery Act. Over the course of the next two months, certain holders of Bonds, including Franklin and Oppenheimer, contacted and then engaged Kramer Levin to represent a group of holders in connection with a potential restructuring of the Bonds. From time to time thereafter, certain additional holders of the Bonds have joined the Ad Hoc Group.
3. On August 2, 2017, counsel to the Ad Hoc Group submitted the *Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Bankruptcy Rule 2019* [Case No. 17-4780, Dkt. No. 164]. On November 7, 2017, counsel to the Ad Hoc Group submitted the *First Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 407]. On December 13, 2017, counsel to the Ad Hoc Group submitted the *Second Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 490]. On February 6, 2018, counsel to the Ad Hoc Group

submitted the *Third Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 633]. On August 15, 2018, counsel to the Ad Hoc Group submitted corrected versions of the Verified Statement, the Second Supplemental Verified Statement and the Third Supplemental Verified Statement [Case No. 17-4780, Dkt. Nos. 939, 941 and 940, respectively]. On September 11, 2018, counsel to the Ad Hoc Group submitted the *Fourth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 959]. On November 29, 2018, counsel to the Ad Hoc Group submitted the *Fifth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1037]. On May 10, 2019, counsel to the Ad Hoc Group submitted the *Sixth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1237]. On August 23, 2019, counsel to the Ad Hoc Group Submitted the *Seventh Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1610]. On November 13, 2019, counsel to the Ad Hoc Group submitted the *Eighth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1735]. On November 27, 2019, counsel to the Ad Hoc Group submitted the *Ninth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1789]. On January 21, 2020, counsel to the Ad Hoc Group submitted the *Tenth Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1871]. On March 3, 2020, counsel to the Ad Hoc Group submitted the *Eleventh Supplemental Verified Statement of the Ad Hoc Group of PREPA Bondholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Case No. 17-4780, Dkt. No. 1926].

4. Counsel to the Ad Hoc Group submits this Twelfth Supplemental Verified Statement in accordance with the Twelfth Amended Notice, Case Management and Administrative Procedures (the “**Case Management Procedures**”), which are attached to the Case Management Order, to update the disclosable economic interests currently held by Members of the Ad Hoc Group and to restate prior supplemental verified statements.

5. The Members of the Ad Hoc Group hold, or are the investment advisors or managers of funds or accounts that hold, approximately \$3.3 billion in aggregate principal amount of the uninsured Bonds, and approximately \$189.5 million in aggregate principal amount of the insured Bonds, both as of June 24, 2020. In accordance with Section IV(B) of the Case Management Procedures, the address and nature and amount of all disclosable economic interests for each Member as of January 14, 2019 and June 24, 2020 are set forth in Exhibit A. The information contained in Exhibit A is based upon information provided by the Members to Kramer Levin and is subject to change.

6. In accordance with the Case Management Procedures, the Ad Hoc Group restates certain previously submitted supplemental verified statements, which statements are attached as Exhibit B. The information contained in Exhibit B is based upon information provided by the Members to Kramer Levin.

7. As of the date of this Twelfth Supplemental Statement, the undersigned represent only the Ad Hoc Group in connection with the PREPA Title III Case and does not represent or purport to represent any other entities with respect to PREPA’s Title III Case.² In addition, each Member of the Ad Hoc Group (a) does not assume any fiduciary or other duties to

² The undersigned also represent certain entities, including certain Members and still other non-Members, in connection with debt issued by the Commonwealth of Puerto Rico and its instrumentalities, including issuers that are debtors under PROMESA Title III cases pending in this Court. The undersigned do not represent such non-Members in connection with this Title III Case and those non-Members do not hold Bonds or disclosable economic interests relating to PREPA.

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

8. Nothing contained in this Twelfth 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 PREPA held by any Member, its affiliates or any other entity, or (b) an admission with respect to any fact or legal theory. Nothing herein should be construed as a limitation upon, or waiver of, any rights of any Member to assert, file and/or amend any proof of claim in accordance with applicable law and any orders entered in these cases.

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

10. The undersigned reserve the right to amend or supplement this Twelfth Supplemental Statement.

I HEREBY CERTIFY that I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will notify case participants.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, July 3, 2020.

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