



Financial Oversight and Management Board for Puerto Rico

PRESS RELEASE

For Immediate Release

OVERSIGHT BOARD ISSUES REQUEST FOR PROPOSAL FOR INDEPENDENT INVESTIGATION TEAM

Selected team to carry out investigation into Puerto Rico's debt and its connection to current fiscal crisis; will report to Oversight Board's Special Investigation Committee

(San Juan, PR – August 16, 2017) – The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) created under the bipartisan Puerto Rico Oversight, Management and Economic Stability Act (“PROMESA”) issued today a request for proposals (“RFP”) from parties interested to be retained as an independent investigation team to carry out an investigation into Puerto Rico’s debt and its connection to the current fiscal crisis.

The scope of work should include (i) a review of the factors contributing to Puerto Rico’s fiscal crisis, including changes in the economy, expansion of spending commitments and entitlement programs, changes in the federal funding it receives, and its reliance on debt to finance a structural budget deficit; (ii) a review of Puerto Rico’s debt, the general use of proceeds, the relationship between the debt and Puerto Rico’s structural budget deficit, the range of its debt instruments, and how Puerto Rico’s debt practices compare to the debt practices of states and large municipal jurisdictions; and (iii) a review of Puerto Rico’s debt issuance, disclosure, and selling practices, including its interpretation of Puerto Rico’s constitutional debt limit.

Proponents will be evaluated and selected based on professional qualifications, competitiveness of their economic proposal, completeness and quality of response to the RFP, relevant experience in conducting investigations, knowledge and experience in securities law, knowledge and experience in the municipal bond market, knowledge of government budgeting and fiscal management and ability to commence work immediately.

The inability to satisfy all the aforementioned areas will not necessarily disqualify a proposal.

The independent investigation team will report to the Oversight Board's Special Investigation Committee, composed of Members Ana Matosantos, David Skeel and Arthur González.

Notwithstanding an earlier announcement that he would participate, Mr. Carrión has decided to step down from the Special Investigation Committee given his family's ties to Banco Popular. While Mr. Carrión does not work for or own any stock of Banco Popular, he nevertheless decided that it was in the best interests of the investigation for him to eliminate any distractions before the Independent Investigation Team and Special Investigation Committee begin their work.

The investigation's findings will be made public.

The RFP may be downloaded from the Board's website: www.oversightboard.pr.gov under the "DOCUMENTS" section.

The deadline for responses to the RFP from interested parties is 5:00 p.m. on Wednesday, August 23, 2017.

For more details please refer to the Request for Proposals. All inquiries and correspondence regarding this RFP are to be addressed to Jaime A. El Koury, General Counsel of the Oversight Board, at jaime.elkoury@promesa.gov.

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