

**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD  
FOR PUERTO RICO**



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Executive Director

BY ELECTRONIC MAIL

March 12, 2018

The Honorable Ricardo A. Rosselló Nevares  
Governor of Puerto Rico  
La Fortaleza  
P.O. Box 9020082  
San Juan, PR 00902-0082

Dear Governor Rosselló Nevares:

Since its inception, the Financial Oversight and Management Board for Puerto Rico (“FOMB”) has worked with you and the Government of Puerto Rico to carry out its charge under PROMESA: to help Puerto Rico achieve fiscal balance, provide a path for its return to the capital markets, and restore economic growth and opportunity. Unfortunately, this work has proven to be extraordinarily expensive for the people of Puerto Rico. While we understand that complex restructuring proceedings are costly, and that the situation facing Puerto Rico guaranteed that it would be so, there is a structural factor at play that has made the costs excessive.

Pursuant to Section 315(b) of PROMESA, the FOMB is the legal representative of any debtor in the Title III proceedings. To date, that has meant that the FOMB is the legal representative of the Commonwealth of Puerto Rico (the “Commonwealth”) and instrumentalities such as the Puerto Rico Electric Power Authority (“PREPA”) in court. Accordingly, the FOMB has retained counsel and other advisors for such representation.

However, the Commonwealth and its instrumentalities, including PREPA, have retained their own counsel and other advisors for the Title III proceedings, on the grounds that the Commonwealth and its instrumentalities often have divergent interests from those of the FOMB. While the Commonwealth and its instrumentalities are entitled to their own advisors, and the FOMB and you have strived to work cooperatively and collaboratively with such advisors, there has nonetheless been duplicative work as a result of this arrangement, which has led to additional costs.

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As long as this structure remains in place, the FOMB endeavors to find more ways to work more efficiently with the Commonwealth's and its instrumentalities' advisors so as to minimize the amount of duplicative, unnecessary work and therefore reduce fees in the Title III proceedings. We write to urge you to cooperate with us in this endeavor.

Historically, the people of Puerto Rico have suffered from wasteful government spending. The FOMB is doing all that it can to avert such waste as the legal representative of the Commonwealth and its instrumentalities in the Title III proceedings so that the Commonwealth's resources are spent on what matters most: providing for health, education, and safety and promoting economic development.

Sincerely,



José B. Carrión  
Chair

Andrew G. Biggs  
Carlos M. García  
Arthur J. González  
José R. González  
Ana J. Matosantos  
David A. Skeel, Jr.

CC: Christian Sobrino Vega  
Natalie A. Jaresko