

25A489

IN THE SUPREME COURT OF THE UNITED STATES

RAY LEONERDIRT DÍAZ SANTIAGO,

Applicant,

v.

MANUEL CIDRE MIRANDA, in his official and personal capacities,

JOSÉ SÁNCHEZ-ACOSTA, and

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD

FOR PUERTO RICO (FOMB),

Respondents.

**EMERGENCY APPLICATION FOR STAY OF MANDATE
PENDING DISPOSITION OF PETITION FOR WRIT OF CERTIORARI
(Pursuant to Supreme Court Rule 23)**

Case No.: 24-1256 (U.S. Court of Appeals for the First Circuit)

Submitted by:

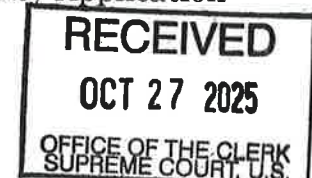
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Date of Submission: October 22, 2025

Via: U.S. Mail – Emergency Application



PARTIES TO THE PROCEEDING

Applicant:

Ray Leonerdirt Díaz Santiago — Plaintiff-Appellant in the United States Court of Appeals for the First Circuit (Case No. 24-1256).

Respondents:

- Manuel Cidre Miranda, Secretary of the Puerto Rico Department of Economic Development and Commerce (DDEC), in his official and personal capacities.
- José Sánchez-Acosta, Attorney, in his personal capacity.
- The Financial Oversight and Management Board for Puerto Rico (FOMB), as created under the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA), 48 U.S.C. § 2101 et seq.

Related Proceedings:

United States Court of Appeals for the First Circuit, Case No. 24-1256 — Judgment entered July 23, 2025; mandate issued October 7, 2025.

Pursuant to Rule 23 of the Rules of this Court and the All Writs Act, 28 U.S.C. § 1651, Applicant respectfully applies to the Honorable Ketanji Brown Jackson, Associate Justice of the Supreme Court of the United States and Circuit Justice for the First Circuit, for a stay of the mandate issued on October 7, 2025 by the United States Court of Appeals for the First Circuit in Case No. 24-1256, pending disposition of a petition for a writ of certiorari.

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QUESTIONS PRESENTED

1. Whether the First Circuit erred in holding that Petitioner's contractual and constitutional claims were discharged under the PROMESA Title III Plan of Adjustment, despite undisputed, self-authenticating government evidence confirming an active and enforceable contract with the Government of Puerto Rico, and notwithstanding constitutional protections of property and contractual rights under Article I, Section 8, Article III, and the Fifth Amendment.
2. Whether the First Circuit violated Petitioner's Fifth Amendment due process rights and Article III protections by issuing a mandate without adjudicating constitutional claims supported by certified, self-authenticating government records, particularly concerning ultra vires acts by government officials.
3. Whether ultra vires acts by the Financial Oversight and Management Board—asserting discharge authority beyond PROMESA's lawful scope—can be immunized or discharged under any Title III Plan of Adjustment, contrary to the Supremacy Clause and controlling precedents including *Humphrey's Executor v. United States*, *Perry v. United States*, and *Federal Crop Ins. Corp. v. Merrill*.

II. OPINIONS BELOW

- ¹The opinion of the United States Court of Appeals for the First Circuit was entered on July 23, 2025.
- ²The order denying Panel Rehearing and Rehearing En Banc was entered on August 11, 2025.
- ³The order denying Motion for Reconsideration and Stay of Mandate was entered on October 7, 2025, and the mandate issued the same day.

These opinions and orders are appended to this Application and are unpublished. They are available in the record of Case No. 24-1256, U.S. Court of Appeals for the First Circuit.

III. JURISDICTION

The judgment of the United States Court of Appeals for the First Circuit was entered on July 23, 2025. Petitioner's timely Petition for Panel Rehearing and Rehearing En Banc was denied on August 11, 2025, and his Motion for Reconsideration and Stay of Mandate was denied on October 7, 2025.

¹ Opinion of the U.S. Court of Appeals for the First Circuit entered July 23, 2025 (App. at p. 1-3).

² Panel Rehearing denied Aug. 11, 2025 (App. at p. 4-5).

³ Motion for Reconsideration and Stay denied Oct. 7, 2025; mandate issued same day (App. at p. 6-7).

Jurisdiction of this Court is invoked under 28 U.S.C. §§ 1254(1) and 2101(f). This Application is properly submitted under Supreme Court Rule 23 to the Justice assigned to the First Circuit.

IV. PROCEDURAL HISTORY (KEY MOTIONS)

- ⁴February 24, 2025 – Motion to Supplement Record / Submit Additional Evidence (Contract #000129) and October 28, 2020 email from Government Secretary Pedro Piquer during the COVID-19 emergency
- ⁵May 19, 2025 – Response to Order to Show Cause
- ⁶May 19, 2025 – Appellant’s Response to Order to Show Cause and Supplemental Statement Regarding Unopposed Dispositive Motions (asserting constitutional claims, ultra vires acts, and self-authenticating contractual evidence demonstrating ongoing irreparable harm).

⁴ Feb. 24, 2025 – Motion to Supplement Record (Contract #000129) (App. at p. 8-41).

⁵ May 19, 2025 – Response to Order to Show Cause (App. at p. 42-43).

⁶ May 19, 2025 – Response and Supplemental Statement asserting constitutional claims, ultra vires acts, and ongoing harm (App. at p. 44-51).

- ⁷June 5, 2025 – Oversight Board (FOMB) files opposition asserting PROMESA discharge applicability and Board authority, notwithstanding Petitioner’s self-authenticating government contract and constitutional claims.
- Jul. 23, 2025 – First Circuit Judgment dismissing appeal in Case No. 24-1256; claims discharged under Commonwealth Title III Plan and Confirmation Order (App. At p. 1-3)
- ⁸Jul. 24, 2025 – Appellant files Petition for Panel Rehearing and Rehearing En Banc (Case No. 24-1256), asserting due process violations, ultra vires official conduct, self-authenticating government contracts, and ongoing constitutional harm related to COVID-era investment.
- Aug. 11, 2025 – Panel and en banc rehearing denied (24-1256). (App. At p. 4-5)
- ⁹August 12, 2025 – Emergency Motion for Stay of Mandate pursuant to FRAP 41(d)

⁷ June 5, 2025 – FOMB opposition asserting PROMESA discharge and Board authority (App. at p. 52-66).

⁸ Jul. 24, 2025 – Appellant files Petition for Rehearing/En Banc, asserting due process, ultra vires acts, and ongoing COVID-era investment harm. (App. at p. 67-86).

⁹ Aug. 12, 2025 – Emergency Motion for Stay of Mandate (FRAP 41(d)) (App. at p. 89-95).

- ¹⁰Aug. 11, 2025: Motion for Reconsideration and Motion to Expedite Ruling with newly discovered evidence, including official DDEC communications and Good Faith Proposal.
- ¹¹October 6, 2025 – Supplemental Motion for Temporary Authorization to Execute Corrective Proposal, following PRESIDENT TRUMP removal of the FOMB.
- October 7, 2025 – Order Denying Reconsideration and Stay of Mandate → Mandate issued. (App. at p. 6-7).

May 19, 2025 — Court Order Inviting FOMB Participation. On May 19, 2025, the First Circuit issued an order directing the parties to show cause regarding the impact of the Commonwealth's Title III Plan discharge provisions on this appeal, and expressly inviting the Financial Oversight and Management Board for Puerto Rico (FOMB) to submit its views as the representative of the debtor pursuant to 48 U.S.C. § 2175(b). This official invitation underscores that the FOMB had formal notice and the opportunity to intervene in the appellate proceedings regarding the constitutional and contractual claims at issue in this Emergency Application.

¹⁰ Aug. 11, 2025: Motion for Reconsideration and Motion to Expedite Ruling with newly discovered evidence, including official DDEC communications and Good Faith Proposal (App. at p. 96-123)..

¹¹ Oct. 6, 2025 – Supplemental Motion for Temporary Authorization to Execute Corrective Proposal (App. at p. 124-131).

V. STATEMENT OF THE CASE

A. Contractual and Electronic Background (2020–2025)

On October 28, 2020, during the COVID-19 national public health emergency, Petitioner received official communications from Government Secretary Pedro Piquer acknowledging contractual recognition. On February 24, 2025, Petitioner executed Contract #000129 with the Government of Puerto Rico. These acts were conducted under federal emergency authorizations allowing official electronic transactions and signatures pursuant to the National Emergencies Act, the Stafford Act, the ESIGN Act (15 U.S.C. § 7001 et seq.), and Puerto Rico’s Electronic Signatures Act (Act No. 359-2004).

Ultra Vires Conduct During Administrative Transition.

