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## **Supreme Court Ends Puerto Rico Bondholders' Bid for Pension Assets.**

The U.S. Supreme Court on Monday declined to review an appeals court ruling against a group of Puerto Rico bondholders seeking pension assets and a share of future revenue.

On Jan. 30, the 1st U.S. Circuit Court of Appeals in Boston upheld a June decision from the federal judge overseeing Puerto Rico's complex bankruptcy case that went in favor of the Employees Retirement System of the Government of Puerto Rico and the federal oversight board. The ruling dismissed arguments by ERS bondholders holding \$3 billion of ERS debt that they were entitled to some assets that existed when they bought the bonds as well as future pension contributions, which are now coming from general revenues.

The Financial Oversight and Management Board for Puerto Rico said at the time of the 1st Circuit ruling that it "clearly denies ERS creditors access to public pension contributions."

Seeking to have that decision overturned, the ERS creditors, including Andalusian Global Designated Activity Co., Glendon Opportunities Fund LP, Mason Capital Master Fund LP and several Oaktree Capital funds, argued in their petition that the 1st Circuit decision conflicted with other circuits, "thereby endangering secured lending and municipal finance."

PENSIONS & INVESTMENTS

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