

March 30, 2017

José B. Carrión III
Andrew G. Biggs
Carlos M. García
Arthur J. González
José R. González
Ana J. Matosantos
David A. Skeel, Jr.
Elías Sánchez

Dear Chairman Carrión and Members of the Oversight Board:

The undersigned creditors, collectively holding or insuring approximately \$13 billion of bonds issued or guaranteed by the Commonwealth of Puerto Rico or by COFINA, have repeatedly sought to commence negotiations with Puerto Rico and the Oversight Board.

As many of us have informed you, we have fundamental issues with and questions regarding the March 13 Fiscal Plan's underlying assumptions. We also are concerned by the fact that the Fiscal Plan was constructed without respecting the various legal rights of Puerto Rico's financial creditors, among other things.

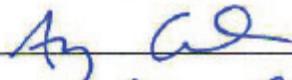
It would appear from your letter last Thursday that you intend to require mediation as the vehicle for creditor participation in restructuring negotiations with Puerto Rico and the Oversight Board, and that mediation will occur as early as next week. Even if some of the undersigned creditors were willing to agree to mediation or use of a third party to facilitate negotiations, as you know, and as we have informed you by separate letters, a mediator and mediation procedures need to be agreed upon by all of the participating parties. These discussions to set the ground rules for successful mediations typically take weeks in the simplest of litigations and could be more complex in the context of resolving intercreditor and restructuring issues among multiple parties. All of the undersigned creditors agree that the Oversight Board and Puerto Rico should commence negotiations with its substantial creditors next week, and that spending time on mediators or mediation procedures will only result in material delay to any negotiation to the detriment of all parties.

Although the creditors have their own independent views and beliefs, we are united in the positions expressed in this letter and have all agreed not to participate in a mediation that lacks basic process.

We look forward to Puerto Rico and the Oversight Board making themselves available for these constructive negotiations. As we have clients that need to travel and make other business arrangements, and as your letter indicated that you intend to commence these negotiations in as little as 2 business days, we would appreciate you letting us know a time and place, and suggested procedures for confidentiality requirements as soon as possible. We are prepared to begin negotiations on Monday, April 3, and can host at Kramer Levin's offices or another convenient location.

Kramer Levin Naftalis & Frankel LLP

as counsel to and on behalf of
certain funds managed by Franklin Advisers Inc.,
certain funds managed by Oppenheimer Funds, Inc., and
certain funds managed by Santander Asset Management, LLC

By: 
Name: Amy Caton
Title: Partner

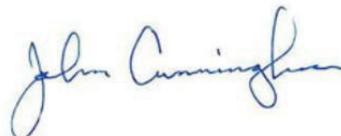
Weil Gotshal & Manges LLP

as counsel to and on behalf of
National Public Finance Guarantee Corporation

By: 
Name: Marcia Goldstein
Title: Partner

White & Case LLP

as counsel to and on behalf of
the Puerto Rico Funds

By: 
Name: John K. Cunningham
Title: Partner

McDermott Will & Emery LLP

as counsel to and on behalf of
certain funds managed by Goldman Sachs Asset Management

By:  _____

Name: WILLIAM P. SMITH

Title: Partner

Debevoise & Plimpton LLP

as counsel to and on behalf of
Syncora Guarantee Inc.

By:  _____

Name: My Chi To

Title: Partner

Paul, Weiss, Rifkind, Wharton & Garrison LLP

as counsel to and on behalf of
the Ad Hoc Group of Puerto Rico General Obligation
Bondholders

By:  _____

Name: Andrew N. Rosenberg

Title: Partner

Butler Snow LLP

as counsel to and on behalf of
Financial Guaranty Insurance Company

By: _____

Name: _____

MARTIN A. SOSKALD

Title: _____