During the administrative transition, Respondents Manuel Cidre Miranda and José Sánchez-Acosta engaged in ultra vires conduct by refusing to honor official electronic communications and contractual confirmations issued by government authorities during the COVID-19 emergency. These communications—including those transmitted under the authority of the National Emergencies Act, the Stafford Act, the ESIGN Act (15 U.S.C. § 7001 et seq.), and Puerto Rico’s Electronic Signatures Act (Act No. 359-2004)—recognized Petitioner’s valid contractual rights. Respondents’ refusal to honor these binding electronic acknowledgments exceeded

their lawful authority, disregarded federal supremacy, and aggravated the ongoing constitutional harm suffered by Petitioner.

B. FOMB Removal and Government Actions (August 2025)

On August 6–7, 2025, one day after President Donald J. Trump removed the members of the Financial Oversight and Management Board (FOMB), Petitioner received official communications from Luis B. Méndez del Nido, General Legal Advisor and Legislative Affairs Counsel for the Puerto Rico Department of Economic Development and Commerce (DDEC), acknowledging Petitioner’s contractual status and inviting via email submission of a corrective proposal. This contemporaneous governmental action confirms that Petitioner’s contract was recognized and treated as valid by the Government of Puerto Rico itself, independent of any claims made by the FOMB. Pursuant to Section 101(e)(5) of PROMESA, 48 U.S.C. § 2121(e)(5), members of the Financial Oversight and Management Board serve at the pleasure of the President and may be removed at any time. Following President Trump’s removal of the FOMB members in August 2025, the Board’s authority became constitutionally unsettled, further compounding the uncertainty surrounding Petitioner’s contractual rights and underscoring the need for immediate judicial intervention.

C. Issuance of Mandate and Constitutional Harm (October 2025)

On October 7, 2025, the United States Court of Appeals for the First Circuit issued its mandate, thereby allowing the judgment to take effect. This Emergency

Application seeks a stay of that mandate pending disposition of the forthcoming petition for writ of certiorari. This case arises from constitutional and contractual claims concerning federally protected property and investment rights. Petitioner holds a valid and enforceable contract with the Government of Puerto Rico (Contract #000129), as confirmed by self-authenticating government records. The First Circuit issued a mandate disregarding these records and the constitutional protections involved.

VI. STANDARD FOR STAY

A stay pending certiorari is warranted when the applicant demonstrates:

1. A reasonable probability that certiorari will be granted;
2. A fair prospect of success on the merits;
3. A likelihood of irreparable harm absent a stay; and
4. That the balance of equities and public interest favor relief.

See Hollingsworth v. Perry, 558 U.S. 183 (2010); *Nken v. Holder*, 556 U.S. 418 (2009).

VII. ARGUMENT

Absent a stay, the mandate will irreversibly extinguish Petitioner's vested property and constitutional rights under Article III and the Fifth Amendment, causing harm

that no subsequent relief can remedy. Applicant satisfies the four factors governing the issuance of a stay under Supreme Court Rule 23 and *Nken v. Holder*, 556 U.S. 418 (2009).

A. Substantial Federal Question on the Merits

The First Circuit ignored certified, self-authenticating government records establishing Petitioner's contractual rights and investment. These include:

- October 28, 2020 email from Government Secretary Pedro Piquer during the COVID-19 emergency;
- February 24, 2025 executed contract (certified translation);
- August 6–7, 2025 DDEC communications, after President Trump removed the FOMB members.

These records are self-authenticating under FRE 902(1)–(4) and admissible under FRE 803(6) and (8) as official government records and communications maintained in the regular course of governmental activity. They form part of the appellate record pursuant to FRAP 10(a)(1), and their legal effect cannot be displaced by ultra vires acts of the Financial Oversight and Management Board. See also FRAP 2 and 27 (equitable and expedited authority).

B. Irreparable Harm

Without a stay, Petitioner faces immediate and irreparable harm to his \$373,501.75 investment and constitutional property rights. Monetary compensation cannot remedy these constitutional injuries. *See Elrod v. Burns*, 427 U.S. 347 (1976).

C. Balance of Equities

A stay merely preserves the status quo and imposes no prejudice on Respondents. Denial of a stay, however, would irreparably harm Petitioner's protected rights. Although the FOMB has asserted broad authority under PROMESA, its status remains provisional following recent executive and judicial actions. Any assertion of overriding authority must be considered in light of constitutional limits and the Supremacy Clause. Respondents, through the Financial Oversight and Management Board (FOMB), have asserted broad discharge authority under PROMESA, claiming that Petitioner's contract is extinguished by the Plan of Adjustment. This assertion disregards both the constitutional limits on the Board's power and the contemporaneous actions of the Government of Puerto Rico confirming the validity of Petitioner's contract. Such an overbroad interpretation of PROMESA, advanced by the FOMB, creates legal instability and directly threatens vested property and contractual rights.

D. Public Interest

The public interest strongly favors the enforcement of federal supremacy, the protection of vested contractual rights, and the preservation of constitutional due process. This case implicates fundamental constitutional principles, including the

Supremacy Clause and the prohibition against ultra vires acts by government officials. A temporary stay would safeguard not only Petitioner's rights but also the structural balance between federal authority, territorial governance, and private contractual integrity.

As noted in Section V.B, the presidential removal of the FOMB members has left the Board's authority constitutionally unsettled, heightening the need for this Court's intervention to preserve Petitioner's rights.

This removal is an official executive action, a matter of public record not subject to reasonable dispute, and therefore appropriate for judicial notice under Federal Rule of Evidence 201(b)(2).

Importantly, the Government cannot act as a host or enabler of conduct that infringes constitutional rights, particularly when operating with U.S. currency and federal financial institutions. As the Supreme Court has repeatedly held, the State may not benefit from or condone violations of constitutional protections. *In Mapp v. Ohio*, 367 U.S. 643 (1961), the Court emphasized that the Government cannot derive advantage from its own unconstitutional acts. *Similarly, in Burton v. Wilmington Parking Authority*, 365 U.S. 715 (1961), the Court recognized that significant governmental involvement in private conduct imposes constitutional responsibilities on the State. Furthermore, *Shelley v. Kraemer*, 334 U.S. 1 (1948), established that the State may not permit or enforce private actions that result in unconstitutional outcomes.

These principles make clear that the Court must safeguard Petitioner's rights and prevent the Government from facilitating or allowing violations of due process, property rights, or other fundamental protections.

E. Negotiation Context

Maintaining the status quo causes no prejudice to Respondents. Petitioner seeks only to preserve legal and contractual rights that are confirmed by official government records. In contrast, failure to stay the mandate would result in substantial and irreparable injury to Petitioner's constitutionally protected property and contractual interests.

Furthermore, Petitioner respectfully submits that the current provisional status of the FOMB creates a period of constitutional uncertainty. In this transitional context, equity and the public interest strongly favor allowing Petitioner to engage in good-faith negotiations directly with the Government of Puerto Rico.

This is not a speculative request. On August 6–7, 2025, immediately following the removal of the FOMB by the President, the Government of Puerto Rico itself initiated communications with Petitioner to continue processing and correcting the contractual relationship under Contract #000129. This direct governmental outreach confirms that a pathway to administrative resolution exists, but has been obstructed solely by the uncertain and provisional status of the FOMB.

A stay will restore the ability to negotiate in good faith with the lawful governmental authorities. This Court has long recognized that temporary equitable relief is appropriate where governmental authority is unsettled and private contractual rights face irreparable harm. *See Marbury v. Madison*, 5 U.S. 137 (1803); *Humphrey's Executor v. United States*, 295 U.S. 602 (1935); *Bond v. United States*, 572 U.S. 844 (2014).

VIII. GROUNDS FOR EMERGENCY RELIEF

1. Substantial federal question presented.
 2. Irreparable harm to Petitioner's property and contractual rights.
 3. No prejudice to Respondents.
 4. Strong public interest in upholding constitutional protections.
-

IX. PRAYER FOR RELIEF

Petitioner respectfully requests that Justice Ketanji Brown Jackson:

1. Grant a stay of the mandate issued by the United States Court of Appeals for the First Circuit in Case No. 24-1256, pending disposition of a petition for writ of certiorari; or
2. Alternatively, issue interim relief to protect Petitioner's constitutional and contractual rights.

3. Petitioner further requests that the Court, in granting a stay, permit temporary good-faith negotiations with the Government of Puerto Rico while the constitutional status of the Financial Oversight and Management Board is being defined by the President and/or the courts, thereby preserving Petitioner's vested contractual rights and minimizing further irreparable harm.
4. Petitioner has appended true and correct copies of (a) the judgment of the United States Court of Appeals for the First Circuit issued on July 23, 2025, and (b) the October 7, 2025 order denying reconsideration and stay of mandate, in compliance with Supreme Court Rule 23.
5. Petitioner is willing to post a bond or other security as the Court may deem appropriate pursuant to Rule 23 and 28 U.S.C. § 2101(f).

