



Minutes of Executive Session of Financial Oversight and Management Board for Puerto Rico
Wednesday, April 1, 2020

APPROVAL OF EXECUTION OF SECOND AMENDMENT TO PLAN SUPPORT AGREEMENT FOR THE COMMONWEALTH OF PUERTO RICO (“COMMONWEALTH”), THE PUERTO RICO PUBLIC BUILDINGS AUTHORITY (“PBA”), AND THE EMPLOYEE RETIREMENT SYSTEM OF THE GOVERNMENT OF THE COMMONWEALTH OF PUERTO RICO (“ERS”)

The meeting convened by telephonic conference at 6:00 pm EDT on Wednesday, April 1, 2020. All voting Board members were present, other than Mr. Carlos García and Ms. Ana Matosantos. The members present discussed the following agenda items:

1. Board discussion regarding execution of Second Amendment to Plan Support Agreement for the Commonwealth, PBA, and ERS
2. Consideration of and Vote on Resolution (attached as Exhibit A) to approve execution of Second Amendment to Plan Support Agreement for the Commonwealth, PBA, and ERS

After extensive discussion and deliberations, the members present voted on the Resolution attached hereto as Exhibit A in connection with the Second Amendment to Plan Support Agreement for the Commonwealth, PBA, and ERS. The Resolution was approved by the vote in favor of each of the Board members present.

Exhibit A
Resolution



RESOLUTION ADOPTED ON APRIL 1, 2020

(Approving Execution of Second Amendment to Plan Support Agreement for the Commonwealth, PBA, and ERS)

WHEREAS, on June 30, 2016, the federal Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”) was enacted; and

WHEREAS, Section 101 of PROMESA created the Financial Oversight and Management Board for Puerto Rico (the “Board”); and

WHEREAS, on May 3, 2017, the Board filed a Title III petition (the “Commonwealth Title III Case”) on behalf of the Commonwealth of Puerto Rico (the “Commonwealth”) in the United States District Court for the District of Puerto Rico (the “Title III Court”); and

WHEREAS, on May 21, 2017, the Board filed a Title III petition (the “ERS Title III Case”) on behalf of the Employee Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) in the Title III Court; and

WHEREAS, on September 27, 2019, the Board filed a Title III petition (the “PBA Title III Case” and together with the Commonwealth Title III Case and the ERS Title III Case, the “Title III Cases”) on behalf of the Puerto Rico Public Buildings Authority (“PBA”) in the Title III Court; and

WHEREAS, the Board is the representative of the Commonwealth, ERS, and PBA in their respective Title III Cases pursuant to PROMESA Section 315(b); and

WHEREAS, representatives of the Board, its consultants, and attorneys engaged in extensive discussions with representatives of the Governor of the Commonwealth, certain holders of general obligation bond claims (“GO Bondholders”) and/or holders of bonds guaranteed by the Commonwealth (“CW Guarantee Bondholders”), certain holders of bonds issued by PBA (“PBA Bondholders” and together with the GO Bondholders and CW Guarantee Bondholders, the “PSA Parties”) and other constituencies, to develop a consensus on the terms of a plan of adjustment for the Commonwealth, PBA, and ERS; and

WHEREAS, such discussions resulted in the execution of a plan support agreement (“PSA”) on February 9, 2020 among the Board, as representative of the Commonwealth, ERS, and PBA, and the PSA Parties, which, among other things: (i) resolves certain litigation between the parties; (ii) set forth the terms of securities to be issued pursuant to a plan of adjustment for the Commonwealth, PBA, and ERS; (iii) set forth the agreement of the parties to support

the terms of a plan of adjustment for the Commonwealth, ERS, and PBA consistent with the terms of the PSA; and (vi) provided for additional parties to join the PSA by February 28, 2020;

WHEREAS, on March 13, 2020, the Board, as representative of the Commonwealth, PBA, and ERS, and the PSA Parties entered into an Amendment to the Plan Support Agreement, which provided for the extension of the Joinder Deadline (as defined in the PSA) to March 20, 2020;

WHEREAS, attached hereto as Exhibit A is a proposed Second Amendment to the Plan Support Agreement (the "Second PSA Amendment") to be entered into by and among the Board, as representative of the Commonwealth, PBA, and ERS, and the PSA Parties, which provides for the extension of the period in which a Qualified Marketmaker may retain GO Interests, PBA Interests, or PRIFA BANs (each as defined in the PSA) without a required divestiture thereof;

WHEREAS, after substantial deliberations and consultations with its advisors, the Board has determined to enter into the Second PSA Amendment;

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT the Board authorizes its Executive Director to complete negotiation of the Second PSA Amendment, including, without limitation, making non-substantive changes to the Second PSA Amendment, and, upon completion thereof, to execute the Second PSA Amendment on behalf of the Board.

