

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

LEX CLAIMS, LLC, et al.,

Plaintiffs,

v.

ALEJANDRO GARCÍA PADILLA, et al.,

Defendants.

Case No. 3:16-cv-02374 (FAB)

**RESPONSE TO COFINA SENIOR BONDHOLDERS'
MOTION FOR LEAVE TO INTERVENE**

TO THE HONORABLE COURT:

Plaintiffs hereby submit this response to the renewed motion to intervene (Dkt. 186) filed by an individual and various institutions (“COFINA Senior Bondholders”) purporting to hold senior bonds issued by the Puerto Rico Sales Tax Financing Corporation (“COFINA”). The COFINA Senior Bondholders initially filed a motion for leave to intervene in this action on October 24, 2016. Dkt. 50. Plaintiffs opposed that motion on November 11, 2016 (Dkt. 87), and this Court denied it on February 17, 2017 (Dkt. 184). In rejecting the COFINA Senior Bondholders’ initial intervention request, the Court held that the underlying purpose for which the COFINA Senior Bondholders sought intervention—seeking enforcement of the PROMESA stay—had been rendered “non-existent” by the Court’s conclusion that the first, second, third, and twelfth counts of plaintiffs’ second amended complaint are not stayed. Dkt. 184, at 36-37.

The COFINA Senior Bondholders filed their renewed motion on February 22, 2017, along with a proposed answer setting forth the claims and defenses as to which they now seek to intervene. See Dkt. 186-1.

In opposing the COFINA Senior Bondholders' initial intervention motion, plaintiffs contended that the intervention request was barred by the "no action" clause contained in the resolution governing bonds issued by COFINA. See Dkt. 87, at 7-10. While plaintiffs continue to preserve this objection to the COFINA Senior Bondholders' participation in this case, plaintiffs acknowledge that the Court rejected their argument under the no action clause when it permitted intervention by other similarly situated groups of COFINA bondholders (Dkt. 184, at 33- 40), and plaintiffs do not seek reconsideration of that ruling.

Plaintiffs respectfully oppose, however, any suggestion that the COFINA Senior Bondholders' intervention should disrupt the schedule currently governing this case. The Court has ordered the other intervenors to plead by March 20, 2017, and has provided that all parties may file any motion they deem appropriate, including any dispositive motion, by that date. See Dkt. 185. Should the Court grant the COFINA Senior Bondholders' request to intervene in this action, plaintiffs request that they be held to the same schedule.

March 8, 2017

Respectfully submitted,

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CERTIFICATE OF SERVICE: It is hereby certified that on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to counsel of record which are CM/ECF system participants at their corresponding e-mail addresses and which, pursuant to Local Civil Rule 5.1(b)(2), constitutes the equivalent service.

/s/ J. Ramón Rivera Morales
J. Ramón Rivera Morales