This record is not an isolated case but part of an extensive and documented pattern of ultra vires acts in Puerto Rico, involving substantial private investments and officials acting beyond the authority granted by the State. The evidence, maintained since 2016 and preserved by local counsel of record, underscores a continuing pattern that this case seeks to finally bring to an end.

X. CERTIFICATE OF COMPLIANCE

I certify that this Emergency Application for Stay of Mandate complies with Supreme Court Rule 33.2, is prepared in 12-point Century Schoolbook font, double-spaced (except for footnotes), with 1-inch margins.

XI. CERTIFICATE OF SERVICE

I certify that on October 22, 2025, a true and correct copy of this
Emergency Application for Stay of Mandate was served by
first-class U.S. Mail and electronic service upon the following:

- Mariola Abreu Acevedo – Puerto Rico Department of Justice
- Luis R. Roman-Negrón – Roman Negrón Law PSC
- Lucas Kowalczyk – Financial Oversight and Management Board for Puerto Rico
(FOMB)
- Timothy W. Mungovan, John E. Roberts, Brian S. Rosen – Proskauer Rose LLP
(Counsel for FOMB)
- Clerk of Court – United States Court of Appeals for the First Circuit (institutional
notice)



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APPENDIX

The following documents are attached in support of this Emergency Application
pursuant to Supreme Court Rule 23.

Each motion and order included herein bears the official court seal and signature,
and the titles of the motions and orders correspond exactly to the titles referenced
in the body of the Emergency Application.

United States Court of Appeals For the First Circuit

No. 24-1256

RAY LEONERDIRT DÍAZ-SANTIAGO,

Plaintiff - Appellant,

v.

JOSÉ SÁNCHEZ-ACOSTA, Attorney; MANUEL CIDRE-MIRANDA,

Defendants - Appellees.

Before

Rikelman, Kayatta, and Aframe,
Circuit Judges.

JUDGMENT

Entered: July 23, 2025

Plaintiff-Appellant Ray Leonerdirty Díaz-Santiago appeals from the district court's decision dated February 9, 2024, dismissing his complaint against Defendants-Appellees José Sánchez Acosta, as Film Commissioner for the Puerto Rico Department of Economic Development and Commerce ("DDEC"), and Manuel Cidre Miranda, as Secretary of DDEC. The complaint filed on January 9, 2024, sought declaratory relief that an email sent from DDEC personnel in 2020 extended a 2019 contract with the DDEC pursuant to the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001, et seq., and sought either enforcement of the contract or money damages under the contract for Appellant's investment of \$373,501.75. Appellant has filed several motions seeking, inter alia, an order to set a briefing schedule in this appeal and to amend his second motion to set a briefing schedule.

On May 3, 2017, the Commonwealth of Puerto Rico filed a petition under Title III of PROMESA, 48 U.S.C. § 2161, et seq., for adjustment of its debts. On January 18, 2022, the Title III court confirmed the Commonwealth's Title III plan of adjustment. In re Fin. Oversight & Mgmt. Bd. for P.R., 636 B.R. 1 (D.P.R. 2022). The effective date of the Plan was March 15, 2022. Under 48 U.S.C. § 2161(a), the bankruptcy discharge provisions of 11 U.S.C. §§ 944 and 524(a)(1) and (2) are incorporated into PROMESA. On September 21, 2022, the Title III court determined that

claims against entities included on a list filed in the Title III proceedings that identifies "entities from all three branches of government as part of the Central Government" are claims against the Commonwealth. In re Fin. Oversight & Mgmt. Bd. for P.R., 650 B.R. 286, 292 (D.P.R. 2022) (citing the list at Title III docket entry 2828, which includes DDEC).

On May 19, 2025, this court issued an order to show cause, regarding whether any aspect of this appeal can proceed in light of the discharge and discharge injunction provisions contained in the Commonwealth's Title III Plan and Confirmation Order. The order also invited the Financial Oversight and Management Board for Puerto Rico ("FOMB") to submit its views. Appellant and FOMB have filed their responses. Appellees filed a motion seeking to adopt FOMB's response, and Appellant has filed additional motions that, inter alia, explain his position that the appeal should proceed.

Appellant's unopposed motion seeking to amend his second motion to set a briefing schedule and Appellees' unopposed motion to adopt FOMB's response are granted.

FOMB asserts that Appellant did not file any proof of claim or administrative expense claim in the Title III process and argues that Appellant raised claims against the defendants in their official capacity by seeking performance of an agreement that he entered into with DDEC, which can be liquidated and, hence, qualifies as a "claim" under 11 U.S.C. § 101(5) and Plan § 1.135. FOMB further argues that such claims are indirect claims against the Commonwealth that are discharged by Confirmation Order ¶ 56(b)'s inclusion of "employees" and "officials" and Plan § 92.2. FOMB concludes, without providing support, that the discharge renders this appeal moot. But see Lowe v. Gagné-Holmes, 126 F.4th 747, 755 (1st Cir. 2025) ("The heavy burden of showing mootness is on the party raising the issue.") (internal quotation marks and citations omitted).

In his various filings, Appellant confirms that he did not file any proof of claim or administrative expense claim in the Title III matter but argues that he did not receive notice to do so. But see In re Fin. Oversight & Mgmt. Bd. for P.R., 650 B.R. at 294 (rejecting a lack-of-notice argument under 11 U.S.C. § 944(c)(2) due to the broad publication and advertisements that occurred in Puerto Rico and mainland United States and the dissemination of the list identifying agencies as part of the Central Government before the proof of claim deadline). Appellant contends, inter alia, that he raised ongoing constitutional claims under 42 U.S.C. § 1983 against the defendants in their personal capacities and that his post-confirmation claims are not discharged. But Appellant also argues that he has a valid contract with the Commonwealth and indicates that he seeks monetary relief pursuant to that contract.

We have carefully reviewed the appellate filings and the relevant portions of the record. Under the circumstances of this case and considering only the grounds presented, we think that appellees have the better of the argument. That is, Appellant's claims contained in his complaint are discharged by the Commonwealth's Plan and Confirmation Order. See In re Fin. Oversight & Mgmt. Bd. for P.R., 636 B.R. at 232 (stating in Plan § 92.2(b) that "the Confirmation Order shall constitute a judicial determination, as of the Effective Date, of the discharge and release of all such Claims, Causes of Action or debt of or against the Debtors and the Reorganized Debtors"); id. at 38 (Confirmation Order ¶ 56(b) that expressly includes "employees" and "officials" in the discharge provisions); see also 11 U.S.C. § 944(a)(1) (stating that "provisions of a confirmed plan

bind the debtor and any creditor, whether or not--(1) a proof of such creditor's claim is filed"); Litton Indus., Inc. v. Colon, 587 F.2d 70, 74 (1st Cir. 1978) (determining that the complaint alleged only breach of contract for which the Commonwealth of Puerto Rico was liable, not the named officials) (citing Pennoyer v. McConnaughy, 140 U.S. 1, 9 (1891) ("[I]t is equally well settled that a suit against the officers of a state, to compel them to do the acts which constitute a performance by it of its contracts, is, in effect, a suit against the state itself.")). The district court's decision appears void to the extent it decided the merits of Appellant's discharged claims, and this court lacks jurisdiction over void decisions. In re Pavelich, 229 B.R. 777, 781 (B.A.P. 9th Cir. 1999) ("By federal statute, any judgment of any court that does not honor the bankruptcy discharge is 'void' to that extent."); see also Christopher v. Stanley-Bostitch, Inc., 240 F.3d 95, 100 (1st Cir. 2001) ("[O]rders relating to the merits of the underlying action are void if issued without subject matter jurisdiction."); HealthproMed Foundation, Inc. v. Dep't of Health & Human Serv., 982 F.3d 15, 19 (1st Cir. 2020) ("If the orders underlying this appeal are 'without legal effect,' we lack jurisdiction to decide the merits.") (citing Preiser v. Newkirk, 422 U.S. 395, 401 (1975)). Further, continuation of this appeal is barred by the permanent injunctions contained in Plan § 92.3 and 11 U.S.C. § 524(a)(2). See In re Fin. Oversight & Mgmt. Bd. for P.R., 636 B.R. at 234-35 (Plan § 92.3); id. at 41-42 (Confirmation Order ¶ 59); see also 11 U.S.C. § 524(a)(2) (stating a discharge "operates as an injunction against the commencement or continuation of an action . . . to collect, recover or offset any such debt") (incorporated into PROMESA per 48 U.S.C. § 2161(a)). In his filings, Appellant offers no argument that would support the continued exercise of appellate jurisdiction in this appeal. See Woo v. Spackman, 988 F.3d 47, 53 (1st Cir. 2021) (reminding that "federal courts are courts of limited jurisdiction" and "the burden of establishing jurisdiction must fall to the party who asserts it") (internal quotation marks and citations omitted); see also Doyle v. Hasbro, Inc., 103 F.3d 186, 190 (1st Cir. 1996) (stating that this court "do[es] not consider factual allegations, arguments, and claims that were not included in the [operative] complaint").