Exhibit A

Second PSA Amendment

SECOND AMENDMENT TO PLAN SUPPORT AGREEMENT

SECOND AMENDMENT TO PLAN SUPPORT AGREEMENT, dated as of April 1, 2020 (this “**Second Amendment**”), by and among (a) Financial Oversight and Management Board for Puerto Rico (the “**Oversight Board**”), as representative of the Commonwealth of Puerto Rico (the “**Commonwealth**”), the Puerto Rico Public Buildings Authority (“**PBA**”), and the Employee Retirement System of the Government of the Commonwealth of Puerto Rico (“**ERS**”), (b) the GO Holders, and (c) the PBA Holders. The signatories hereto are referred to hereafter collectively as the “**Parties**” or individually as a “**Party**”. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the PSA (as defined below).

RECITALS

A. The Parties entered into that certain Plan Support Agreement, dated as of February 9, 2020 (the “**PSA**”), regarding the restructuring of the GO Bonds and PBA Bonds.

B. Pursuant to that certain Amendment to the Plan Support Agreement, dated as of March 13, 2020, the PSA was amended to extend the Joinder Deadline to March 20, 2020 at 11:59 p.m. (Eastern Daylight Time).

C. The Parties wish to amend the PSA pursuant to Section 8.1 of the PSA to modify the terms of Section 4.8 thereof and extend the period in which a Qualified Marketmaker may retain GO Interests, PBA Interests, or PRIFA BANs without a required divestiture thereof.

D. The Oversight Board consents to the execution and delivery of this Second Amendment by the Commonwealth, ERS and PBA and to the Commonwealth’s, ERS’ and PBA’s performance and exercise of their respective rights under this Second Amendment.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration, acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree as follows:

AMENDMENT

Section 1. **Qualified Marketmaker.** Section 4.8 of the PSA is hereby amended and modified by (a) deleting the semi-colon at the end of the fourth line and inserting a comma in lieu thereof, and (b) at the conclusion of subsection (a) thereof, inserting the following:

“provided, however, that, in the event that a Qualified Marketmaker acquires GO Interests, PBA Interests or PRIFA BANs during the period from March 16, 2020 up to and including July 10, 2020, such Qualified Marketmaker may retain such GO Interests, PBA Interests, or PRIFA BANs, as the case may be, for a period of one hundred twenty (120) days following the acquisition thereof without the requirement that such Qualified Marketmaker be or become a PSA Creditor;”

Section 2. **Full Force and Effect.** Except as expressly amended herein, each provision of the PSA shall continue in full force and effect.

Section 3. Counterparts. This Second Amendment may be executed in one or more counterparts, each of which shall be deemed an original copy of this Second Amendment and all of which, when taken together, shall constitute one and the same Second Amendment. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts, provided receipt of copies of such counterparts is confirmed.

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IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to be executed as of the date set forth above.

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

By: /s _____
Name: Natalie A. Jaresko
Title: Executive Director

THE COMMONWEALTH OF PUERTO RICO

By: Financial Oversight and Management
Board for Puerto Rico, as representative
of the Commonwealth of Puerto Rico

By: /s _____
Name: Natalie A. Jaresko
Title: Executive Director

**THE PUERTO RICO PUBLIC BUILDINGS
AUTHORITY**

By: Financial Oversight and Management
Board for Puerto Rico, as representative
of the Puerto Rico Public Buildings Authority

By: /s _____
Name: Natalie A. Jaresko
Title: Executive Director

**THE EMPLOYEES RETIREMENT SYSTEM OF THE
GOVERNMENT OF THE COMMONWEALTH OF
PUERTO RICO**

By: Financial Oversight and Management
Board for Puerto Rico, as representative
of the Employees Retirement System of the Government of
the Commonwealth of Puerto Rico

By: /s
Name: Natalie A. Jaresko
Title: Executive Director

ARISTEIA CAPITAL, LLC, on behalf of itself and certain funds under management

By: /s/

Name: William R. Techar

Title: Manager

By: /s/

Name: Andrew B. David

Title: Chief Operating Officer

AURELIUS CAPITAL MANAGEMENT, LP, on behalf of certain of its managed funds and not in its individual capacity

By: /s/

Name: Luc Dowling

Title: Authorized Representative

AUTONOMY CAPITAL (JERSEY) L.P., on behalf of itself and certain funds under management

By: /s/

Name: Derek Goodman

Title: Authorized Representative

BlackRock Allocation Target Shares: Series E Portfolio

BlackRock California Municipal Opportunities Fund of BLK California Muni

BlackRock High Yield Municipal Fund

BlackRock New York Municipal Opportunities Fund of BLK Multi-State Muni

BlackRock Strategic Municipal Opportunities Fund of BlackRock Series Trust

BlackRock MuniAssets Fund, Inc.

