

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

THE GOVERNMENT DEVELOPMENT BANK
FOR PUERTO RICO,

Applicant.

PROMESA
Title VI

Case No. 18-01561

**GDB AND AAFAF’S STANDING OBJECTION, RESERVING THEIR RIGHTS TO
OBJECT TO CERTAIN PARTIES’ NOTICES OF INTENTION TO OBJECT TO THE
APPROVAL APPLICATION**

The Government Development Bank for Puerto Rico (the “**GDB**”) and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“**AAFAF**”) hereby submit this standing objection (the “**Standing Objection**”), reserving GDB and AAFAF’s rights to object to each of the Notices of Intention to Object filed, respectively, by (i) the United States of America, (ii) the Bank of New York Mellon, (iii) Ambac Assurance Corporation, Assured Guaranty Corp. and Assured Guaranty Municipal Corp., (iv) the National Public Finance Guarantee Corp., and (v) Adsuar Muñoz Goyco Seda & Pérez-Ochoa, PSC (the “**Parties**”), in response to 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**”). In support of this Standing Objection, GDB and AAFAF state as follows:

1. On August 10, 2018, GDB commenced this 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). [ECF No. 1.]

2. In connection with the Title VI Action, on August 10, 2018, GDB and AAFAF filed an urgent motion (the “**Emergency Motion**”) [ECF No. 3] to set the deadline for parties to file notices of intention to object to the Qualifying Modification (the “**Notice of Intention to Object Deadline**”) and for parties to file standing objections (the “**Standing Objection Deadline**”). The reason for setting a prompt deadline for parties to declare an intention to object to the Qualifying Modification and to explain the basis for any objection by filing a “Notice of Intention to Object,” is that GDB and AAFAF believe that objector standing is a gating issue that should be determined on an expedited basis. Determining the pool of parties with proper standing to object at the outset of the Title VI Action will enable GDB and AAFAF to significantly streamline the issues in dispute at the final hearing on the Qualifying Modification’s approval, thereby promoting efficiency and judicial economy.

3. The Court granted the Emergency Motion on August 10, 2018, setting the Notice of Intention to Object Deadline for August 20, 2018, and the Standing Objection Deadline for August 30, 2018. [ECF No. 7.]

4. On August 20, 2018, the Parties each filed a Notice of Intention to Object. [See ECF Nos. 8, 14, 15, 22.] Each of the Parties’ Notices of Intention to Object consisted of “reservations of rights to object,” rather than actual objections.

5. Since each of the Parties did not submit Notices of Intention to Object stating they actually intended to object, but instead merely reserved their rights with respect to their potential objections, it is neither appropriate nor required for GDB and AAFAF to submit Standing Objections with respect to the Parties at this juncture.

6. However, in an abundance of caution, in light of the Parties’ reservations of rights to later submit actual objections in accordance with the approved timeline, GDB and AAFAF

hereby submit this Standing Objection to likewise reserve GDB and AAFAF's rights to challenge the standing of any of the Parties to object to the Approval Application in the event that one or more of them ultimately asserts an objection.

Dated: August 30, 2018
San Juan, Puerto Rico

Respectfully submitted,

/s/ María D. Trelles Hernández

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