



Financial Oversight and Management Board for Puerto Rico

PRESS RELEASE

For Immediate Release

OVERSIGHT BOARD STATES TERMS OF GO-COFINA CREDITOR PROPOSAL ARE UNAFFORDABLE, DO NOT ALIGN WITH CERTIFIED FISCAL PLAN

Emphasizes interest in achieving broad-based, consensual restructuring of Puerto Rico's debt

(San Juan, PR – May 14, 2018) – The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) created by Congress under the bipartisan Puerto Rico Oversight, Management and Economic Stability Act (“PROMESA”) said today that the economic terms of the General Obligation-COFINA creditor proposal made public today do not align with the New Fiscal Plan certified on April 19, 2018.

The Board stated that it “remains very interested in achieving a broad-based, consensual restructuring of Puerto Rico’s complex and unaffordable debts and is encouraged that our major creditors, even those with competing claims, are working together towards that same goal. However, the economic terms of this creditor proposal were not crafted with any prior input from either the Oversight Board or the Government and are completely unaffordable.”

In the Board’s view, the proposed terms would create large and recurring structural deficits over the long-run as compared to the long-term primary surpluses projected in the certified New Fiscal Plan, which are highly dependent on the Government’s full implementation of said Fiscal Plan, with no aspect as critical to long-term economic growth as prompt enactment of the proposed labor reform.

“The Board welcomes the opportunity to engage with all of Puerto Rico’s creditors towards a consensual and comprehensive debt restructuring that has economic terms that are affordable, sustainable, and consistent with the certified New Fiscal Plan over both the short and long-term,” added the Board.

###

Contact:

Forculus Strategic Communications

José Luis Cedeño

787-400-9245

jcedeno@forculuspr.com

info@forculuspr.com

Contact (Mainland):

APCO Worldwide

Gabriella Zen

202-778-1056

gzen@apcoworldwide.com

Board’s Contact Information:

E-mail: comments@oversightboard.pr.gov