By: **BLACKROCK ADVISORS, LLC**, as Investment Advisor

By: /s/

Name: Ryan McDonald

Title: Director

Brighthouse Funds Trust II – BlackRock Bond Income Portfolio

Master Total Return Portfolio of Master Bond LLC

BlackRock Strategic Income Opportunities Portfolio

By: **BLACKROCK ADVISORS, LLC**, as Investment Advisor

By: /s/

Name: David Rogal

Title: Managing Director

Endurance Assurance Corporation

By: **BLACKROCK FINANCIAL MANAGEMENT INC.**, as Investment Advisor

By: /s/

Name: Dan Garzarella

Title: Director

Obsidian Master Fund – Trading Sleeve

Ford Motor Company Defined Benefit Master Trust

By: **BLACKROCK FINANCIAL MANAGEMENT INC.**, as Investment Advisor

By: /s/

Name: Stuart Spodek

Title: Managing Director

BRIGADE CAPITAL MANAGEMENT LP, on behalf of funds and accounts under management

By: /s/

Name: Patrick Criscillo

Title: Authorized Signatory (Chief Financial Officer)

**BROOKFIELD ASSET MANAGEMENT PRIVATE INSTITUTIONAL CAPITAL
ADVISER (CREDIT) LLC, on behalf of funds and accounts under management**

By: /s/

Name: Anthony Bavaro

Title: Authorized Signatory

CANYON CAPITAL ADVISORS LLC, on behalf of itself and certain funds under management

By: /s/

Name: Jonathan M. Kaplan

Title: Authorized Signatory

DAVIDSON KEMPNER CAPITAL MANAGEMENT LP, on behalf of itself and certain funds under management

By: /s/ _____

Name: Gabriel Schwartz

Title: Co-Deputy Executive Managing Member

DEUTSCHE BANK SECURITIES INC., solely with respect to its Distressed Products Group

By: /s/

Name: Matthew Weinstein

Title: Managing Director

By: /s/

Name: Shawn Faurot

Title: Managing Director

EMSO ASSET MANAGEMENT LIMITED, as investment manager on behalf of its participating funds and accounts

By: /s/

Name: Rory McGregor

Title: Director

FARMSTEAD CAPITAL MANAGEMENT, on behalf of itself and certain funds under management

By: /s/

Name: Michael Scott

Title: Managing Member

FCO ADVISORS LP, on behalf of itself and certain funds under management

By: /s/

Name: Hector Negroni

Title: Chief Executive Officer

FIRST PACIFIC ADVISORS, LP, on behalf of funds and accounts under management

By: /s/

Name: Eric Brown

Title: Secretary & Counsel of its general partner

GOLDENTREE ASSET MANAGEMENT, LP, on behalf of itself and certain funds under management

By: /s/

Name: Sasha Linney

Title: Associate General Counsel

MARBLE RIDGE CAPITAL, on behalf of itself

By: /s/

Name: Kamand Daniels

Title: General Counsel

MASON CAPITAL MANAGEMENT, LLC, on behalf of certain funds under management

By: /s/

Name: Richard Engman

Title: Authorized Signatory

MONARCH ALTERNATIVE CAPITAL LP, on behalf of itself and certain funds under management

By: /s/

Name: Adam R. Sklar

Title: Managing Principal

SCULPTOR CAPITAL LP, on behalf of certain of its managed funds and not in its individual capacity

By: Sculptor Capital Holding Corporation, its General Partner

By: /s/

Name: Wayne Cohen

Title: President and Chief Operating Officer

SILVER POINT CAPITAL, L.P., as Investment Manager on behalf of certain affiliated funds

By: /s/

Name: Stephen P. Cho

Title: Authorized Signatory

TACONIC CAPITAL ADVISORS L.P., on behalf of itself and certain funds under management

By: /s/

Name: Payton McNutt

Title: Deputy General Counsel

VR ADVISORY SERVICES LTD, on behalf of certain funds under management

By: /s/

Name: Emile du Toit

Title: Authorized Signatory

WHITEBOX ADVISORS LLC, on behalf of itself and certain funds under management

By: /s/

Name: Luke Harris

Title: General Counsel – Corporate, Transactions & Litigation