Accordingly, this appeal is dismissed. See 1st Cir. R. 27.0(c) (permitting the court to dismiss the appeal at any time when appellate jurisdiction is lacking). Any pending motions, to the extent not mooted by the foregoing, are denied.

By the Court:

Anastasia Dubrovsky, Clerk

cc:

Ray Leonerdirt Díaz Santiago II

Luis R. Roman-Negron

Mariola Abreu Acevedo

Timothy W. Mungovan

John E. Roberts

Brian S. Rosen

Lucas Kowalczyk

United States Court of Appeals For the First Circuit

No. 24-1256

RAY LEONERDIRT DÍAZ-SANTIAGO,

Plaintiff - Appellant,

v.

JOSÉ SÁNCHEZ-ACOSTA, Attorney; MANUEL CIDRE-MIRANDA,

Defendants - Appellees.

Before

Barron, Chief Judge,
Kayatta, Gelpí, Montecalvo, Rikelman,
and Aframe, Circuit Judges.

ORDER OF COURT

Entered: August 11, 2025

The petition for rehearing having been denied by the panel of judges who decided the case, and the petition for rehearing en banc having been submitted to the active judges of this court and a majority of the judges not having voted that the case be heard en banc, it is ordered that the petition for rehearing and the petition for rehearing en banc be denied.

By the Court:

Anastasia Dubrovsky, Clerk

cc:

Ray Leonerdirt Diaz Santiago II
Luis R. Roman-Negron
Mariola Abreu Acevedo
Timothy W. Mungovan
John E. Roberts

Brian S. Rosen
Lucas Kowalczyk

United States Court of Appeals For the First Circuit

No. 24-1256

RAY LEONERDIRT DÍAZ-SANTIAGO,

Plaintiff - Appellant,

v.

JOSÉ SÁNCHEZ-ACOSTA, Attorney; MANUEL CIDRE-MIRANDA,

Defendants - Appellees.

Before

Barron, Chief Judge,
Kayatta, Gelpí, Montecalvo,
Rikelman and Aframe, Circuit Judges.

ORDER OF COURT

Entered: October 7, 2025

This court has considered plaintiff-appellant Ray Leonerdirty Díaz Santiago's motion seeking reconsideration of the court's August 11, 2025 order and his attachments and supplements in support. The motion to reconsider is **DENIED**. Further, appellant's motion to stay entry of the mandate is **DENIED**. See Fed. R. App. P. 41(d) (standard); see also 1st Cir. R. 41.0 (stating that this court will deny requests to stay entry of mandate "in [] cases where the court believes that the only effect of a petition for certiorari would be pointless delay"). Appellant's requests to expedite consideration and for further relief are denied as moot. Appellant's attention is directed to Supreme Court Rule 13(3).

Mandate shall enter forthwith. See Fed. R. App. P. 41(b) (court may hasten entry of mandate). No further filings will be considered in this fully adjudicated matter.

By the Court:

Anastasia Dubrovsky, Clerk

cc:

Ray Leonerdt Díaz Santiago II

Luis R. Roman-Negron

Mariola Abreu Acevedo

Timothy W. Mungovan

John E. Roberts

Brian S. Rosen

Lucas Kowalczyk

**UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT**

No. 24-1256

RAY LEONERDIRT DÍAZ SANTIAGO,

Plaintiff-Appellant,

v.

JOSÉ SÁNCHEZ ACOSTA, Attorney: MANUEL CIDRE MIRANDA

Defendants-Appellees.

**MOTION TO SUPPLEMENT THE RECORD / SUBMIT ADDITIONAL
EVIDENCE FOR "SELF-EFFECTUATING" ORDER**

February 24, 2025

COMES NOW Ray Leonerdirty Diaz Santiago, Appellant, by and through PRO SE, and respectfully moves this Honorable Court to allow the submission of additional documents/evidence in the above-captioned matter.

The appellant seeks to supplement the record with newly discovered documents or evidence that are material to the issues on appeal. Under Federal Rule of Appellate Procedure 10(e) and relevant case law, this Court has discretion to supplement the record when the new evidence is material and necessary for a just resolution of the case. The proposed documents/evidence

are directly relevant to the issues on appeal and will assist the Court in rendering a fair and informed decision. We understood that the "EMAIL" header "The Butterfly" and the Puerto Rico Government official as signatory were sufficient cause to complete "SELF-EFFECTUATING" and today we added the signed "CONTRACT" with Government of Puerto Rico making this process clean in communications as required by law with a beginning and end in officials communications.

I. Jurisdiction Statement

This Court has jurisdiction over this appeal under 28 U.S.C. § 1291, which provides appellate jurisdiction over final decisions of district courts. The district court dismissed the case on [February 9, 2024], entering a final judgment that disposes of all claims. The appellant timely filed a notice of appeal on [March 1, 2024], within the [30/60]-day period prescribed by Federal Rule of Appellate Procedure 4(a)(1).

A. Basis for Jurisdiction in the Court Below

The district court had jurisdiction over this matter pursuant to 28 U.S.C. § 1331, as the case involved a federal question arising under the Electronic Signatures in Global and National Commerce Act (E-SIGN Act), 15 U.S.C. § 7001 et seq. The underlying dispute concerned the enforceability of an electronically signed agreement and the applicability of the E-SIGN Act to the parties' contractual obligations.

II. STATEMENT OF THE ISSUES

- Are electronic communications in federal ports [GOVERNMENTS] official obligations [DUTY] as the first communication under signed contract 000129 [THE BUTTERFLY] in March 29, 2019 with the Government of Puerto Rico and the last communication with the Official of Government of Puerto Rico, Attorney Pedro Piquer Henn, certifying an extension of contract "THE BUTTERFLY" due to an international emergency with Pandemic COVID-19 starting in January 21, 2020?

- Was there an **abuse of discretion** by the next administration when Puerto Rico's new film commissioner attorney, José Sánchez Acosta, and the Secretary of Development Manuel Cidre Marín breached his duty to honor electronic communications [EMAILS] in federal port from a previous Puerto Rico government official once he obtained his officials positions?
- Whether the district court erred in dismissing the case on the grounds that the E-SIGN Act does not apply to the electronically signed agreement at issue?
- Whether the district court's ruling conflicts with established federal precedent interpreting the scope and applicability of the E-SIGN Act.?
- Whether the district court improperly disregarded evidence demonstrating the validity and enforceability of the electronic signature under federal law.?

III. Standard of Review

We submitted to this UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT on December 26, 2024, the day where technology is commemorated from its beginning, a motion Docket on this court entitled "**MOTION TO SET BRIEFING**"

Date Filed: 12/26/2024 Entry ID: 6689650 and the

following is indicated:

¹We request review in de novo and Strict scrutiny we comply with The Electronic Signatures in Global and National Commerce Act (E-Sign Act) by electronic communications with Puerto Rico Government. Naldi v. Grunberg 80 A.D. 3d 1 (N.Y. App. Div. 1st Dep't 2010) The New York Statute of Frauds may be satisfied by an electronic writing and electronic signature because, among other reasons, the Electronic Signatures and Records Act (ESRA) incorporated the substantive provisions of E-SIGN, which permit such electronic records and signature

²"Comment Concerning Use of Electronic Signatures and Third-Party Opinion Letters" (ABA GROUPS 2020) In general, UETA and E-SIGN provide that a signature cannot be denied legal effect solely because it is in electronic form. UETA § 7; E-SIGN, 15 USCA § 7001(a).

³District court holds no private right of action under E-SIGN Act. InfoBytes Financial Services, Law Insights & Observations, (ORRICK 2020) The courts have held that when Congress creates specific means to enforce a statute, a

¹ Appendix Page. 2

² Appendix Page. 3

³ Appendix page. 4-5

court will assume that Congress did not intend to allow any additional right of action beyond those specified. The courts noted that where Congress creates specific means for enforcing a statute, a court will assume that Congress did not intend to allow any additional rights of action beyond those specified. When applied to E-SIGN Act v. 101, the court found that no standalone remedy is necessary, as any violation of the E-SIGN Act would be **"self-effectuating."** Any failure to "[d]emonstrate the proper consent for electronic service would only expose the party required to deliver the information in writing to whatever sanctions the law requiring written disclosure provides." Therefore, the court found that "Congress appears to have provided no separate remedial scheme for violation of the E-SIGN Act's consent provisions, as no standalone remedy is necessary."

