

U.S. Bank Trust National Association v. Commonwealth of Puerto Rico, Alejandro García-Padilla, in his official capacity as Governor of Puerto Rico, University of Puerto Rico and Dr. Celeste Freytes-González, in her official capacity as President of the University of Puerto Rico,
Civil No. 16-2150 (FAB)

On August 19, 2016, Indiano & Williams, jointly with Kramer, Levin, Naftalis & Frankel, LLP, a New York law firm, filed a complaint, motion for relief from the automatic PROMESA stay (Puerto Rico Oversight, Management, and Economic Stability Act of June 30, 2016), motion for preliminary injunction, and memorandum of law in support of the two aforementioned motions on behalf of U.S. Bank Trust National Association ("USBank"). USBank is the trustee of the monies deposited in trust by the University of Puerto Rico ("UPR") pursuant to a 1971 Trust Agreement, to secure the payment by the UPR of all obligations related to the UPR bonds issued in 2006 which outstanding principal amount is \$431.8 million. USBank first requests that the automatic PROMESA stay be lifted and, thus, its complaint allowed to proceed in the US District Court for the District of Puerto Rico, such that the court may consider its request to declare Puerto Rico's Moratorium Act of 2016 and Executive Order 31, issued pursuant to the Moratorium Act, invalid under the Takings Clause and the Contracts Clause of the United States Constitution, among other claims for relief. If USBank's case is excepted from the PROMESA stay and is, ultimately successful, the Commonwealth and the UPR will be made to comply with the obligation under the Trust Agreement governing the 2006 bonds, to transfer pledged revenues, in the form of tuition and fees, to the trust from which the payment of interest and principal is satisfied. USBank argues, among others, that lifting the automatic stay in this case will keep the Trustee from suffering irreparable harm, is favored by the balance of equities, and serves the public interest.