

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

THE GOVERNMENT DEVELOPMENT BANK
FOR PUERTO RICO,

Applicant.

PROMESA
Title VI

Case No. 18-1561

**URGENT MOTION FOR ENTRY OF AN ORDER SETTING THE DEADLINE FOR
(I) PARTIES TO FILE A NOTICE OF INTENTION TO OBJECT TO THE
QUALIFYING MODIFICATION FOR THE GOVERNMENT DEVELOPMENT BANK
FOR PUERTO RICO AND (II) PARTIES TO FILE STANDING OBJECTIONS**

The Government Development Bank for Puerto Rico (the “**GDB**”) and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“**AAFAF**”) hereby submit this urgent motion (the “**Urgent Motion**”) for entry of an order, substantially in the form attached hereto as Exhibit A (the “**Proposed Order**”), (i) setting August 20, 2018 as the deadline (the “**Notice of Intention to Object Deadline**”) for parties to file a notice of intention to object (each, a “**Notice of Intention to Object**”) to the Qualifying Modification for GDB (the “**Qualifying Modification**”) and (ii) setting August 30, 2018 as the deadline (the “**Standing Objection Deadline**”) for filing any objections related to the standing of a party to object to the Qualifying Modification (each a “**Standing Objection**”). This Urgent Motion is made in furtherance of two other related pleadings filed contemporaneously herewith: (1) the *Application of the Government Development Bank for Puerto Rico and the Fiscal Agency and Financial Advisory Authority for Puerto Rico, Pursuant to Section 601(m)(1)(D) of the Puerto Rico Oversight, Management, and Economic Stability Act, for Approval of Qualifying Modification* (the “**Approval Application**”); and (2) the *Motion for an Order Approving Procedures and Setting a Schedule for Approval of*

the Qualifying Modification for the Government Development Bank for Puerto Rico (the “**Procedures Motion**”).¹ In support of this Urgent Motion, GDB and AAFAF state as follows:

PRELIMINARY STATEMENT

1. Contemporaneously with the filing of this Urgent Motion, GDB commenced an action under PROMESA Title VI (the “**Title VI Action**”) by filing the Approval Application, seeking Court approval of the Qualifying Modification pursuant to PROMESA section 601(m)(1)(D). But because Title VI itself does not specify clear procedures with respect to the process for the Court to consider, and parties to be heard in connection with, the Qualifying Modification’s approval, GDB and AAFAF also filed the Procedures Motion, which outlines a proposed process and schedule for the GDB Title VI Action.

2. Under the Procedures Motion’s proposed schedule, there would be a hearing on September 7, 2018 to approve the overall Title VI Action process and schedule (the “**Procedures Hearing**”). But the Procedures Motion also contemplates that critical pieces of the Title VI Action process—the Notice of Intention to Object Deadline and Standing Objection Deadline—would occur before the Procedures Hearing. Thus, GDB and AAFAF have filed this Urgent Motion seeking an order making the Notice of Intention to Object Deadline and Standing Objection Deadline binding and effective on all potential objectors and other parties in advance of the Court’s consideration of the remaining relief sought by the Procedures Motion.

3. The reason for setting a prompt deadline for parties to declare an intention to object to the Qualifying Modification’s approval, and to explain the basis for any objection, is that GDB and AAFAF anticipate that, in assessing objections (if any) to the Qualifying Modification, the putative objector’s standing will be an important threshold issue. It is thus

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Procedures Motion.

essential, and in the interest of judicial economy, for this issue to be determined on an expedited basis at the outset of the Title VI Action. By setting the Notice of Intention to Object Deadline for August 20, 2018—ten days after the commencement of the Title VI Action—GDB and AAFAF will be in a position to promptly assess and, if necessary, object to a putative objector’s standing, and a hearing on this issue can be held in early October 2018. By adjudicating any standing disputes at a separate hearing, GDB and AAFAF believe that they will be able to significantly streamline the issues in dispute at the final hearing to consider the Qualifying Modification’s approval.

JURISDICTION

4. Concurrently herewith, GDB and AAFAF filed the Approval Application pursuant to section 601(m)(1)(D) of PROMESA, thereby commencing an action under PROMESA Title VI pursuant to District of Puerto Rico Local Civil Rule 3.1. Accordingly, the Court has subject matter jurisdiction over this matter pursuant to PROMESA sections 106(a) and 601 and Local Civil Rule 3.1.

RELIEF REQUESTED

5. By this Motion, GDB and AAFAF respectfully request the immediate entry of the Proposed Order establishing (i) the Notice of Intention to Object Deadline and (ii) the Standing Objection Deadline.

BASIS FOR RELIEF

6. GDB and AAFAF have proposed the scheduling of the Procedures Hearing for September 7, 2018. In order for the Notice of Intention to Object Deadline to be binding and effective on all parties and, in turn, for GDB and AAFAF to promptly assess and raise any standing issues at the outset of this Title VI Action, GDB and AAFAF need the Court to

establish the Notice of Intention to Object Deadline and Standing Objection Deadline in advance of the Procedures Hearing.