We have clear to us that when the U.S. Congress creates specific means to enforce a statute, a court will assume that Congress did not intend to allow any additional right of action beyond those specified.

Where the court determined, no independent remedy is necessary, as any violation of the E-SIGN Act would be "Self-Effectuating". *Cloud Corp. v. Hasbro, Inc.*

(2002): The Seventh Circuit Court of Appeals determined that electronic communications, such as emails, can

satisfy the Statute of Frauds requirement for a written agreement. The court recognized that under the E-SIGN Act, electronic records and signatures cannot be denied legal effect solely because they are in electronic form. When courts review the interpretation of the E-SIGN Act, they apply a de novo standard.

IV. Statement of the Case & Arguments

On this occasion we delivered to UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT a signed contract #000129 in March 29,2019 with Government of Puerto Rico for the film project "*THE BUTTERFLY*" this project was an agreement with the Government of Puerto Rico for 500,000.00 AMERICAN DOLLARS in which I as executive producer and writer made private investments in Puerto Rico in human resources "*Happiness Industry*" and once it was audited against bank accounts, checks, invoices and identification of individuals who worked on the project, then the Government of Puerto Rico returned our investment against audit 100%. You can see in the appendix:

**⁴GOVERNMENT OF PUERTO RICO DEPARTMENT OF
ECONOMIC DEVELOPMENT AND COMMERCE "THE
BUTTERFLY" #000129**

Email & Contract Translation & Interpretation Certified
by **Margot A. Acevedo Chabert USCCI:**

⁵DOCUMENT: Contract for the Incentives of the Special Fund for the Puerto Rico Film Industry Development Program executed by and between the Puerto Rico Department of Economic Development and Commerce; Motivarte, Inc., and Mr. Ray Leonerdirt Díaz in San Juan, Puerto Rico on March 29, 2019 (original document consisting of 13 pages) The undersigned, Margot A. Acevedo Chabert, USCCI, hereby certifies that she has been actively engaged as amprofessional translator and interpreter (English <> Spanish) certified by the Administrative Office of the United States Courts since 2006 (Certificate No. 06-001), that she has an MA in Translation from the University of Puerto Rico, and that to the best of her knowledge and understanding, the attached document is a true and correct translation of the original text provided for translation. In Milwaukee, WI, on February 24, 2025

We will not go into the technical details of the "*THE BUTTERFLY*" contract because the contract was fulfilled in all its aspects, here we turn to the COVID-19 pandemic that entered the conversation in the U.S. in January 2020, when the Centers for Disease Control and

⁴ Appendix Page. 7-20

⁵ Appendix Page. 22

Prevention (CDC) alerted the nation of the outbreak abroad. Governments called for remote work and at that time the commissioned film officer, Attorney Pedro Piquer Henn, told us that we could not go out to work, that we should wait "Patience" for orders remotely [Email], wait instructions and that they were working to give us an extension of the contract as a result of the international emergency of the pandemic COVID-19 within the terms of the contract. Covid-19 and technology were responsible for us having this evidence in email and for the agreements made via electronic communications [EMAIL] with [Technology/Pandemic].

You can see Docket filed on this court **Date Filed:**
03/21/2024 Entry ID:663050 Government of Puerto Rico
email with title "THE BUTTERFLY":

⁶Hello,

We are in the process of extending the agreement under the fund, including [the one for] The Butterfly. When you have the chance, please send us the original agreement between Motivarte and the DDEC' signed by both parties,

⁶ Appendix Page. 21-22

and the corporate resolution authorizing the extension of the agreement.

Pedro Piquer Henn, Esq.

Executive Assistant

Email & Contract Translation & Interpretation Certified by **Margot A. Acevedo Chabert USCCI:**

Email of October 28, 2020, from Pedro J. Piquer Henn to Jaime Aponte-Parsi and Ray Diaz, Subject: The Butterfly (original Spanish document consisting of 2 pages) The undersigned, Margot A. Acevedo Chabert, USCCI, hereby certifies that she has been actively engaged as a professional translator and interpreter (English Spanish) certified by the Administrative Office of the United States Courts since 2006 (Certificate No. 06-001), that she has an MA in Translation from the University of Puerto Rico, and that to the best of her knowledge and understanding, the attached document is a true and correct translation of the original text provided for translation.

In this email we are "CONFIRMED" that the contract extension has already been made and that the investments have been audited our private investment 373,501.75 US dollars certified by [CPA] Certified Public Accountant. This contract appears signed by Manuel Laboy Rivera in March 29, 2019 who was the Secretary of the Economic Development & Commerce Agency

at that time and Attorney Pedro Piquer Henn, Film Commissioner for Puerto Rico, which is a division of this agency of the Government of Puerto Rico. We send the corporate resolution authorizing the extension of the agreement and wait with patience during the international emergency COVID-19 for completed the request.

In abuse of discretion by the change of administration when Puerto Rico's new film commissioner attorney, José Sánchez Acosta, and the Secretary of Development Manuel Cidre Marín breached his duty to honor electronic communications [EMAILS] in federal port from a previous Government of Puerto Rico. We see from all these points that the district court improperly disregarded the evidence demonstrating the validity and enforceability of the electronic signature under federal law and the district court's ruling conflicts with established federal precedent interpreting the scope and applicability of the E-SIGN Act.

We understand that the other party [GOVERNMENT] has nothing to present to this evidence which is classified as "*Self-Effectuating*" ١٥ and none of us are here to perjure ourselves before the highest system on the planet in communications like the technology. Allowing this submission will not prejudice the opposing party but will serve the interests of justice.

V. Conclusion

WHEREFORE, the appellant respectfully requests that this Court grant this motion and permit the submission of the attached documents/evidence for consideration in the appeal in order "*Self-Effectuating*" ١٥.

RESPECTFULLY SUBMITTED,

/S/.RAY LEONERDIRT DIAZ SANTIAGO

Ray Leonerdirty Diaz Santiago
Condominium Atlantis #404
Constitution Ave. Suite 1706
San Juan P.R. 00901
Email: Motivarteinc@gmail.com
Phone: (787) 903-9981~(787) 908-0658

**UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT**

No.24-1256

RAY LEONERDIRT DÍAZ SANTIAGO,

Plaintiff-Appellant,

v.

JOSÉ SÁNCHEZ ACOSTA, Attorney:MANUEL CIDRE MIRANDA

Defendants-Appellees.

**APPENDIX FOR
"MOTION TO SUPPLEMENT THE RECORD / SUBMIT ADDITIONAL
EVIDENCE FOR "SELF-EFFECTUATING" ORDER"**

February 24,2025

The above-captioned appeal was docketed in this court on March 3, 2024We attach appendix to the Motion entitled:

**"MOTION TO SUPPLEMENT THE RECORD / SUBMIT
ADDITIONAL EVIDENCE FOR "SELF-EFFECTUATING"
ORDER"**

RESPECTFULLY SUBMITTED,

/S/.RAY LEONERDIRT DIAZ SANTIAGO

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I. APPENDIX

A. MOTION TO SET BRIEFING [December 26,2024]

Case: 24-1256 Document: 00118229447 Page: 1 Date Filed: 12/26/2024 Entry ID: 6689650

**UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT**

No.24-1256

RAY LEONERDIRT DÍAZ SANTIAGO,

Plaintiff-Appellant,

v.

JOSÉ SÁNCHEZ ACOSTA, Attorney:MANUEL CIDRE MIRANDA

Defendants-Appellees.

MOTION TO SET BRIEFING

December 26,2024

The above-captioned appeal was docketed in this court on March 3, 2024 pursuant to Rule 12 of the Federal Rules of Appellate Procedure. We request review in de novo and Strict scrutiny we comply with The Electronic Signatures in Global and National Commerce Act (E-Sign Act)by electronic communications with Puerto Rico Government. *Naldi v. Grunberg* 80 A.D. 3d 1 (N.Y. App. Div. 1st Dep't 2010) *The New York Statute of Frauds may be satisfied by an electronic writing and electronic signature because, among other reasons, the*

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Electronic Signatures and Records Act (ESRA) incorporated the substantive provisions of E-SIGN, which permit such electronic records and signatures.

We have this case with an investment of 373,501.75 US dollars and due communications with the Puerto Rico Government official Attorney Pedro Piquer on duty via email [Email] with a commitment to an agreement and Certified Translation of the Email in Milwaukee by Margot A.Acevedo Chabert USCCI ,audited money by CPA Certified Public Accountant, contract with the Government of Puerto Rico within COVID-19 and this entire process rejected by the change of administration on duty Lic. Sánchez Acosta and Manuel Cidre they did not honor the official's communications within the global Pandemic Covid-19.

