

AAFAF

Serves as fiscal agent, financial advisor and reporting agent of all the entities of the Government of Puerto Rico, including the 78 municipalities. In addition, it serves as liaison between the government and PROMESA's Fiscal Oversight Board.



WHAT ARE AAFAF'S MAIN RESPONSIBILITIES?

- ✓ Coordinate the sustainable use of available resources to present a global vision for the Government of Puerto Rico's capital needs.
- ✓ Renegotiate, restructure and/or reach agreements with the creditors on all or part of the public debt or any other debt issued by any government entity, including approximately 18 issuers, five of which are under restructuring pursuant to Title III of PROMESA (Commonwealth, COFINA, PREPA, PRHTA and Retirement System) and others whose debt is being restructured outside the Title III process.
- ✓ Approve the transactions of the Government entities in the bond markets.
- ✓ Restructure and transform the Government to achieve balanced budgets and a New Government that offers Puerto Ricans better services.
- ✓ Oversee compliance with the budget and fiscal plan approved by the Fiscal Oversight Board while addressing the island's budgetary and fiscal predicament.
- ✓ Prepare, implement and oversee the fiscal plans of the Commonwealth and other government entities (PREPA, PRASA, PRHTA, COSSEC, UPR, GDB and COFINA).
- ✓ Transform the public employee pension system.
- ✓ Monitor and publish reports that contribute to Government transparency and accountability.

WHICH ARE THE FIVE PRIORITIES OF AAFAF?

- 1 Restructure public debt and reach good faith negotiations in order to regain access to capital markets.
- 2 Transform the Puerto Rico Electric Power Authority.
- 3 Transform the public employee and pension retirement structure.
- 4 Launch better P3 and economic development efforts.
- 5 Support and oversee compliance of the recovery and reconstruction programs of the municipalities.



WHAT HAS AAFAF ACHIEVED IN THE PAST YEAR?

Negotiated significant agreements with creditors, representing more than \$23,500 million in savings. (GDB, PREPA and COFINA).

Successfully completed the Government Development Bank debt restructuring.

Sold six of its properties in less than one year, generating over \$30 million in revenue.

Recovered the money of Puerto Rico's state revolving funds and created two trusts to safeguard the operation of this federal program overseen by the EPA.

Initiated Title III restructuring processes.

Launched three rounds of the Voluntary Transition Program with approximately 6,000 employees opting in to this incentivized resignation program.

Implemented the PayGo model to protect pension payments.

Worked on the reorganization of 37 Government agencies, corporations or programs with projected annual savings exceeding \$70 million.

Established the publication of eight financial reports: (1) Treasury Single Account (2) PREPA Liquidity (3) Component Unit Liquidity (4) Summary of Bank Account Balances for the Government (5) Budget vs. Recorded Expenditures (6) PayGo (7) Attendance (8) Payroll.

Established a procurement control process for PREPA.

Obtained approval for a \$300 million loan for PREPA.

Developed the fiscal plans and the budgets for FY2018, FY2019 and FY2020.