7. The proposed Notice of Intention to Object Deadline is ten days from the filing of the Approval Application and thus provides parties with sufficient time to review the Qualifying Modification and make a preliminary determination as to whether to object. Moreover, the Restructuring Support Agreement governing the Qualifying Modification, along with several amendments thereto, have been publicly disclosed at various times over the past fifteen months, and thus the key terms of the Qualifying Modification have been widely known to all potential objectors for a significant amount of time.

8. By setting the Notice of Intention to Object early in this action, GDB and AAFAF (and any other interested party) will be in a position to promptly assess whether each putative objector has standing to object to the Qualifying Modification and file any Standing Objections by the Standing Objection Deadline. Each of these steps must occur in accordance with the schedule proposed in the Procedures Motion for the standing issue to be addressed before the hearing on the Approval Application.

NOTICE

9. GDB and AAFAF will provide notice of this Urgent Motion by facsimile, e-mail, overnight delivery, or hand delivery to: (i) counsel to the Ad Hoc Group; (ii) counsel to the Oversight Board; (iii) counsel to Siemens Transportation Partnership Puerto Rico, S.E; (iv) counsel to the Unsecured Creditors' Committee; (v) counsel to the Municipality of San Juan; and (vi) counsel to the Ad Hoc Group of General Obligation Bondholders.

NO PRIOR MOTION

10. GDB and AAFAF have not made any prior motion for the relief sought in this Motion to this or any other Court.

CONCLUSION

For the reasons set forth above, GDB and AAFAF respectfully request that this Court approve the Notice of Intention to Object Deadline and Standing Objection Deadline by entering the Proposed Order and granting such other and further relief as is just and proper.

Dated: August 10, 2018
San Juan, Puerto Rico

Respectfully submitted,

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Exhibit A

Proposed Order

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

THE GOVERNMENT DEVELOPMENT BANK
FOR PUERTO RICO,

Movant.

PROMESA

Title VI

Case No. 18-1561

ORDER SETTING THE DEADLINE FOR (I) PARTIES TO FILE A NOTICE OF INTENTION TO OBJECT TO THE QUALIFYING MODIFICATION FOR THE GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO AND (II) PARTIES TO FILE STANDING OBJECTIONS

Upon the urgent motion (the “**Urgent Motion**”)¹ of GDB and AAFAF for entry of an order (i) setting the deadline for parties to file a notice of intention to object to the Qualifying Modification (the “**Notice of Intention to Object Deadline**”) and (ii) setting the deadline for parties to file Standing Objections (the “**Standing Objection Deadline**”), and the Court having determined the legal and factual basis set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. This Urgent Motion is granted as set forth herein.
2. The Notice of Intention to Object Deadline is August 20, 2018.
3. The Standing Objection Deadline is August 30, 2018.
4. Any Notice of Intention to Object must: (i) be in writing; (ii) conform to the applicable Local Rules for the United States District Court of Puerto Rico (the “**Local Rules**”) and PROMESA; (iii) set forth the name of the objecting party, the basis for the objection, and the specific ground thereof; and (iv) be filed with the Court, together with proof of service. In

¹ Capitalized terms used by not defined herein shall have the meanings used in the Urgent Motion.

addition to being filed with the Court, any such notices must be served on the following parties so as to be received by **5:00 p.m. (prevailing Eastern Time) on August 20, 2018**, the Notice of Intention to Object Deadline: (a) GDB, Minillas Government Center, Avenida de Diego, Parada 22, San Juan, PR 00907 (Attn: Belén Fornaris Alfaro); (b) AAFAF, Minillas Government Center, Avenida de Diego, Parada 22, San Juan, PR 00907 (Attn: Mohammad Yassin Mahmud); and (c) O'Melveny & Myers LLP, Times Square Tower, Seven Times Square, New York, NY 10036 (Attn: John J. Rapisardi, Esq., Suzanne Uhland, Esq., and Peter Friedman, Esq.).

5. Any Standing Objection must: (i) be in writing; (ii) conform to the applicable Local Rules and PROMESA; (iii) set forth the name of the objecting party, the basis for the objection, and the specific ground thereof; and (iv) be filed with the Court, together with proof of service. In addition to being filed with the Court, any such notices must be served on the following parties so as to be received by **5:00 p.m. (prevailing Eastern Time) on August 30, 2018**, the Standing Objection Deadline: (a) GDB, Minillas Government Center, Avenida de Diego, Parada 22, San Juan, PR 00907 (Attn: Belén Fornaris Alfaro); (b) AAFAF, Minillas Government Center, Avenida de Diego, Parada 22, San Juan, PR 00907 (Attn: Mohammad Yassin Mahmud); (c) O'Melveny & Myers LLP, Times Square Tower, Seven Times Square, New York, NY 10036 (Attn: John J. Rapisardi, Esq., Suzanne Uhland, Esq., and Peter Friedman, Esq.); and (d) the party that is the subject of the Standing Objection.

6. Absent leave from the Court for good cause shown, only those parties that timely filed a Notice of Intention to Object by the Notice of Intention to Object Deadline shall be permitted to file a preliminary or supplemental objection.

7. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

SO ORDERED.

Dated: _____, 2018

Laura Taylor Swain
United States District Judge