"Comment Concerning Use of Electronic Signatures and Third-Party Opinion Letters" (ABA GROUPS 2020)In general, UETA and E-SIGN provide that a signature cannot be denied legal effect solely because it is in electronic form. UETA § 7; E-SIGN, 15 USCA § 7001(a).

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When parties to a business contract subject to one of these statutes agree to use an electronic signature, share files, or otherwise enter into an electronic agreement, the electronic signature will generally have legal effect. Parties to business transactions and their counsel seldom gather in the same location to exchange manually-signed agreements and other documents; virtual closings have been and are the norm.* The COVID-19 crisis has resulted in increased focus on the widespread practice of giving opinions on the execution of agreements signed electronically. This Comment explains the legal basis for the conclusion underlying those opinions that the electronic signatures on those agreements have the same legal effect as manual signatures.

District court holds no private right of action under E-SIGN Act. InfoBytes Financial Services, Law Insights & Observations , (ORRICK 2020)The courts have held that when Congress creates specific means to enforce a statute, a court will assume that Congress did not

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intend to allow any additional right of action beyond those specified. The courts noted that where Congress creates specific means for enforcing a statute, a court will assume that Congress did not intend to allow any additional rights of action beyond those specified. When applied to E-SIGN Act v. 101, the court found that no standalone remedy is necessary, as any violation of the E-SIGN Act would be "self-effectuating." Any failure to "[d]emonstrate the proper consent for electronic service would only expose the party required to deliver the information in writing to whatever sanctions the law requiring written disclosure provides." Therefore, the court found that "Congress appears to have provided no separate remedial scheme for violation of the E-SIGN Act's consent provisions, as no standalone remedy is necessary."

Conclusion

We request this Honorable UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT to issue an Final Order

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"Self-Effectuating." that they pay the investment amount agreed in the contract with U.S Dollar, that continuity of communications with the administration on duty be honored via electronic communications [EMAIL] and that my rights as an American Citizen be returned to me On case with evidence of email and officials of Government of Puerto Rico. Official communications are not for poets, They are Officials.

RESPECTFULLY SUBMITTED,

S/Ray Leonerdirt Diaz Santiago

Ray Leonerdirt Diaz Santiago
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**B. GOVERNMENT OF PUERTO RICO DEPARTMENT OF ECONOMIC
DEVELOPMENT AND COMMERCE "THE BUTTERFLY" #000129**

[CERTIFIED TRANSLATION]

**GOVERNMENT OF PUERTO RICO
DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE
CONTRACT FOR THE INCENTIVES OF THE SPECIAL FUND FOR THE
PUERTO RICO FILM INDUSTRY DEVELOPMENT PROGRAM**

Contract No. 2019- 000129

COME NOW

THE PARTY OF THE FIRST PART: THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE, through its *Film Industry Development Program* (hereinafter referred to as the "Department"), a government agency created by Reorganization Plan No. 4 of 1994, as amended, represented herein by its secretary, the **Hon. Manuel Laboy Rivera**, of legal age, single, an executive, and a resident of Gurabo, Puerto Rico.

THE PARTY OF THE SECOND PART: MOTIVARTE, INC., a for-profit corporation of Puerto Rican filmmakers, organized and existing under the laws of the Government of Puerto Rico (hereinafter referred to as the "Entity"), represented in this act by its vice president, Melanie Rivera Ruiz, of legal age, single, a teacher, and a resident of San Juan, Puerto Rico, whose representative capacity has been evidenced by the corresponding Corporate Resolution, which is attached hereto as **Appendix A** and made an integral part of this Contract.

THE PARTY OF THE THIRD PART: Mr. Ray Leonerdirt Díaz, producer of the film project **THE BUTTERFLY**, appearing in his personal capacity only for the purposes of Sections 5 and 10 of this Contract.

For the purposes of this Contract, the parties shall be jointly referred to as "the Parties".

STATE

WHEREAS: The Department is responsible for implementing and supervising the enforcement of the public policy for the economic development of Puerto Rico in the various business sectors of industry, commerce, tourism, film, services, and others. It is also responsible for developing, managing, and promoting the Film Industry Development Program (hereinafter referred to as the "Puerto Rico Film Program").

WHEREAS: The Department, pursuant to article 4(b) of Law No. 171-2014, as amended, has the responsibility to support the development of Puerto Rican cinema, as well as the responsibility to use the Special Fund of the Puerto Rico Film Industry Development Program (hereinafter referred to as "the Fund") to subsidize all phases of Puerto Rican film production.

WHEREAS: The Department has a corporate purpose pursuant to Law No. 171-2014, to promote the expansion of the Puerto Rican motion picture arts and sciences, film industry, and audiovisual arts in all their phases, inasmuch as this allows for the development of productive or workforce capacity.

WHEREAS: The Department, in compliance with its responsibility in using the Fund, and as permitted by the [referenced] Law, has designed a mechanism to promote local cinema, by means of which the **Department** will reimburse fifty percent (50%) of the total Eligible Film Expenses invested and audited in Puerto Rico, up to a maximum of two hundred fifty thousand dollars (\$250,000), of a Puerto Rican film project.

[CERTIFIED TRANSLATION]

Department of Economic Development and Commerce
Film Industry Development Program
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WHEREAS: After evaluating the projects that submitted applications, the **Department** has selected projects taking into consideration the guiding principles of job creation, harmonious integration, commitment to economic activity, commitment to culture, commitment to the acquisition of Puerto Rican raw material and agricultural products, knowledge transfer, and/or financial commitment, among others.

WHEREAS: The **Entity** has requested from the **Department** a contribution of up to **TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00)**, corresponding to up to fifty percent (50%) of the Eligible Film Expenses in its film production budget, for the film project titled **THE BUTTERFLY** (hereinafter referred to as the "Project").

WHEREAS: The **Entity** has demonstrated to the satisfaction of the **Department** that the **Project** is a Puerto Rican production, as defined in Law 171-2014, and has submitted the corresponding film production budget, the main cast list, and all the required documents.

WHEREAS: The **Entity** has certified that the expenses to be reimbursed by the **Department** [sic] of the film project will be written, directed, or technically made and filmed in Puerto Rico by Puerto Rican residents, the main cast will consist of Puerto Rican actors, with the exception of up to three (3) of the first six (6) main cast positions and (3) of the department heads, who may be non-residents of Puerto Rico, provided that the producer shows evidence of income withholding.

WHEREAS: The **Department** is authorized by law to enter into contracts under Reorganization Plan No. 4-1994, as amended, and Law 171-2014, as amended.

WHEREAS: The **Department**, in carrying out its responsibilities, approved the **Entity's** request for the Project, granting the amount corresponding to fifty percent (50%) of the film production budget spent in Puerto Rico and audited, according to the Project's Audited Expense Report. The **Department's** contribution will be made from the Motion Picture Fund, subject to the conditions of this Contract.

THEREFORE: The **Parties** hereby execute this Contract for the Incentives of the Special Fund for the Puerto Rico Film Industry Development Program (the "Contract") subject to the following:

TERMS & CONDITIONS

1.0 Definitions and Terms

- 1.1** For the purposes of this Contract, the term "Eligible Film Production Budget" shall mean the production expense budget submitted by the **Entity** to the **Department**.
- 1.2** For the purposes of this Contract, the term "Puerto Rican" shall be defined as established in Article 2(f) of Law No. 171-2014, as amended.
- 1.3** For the purposes of this Contract, the term "Eligible Film Expenses" shall mean expenses incurred in Puerto Rico pertaining to
 - a. development (excluding payments to the producer or his entity and limited to a maximum of 10% of the Eligible Film Production Budget of the film project)
 - b. pre-production
 - c. production
 - d. post-production

[CERTIFIED TRANSLATION]

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- e. advertising, marketing, and distribution
- f. payroll
- g. transportation
- h. security
- i. equipment
- j. lodging or accommodations
- k. any other expense requested and approved by the **Department**

The Eligible Film Expenses may be covered with the **Entity's** private funds or with public funds financed by another jurisdiction and/or country incurred in Puerto Rico, provided that, if the **Entity** has received a subsidy and/or incentive from any other jurisdiction and/or country which it does not have to reimburse and/or return, it shall not be applicable to the Eligible Film Expenses under this Contract.

- 1.4 For the purposes of this Contract, the term "Puerto Rican" shall be defined as established in Article 2(f) of Law No. 171-2014, as amended.

