

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



José B. Carrión III
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Natalie Jaresko
Executive Director

BY ELECTRONIC MAIL

August 22, 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:

In light of the deal that was reached with certain bondholders of COFINA, announced on August 8, 2018 (the “COFINA Deal”), the Oversight Board requests a standalone fiscal plan for COFINA for FY19-23. Accordingly, pursuant to Section 201(a), the Oversight Board is establishing the following schedule by which COFINA must develop and submit a fiscal plan to the Oversight Board.

- August 27, 2018: COFINA must submit a fiscal plan to the Oversight Board pursuant to Section 201(c)(2)
- August 29, 2018: Oversight Board will send a notice pursuant to Section 201(c)(3) stating whether the Oversight Board has determined, in its sole discretion, that the proposed fiscal plan for COFINA satisfies the requirements of Section 201(b)(1)
- September 7, 2018: COFINA must submit a fiscal plan to the Oversight Board pursuant to Section 201(d)(1)
- September 21, 2018: Oversight Board expects to deliver a compliance certification pursuant to Section 201(e) for COFINA

The Oversight Board expects that the fiscal plan for COFINA will have, at a minimum, the following information:

- Revenue projections for the fiscal plan period

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- Expense projections for the fiscal plan period
- Distributions of the SUT by recipient and/or class for the fiscal plan period
- Debt service as reflected in the COFINA Deal for the fiscal plan period
- Debt sustainability analysis, which incorporates the COFINA Deal, for 40 years
- Certain other material terms from the COFINA Deal, including, the issuance of new COFINA bonds, the adoption of certain covenants, the adoption of certain corporate governance changes, and the adoption of certain legislation

The Oversight Board looks forward to working with you on the fiscal plan for COFINA.

Sincerely,



Natalie A. Jaresko

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

CC: Christian Sobrino Vega