2.0 Scope

- 2.1 The **Entity** has requested a contribution and the **Department** has granted the **Entity** an incentive of up to **Two Hundred Fifty Thousand Dollars (\$250,000.00)** (hereinafter referred to as the "**Maximum Amount**"), corresponding to fifty percent (50%) of the Eligible Film Expenses in its Eligible Film Production Budget, provided that the final amount of the incentive for the **Project** will be determined after the **Entity** submits the Audited Expense Report containing an itemized breakdown of the Eligible Film Expenses incurred.
- 2.2 The **Entity** acknowledges and accepts that the **Department's** contribution will not exceed the Maximum Amount.
- 2.3 The **Entity** acknowledges that the Audited (not compiled) Expense Report is a prerequisite for the disbursement of the contribution except as provided in Section 3.5 of this Contract.
- 2.4 The **Department's** contribution under this Contract comes from the Motion Picture Fund, Budget Account Number 0001-030-2018-210-FOND-EST-155-650.
- 2.5 The **Entity** understands and accepts that under no circumstances may the **Department's** reimbursement exceed fifty percent (50%) of the Eligible Film Expenses or two hundred fifty thousand dollars (\$250,000), whichever is less.

3.0 Disbursement Procedure

- 3.1 After signing this Contract, the **Department** will segregate the funds corresponding to the **Maximum Amount**.

[CERTIFIED TRANSLATION]

Department of Economic Development and Commerce
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Motivarte, Inc./THE BUTTERFLY
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- 3.2** The **Department** will issue a signed letter authorizing the disbursement of the eligible development and pre-production expenses segregated by the **Department**, up to a maximum of one hundred twenty-five thousand dollars (\$125,000) once:
- a.** The **Entity** submits an Audited Expense Report to be evaluated and approved by the Film Program.
 - i.** The **Entity** must submit the Audited Expense Report within sixty (60) days after the completion of the pre-production stages of the project, including
 - development and
 - pre-production
 - ii.** The **Department** will have up to thirty (30) days to approve all or part of the Audited Expense Report to be submitted by the **Entity**, unless it has requested additional documentation from the **Entity** that has not yet been provided.
- 3.3** The remainder of the Maximum Amount segregated by the **Department** will be disbursed to the **Entity** as follows:
- a.** When the **Entity** submits the Audited Production & Post-Production Expense Reports including
 - i.** director, producer, and/or actor payroll (up to a maximum of 25% of the total of the second disbursement)
 - ii.** filming (main photography)
 - iii.** post-production
 - iv.** distribution
 - v.** advertising and marketing; and these are approved by the Film Program. If any Eligible Film Expense that was not previously submitted is included, the **Entity** must show good reason for its approval.
 - b.** The disbursement referred to in this Section 3.3(b) will only include the costs of filming, postproduction, distribution, advertising, and marketing until the first commercial showing.
 - c.** The disbursement referred to in this Section 3.3 will be made after the first commercial showing of the Project.
- 3.4** In all cases, the **Department** will reimburse fifty percent (50%) of the Eligible Film Expenses, up to a maximum of \$250,000.00, audited and accepted by the **Department**
- 3.5** On the other hand, the production of the **Project** may obtain an advance of up to fifty percent (50%) of the Maximum Amount to be invested in Puerto Rico, provided that it

[CERTIFIED TRANSLATION]

Department of Economic Development and Commerce
 Film Industry Development Program
 Incentive/Grant Contract
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produces, and the **Department** accepts, a performance bond (equivalent to what is known in the film industry as a "completion bond") on behalf of the **Department**.

- a. Under any circumstances, the advance must be returned to the **Department** if the film project does not begin its **interrupted** principal photography on or before January 30, 2020.
- b. The bond will exempt the **Entity** from submitting the Audited Expense Report for the first disbursement of the Maximum Amount under Section 3.2 of this Contract.
- c. In the event that the **Entity** obtains an advance under this Section 3.5(c), it shall be the **Entity's** obligation to produce an Audited Expense Report that shows that the advance was used in accordance with the percentages set forth in Section 3.7 of this Contract. Otherwise, the **Entity** may not request disbursement of the second refund under Section 3.3 of this Contract, which decision shall be at the **Department's** sole discretion.

3.6 If the **Entity** decides not to request the fifty percent (50%) advance provided for in Section 3.5 of this Contract, the Project must begin its **uninterrupted** principal photography before the expiration of this Contract, in keeping with Section 11.1 of this Contract. If it fails to comply with the foregoing, the **Entity** will be in breach of contract and any rights established herein for the **Entity** will be revoked.

3.7 Said advance payment via bond may be used only to cover

- a. up to twenty 20% of the advance for producer, director, and/or actor payroll, and the travel expenses (including accommodations and transportation) of the production team related to the Project
- b. up to sixty 60% of the advance (including travel) for the Project's development, pre-production, and/or principal photography filming (the amount used for filming (principal photography) will be excluded from the second refund)
- c. up to twenty 20% (including travel) of the advance for the distribution, marketing, or advertising of the Project
- d. The **Entity** is required to submit an Audited Expense Report stating that the advanced amount was used in keeping with the percentages indicated in this Section 3.7.

4.0 Conditions for the Contribution

4.1 In the event that the **Entity** does not request or is not granted the advance:

- a. The **Entity** will limit any expenditure from any individual item of the Project to ten percent (10%) of the Maximum Amount; however, for justified cause, at the discretion of the **Department**, the **Entity** may submit, for consideration by the **Department**, a written and signed request for said individual percentage to be increased. The **Entity** may, at its discretion, pay for production services by entering into deferred payment agreements with its contractors. Such agreements or other in-kind agreements will not be counted as items of the Audited Expense Report and may not be included in the items for reimbursement.

[CERTIFIED TRANSLATION]

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b. In the event that the **Entity** does not request or is not granted the advance, the **Entity** must allocate a minimum of twenty percent (20%) of the Maximum Amount for expenses related to

- i. distribution
- ii. marketing and advertising
- iii. any other expense for which the **Entity** requests authorization and that, after the proper evaluation, the **Department** authorizes in writing

4.2 The **Entity** certifies and warrants that it produces the Project with the main intention and responsibility of showing it in commercial cinemas locally and outside of Puerto Rico. Showings in cinemas will be the first link in the **Project's** commercial distribution chain; this without limiting its duty to arrange for the distribution of the **Project** in other markets through any platform.

4.3 The **Entity** certifies to the **Department** that it has ownership of the Project and that it has all the necessary permits and rights to produce it.

4.4 The **Entity** releases the **Department**, the Government of Puerto Rico, and all their employees, from any civil or criminal liability for any negligent or reckless action or omission in the matters related to this Contract.

4.5 The **Entity** shall make all relevant and necessary efforts to begin the uninterrupted principal photography of the **Project** before January 30, 2020 and to successfully market it without undue delay.

4.6 The **Entity** warrants that it will not request tax credits from the Film Program, including, but not limited to Law 27-2011, whether under a current or future local film credit law, for the film project contained in this Contract and that doing so will render this Contract null and void at the discretion of the **Department**.

5.0 Responsibility of the Producer and Penalty for Non-Compliance

5.1 In the event that the Maximum Amount is used for a purpose not **contemplated** in this Contract, or [the producer] breaches any term, clause, and/or condition of this Contract, the producer is personally bound to repay the full Maximum Amount to the Department.

6.0 Promotional Events

6.1 The **Entity** will make every possible effort to coordinate with the **Department** the creation and publication of marketing or promotional advertisements, posters, print or digital media, and/or any other means of dissemination.

6.2 The **Entity** will make every possible effort to coordinate with the **Department** and grant the media access to the filming process, interviews, and press conferences that it sets up.

6.3 The **Entity** will include the logo and slogan of the **Department** and the Puerto Rico Film Program in the screen credits at the beginning and end of the Project and in any

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promotional advertisements, posters, or publications in print, digital or any other media, as they are provided to it.

- 6.4 The **Entity** shall endeavor, where applicable, to introduce the **Department** and the Film Program as the main sponsors of the Project.

7.0 Documents Required for Evaluation of Film Fund Application

- 7.1 The **Entity** must include the following documentation with its application:

- a. The cast list for the film
- b. Itemized breakdown of the total amount of the proposed Eligible Film Production Budget
- c. Certificate of Incorporation from the Department of State, if applicable
- d. Completion bond, if requesting advance
- e. Any other documents required by the Department
- f. Affidavit stating that the Project does not contain pornographic material and does not promotes a particular partisan or religious ideology

8.0 Project Certifications

- 8.1 The **Entity** certifies that:

- a. The **Project** is written, directed, or technically made and filmed in Puerto Rico by Puerto Rican residents, and its main cast will consist of Puerto Rican actors, except for up to 3 of the 6 positions of the main cast and 3 of the department heads, who may be non-residents as long as the producer shows evidence of income withholding.
- b. The **Project** does not promote a particular partisan policy.
- c. The **Project** does not promote a particular religious ideology.
- d. The **Project** does not contain pornographic material.
- e. The **Project** is not for a radio show.
- f. The **Project** is not for the primary purpose of fund raising.
- g. The **Project** is not a production for employee training.
- h. It owes no debts to the Government of Puerto Rico, including to the Treasury Department, the Municipal Tax Collection Center, the Puerto Rico Film Program, the Motion Picture Fund, or any other government entity.
- i. It does not portray Puerto Rico negatively as a brand and, in keeping with the criteria established by the Secretary of Economic Development and Commerce,

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it does not adversely affect [the island's] tourism, investments, film industry, or projects.

9.0 Government Procurement Certifications

9.1 The **Entity** and the **Producer**, in his personal capacity, acknowledge, accept, and warrant that, if applicable:

- a. [It/He] is in compliance with Law No. 168 of August 12, 2000, as amended, [known as the] Act for the Improvement of Family Assistance and for the Support of the Elderly.
- b. None of [its/his] members, shareholders, directors, officers, or employees receives any remuneration or compensation for services rendered under an appointment to any department, agency, public corporation, or any other organism of the Government of Puerto Rico.
- c. No public servant or director, officer, or employee of the **Department**, or any member of the family unit of any of the foregoing (as defined in the Government Ethics Act, Law No. 1 of January 3, 2012, and its regulations), has a direct or indirect pecuniary interest in this Contract, or in the **Entity**, or any other interest adversely affecting the **Department**.
- d. No public servant or director, officer, or employee of the **Department**, or any member of the family unit of any of the foregoing (as the term "family unit" is defined in the Government Ethics Act and its regulations), or any other person, has directly or indirectly solicited or accepted any gifts, gratuities, favors, services, donations, or any other thing of economic value as a condition for obtaining this Contract, or to perform the duties and responsibilities of his or her office or job, or to influence the execution of this Contract in any way.
- e. None of [its/his] partners, shareholders, directors, officers, or employees are relatives within the fourth degree of consanguinity or second degree by affinity of any director, officer, or employee of the **Department** with the authority to influence or participate in its institutional decisions or who participated in the process whereby the **Department** was authorized to execute this Contract.
- f. During the ten (10) years prior to the year in which this Contract is formalized, the **Entity** has not pleaded guilty nor is it aware that it is being investigated in a civil or criminal proceeding in federal or state court or in the courts of any jurisdiction of the United States of America for acts relating to an offense against the treasury, the legal authorities, or the civil service, against government action or involving public funds or property. During the term of the Contract, the **Entity** shall notify the **Department** of (i) any change in the certifications made above; or (ii) any investigation in which the **Entity** is involved for the commission of any of the offenses specified above. The failure to comply with this notification requirement will result in the immediate termination of the Contract.
- g. [It/He] has no professional or personal conflicts of interest with the **Department**, nor will [it/he] enter into any professional or personal relationship that generates any conflict of interest with the **Department**. For the purposes of this Contract,

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"conflicts of interest" means having or representing interests of any kind that are adverse to the Department, or those conflicts of interest recognized by the industry or by the laws and regulations of the Government of Puerto Rico. The **Entity** shall report to the Department any situation that may imply a conflict of interest or the appearance of a conflict of interest.

- h. [It/He] has no legal or administrative claim or proceeding against the Government of Puerto Rico or any of its public agencies or corporations.
- i. [It/He] has no legal obligation to obtain any kind of waiver or authorization under the Organic Act of the Office of Governmental Ethics prior to the execution of this Contract, or, if such obligation exists, [it/he] has obtained the waiver or authorization and it is valid and in force and will continue to be valid and in force during the term of this Contract. Furthermore, [it/he] certifies that none of the provisions of the aforementioned Law prohibits the execution of this Contract.
- j. [Its/His] partners, shareholders, directors, officers, or employees comply with the provisions of Law No. 2-2018, better known as the Anti-Corruption Code for a New Puerto Rico, and the Organic Law of the Office of Government Ethics and its regulations.
- k. The **Entity** agrees and warrants that all of the foregoing representations are essential conditions of this Contract, and if they are incorrect or breached in whole or in part, the **Department** may terminate, rescind, or cancel this Contract without prior notice, and the **Entity** shall be bound to return any payments received hereunder.

10.0 Documents Required Prior to Signing this Contract

- 10.1 The **Entity** and the Producer acknowledge and accept that the **Department** may request any document it deems appropriate to confirm their tax status, or any of the certifications contained in this Contract, or their ability or authority to do business in Puerto Rico or to enter into this Contract.
- 10.2 The **Entity** shall provide the following documents to the **Department**:
 - a. Affidavit certifying that the **Project** does not contain pornographic material and does not promote any particular partisan or religious ideology.
 - b. Compliance Bond, if requesting an advance of up to fifty 50% of the Maximum Amount to be invested in Puerto Rico
 - c. Negative Debt Certification and State Insurance Fund Policy (the latter, if applicable).
 - d. Certification of Exemption from Withholding at the Source for Payments for Services Rendered, issued by the Treasury Department, as applicable.
 - e. Copy of its Merchant Registration Certification issued by the Treasury Department.
 - f. Tax Return Filing Certification for the five (5) years prior to the year in which the Contract will be signed, including the last filing, issued by the Treasury Department.

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- g. Negative Debt Certification issued by the Treasury Department (if it has any debt, it must submit evidence of payment plan, administrative review, or debt repayment).
- h. Negative Sales and Use Tax (IVU, Spanish acronym) Debt Certification.
- i. Certification of compliance with the required filing of Sales and Use (IVU) returns during the sixty (60) months prior to the year in which this Contract is signed and stating that it does not owe any taxes or sums of money to the Treasury for said concept.
- j. Certifications issued by the Municipal Tax Collection Center (CRIM, Spanish acronym) regarding the **Entity's** compliance with its obligation to pay taxes on its real and personal property.
- k. Employer Registration Certification or Unemployment Insurance and Disability Insurance Debt Certification issued by the Department of Labor and Human Resources (as applicable).
- l. Employer Registration Certification or Social Security Debt Certification issued by the Department of Labor and Human Resources, as applicable.
- m. Negative Child Support Case Certification (if a natural person) or Certification of Account Status (if a legal entity) issued by the Child Support Administration (ASUME, Spanish acronym).
- n. Affidavit pursuant to Law No. 2-2018.

11.0 Term of the Contract

- 11.1 This Contract will be in full force and effect from the date of its execution until **June 1, 2020**.
- 11.2 If the **Entity** fails to fulfill its duties or comply with the terms and/or conditions of this Contract by the date stated in Section 11.1 of this Contract, the **Entity** will be in breach of contract. Notwithstanding the above, the rights of the **Department** under this Contract will survive the date set forth in Section 11.1 of this Contract.

12.0 Termination for Convenience, Breach, or Negligence

- 12.1 The **Department** may terminate the Contract for the reasons set forth herein, by providing written notice to the **Entity** ten (10) days before the effective date of the termination.
- 12.2 If the Producer or the **Entity** (i) fails to comply with any obligation, condition, term, agreement, or material provision of this Contract; (ii) fails to comply with any representation, guarantee, or certification made under this Contract; (iii) is negligent in performing its/his obligations and duties under this Contract; (iv) violates any law or governmental requirement or acts improperly in the performance of its/his obligations and duties under this Contract, the **Department** may terminate this Contract immediately, without prior notice, and the **Entity** will be bound return all the money received within ten (10) days.

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12.3 In accordance with Memorandum No. 2017-001 of the Office of the Chief of Staff of the Governor of Puerto Rico and Circular Letter 141-17 of the Office of Management and Budget, the Office of the Chief of Staff will have the power to terminate any contract of the Government of Puerto Rico at any time.

13.0 Assignment of Rights

13.1 The **Entity** may not assign or otherwise transfer the rights and obligations under this Contract without providing advance notice to the **Department** in writing.

14.0 Release of Liability; Indemnification; Insurance

14.1 The **Entity** shall indemnify, defend, and hold harmless the **Department**, its subsidiaries, affiliates, attached public agencies or corporations to which it provides services under this Contract, directors, officers, employees, agents, representatives, assignees, and the Government of Puerto Rico from and for all losses, causes of action, claims, damages, liabilities, and expenses (including attorney's fees) arising out of its activities, the granting of the contribution subject to this Contract, or the duties and obligations assumed under this Contract.

14.2 The **Entity** warrants and certifies that it complies with all the insurance requirements of its industry.

15.0 Notices

15.1 Any notice or other communication required or permitted under this Contract shall be made in writing, and shall be hand-delivered by courier or sent by email or certified mail with acknowledgment of receipt to the addresses listed at the end of the Contract.

16.0 Waiver of Rights

16.1 The rights and remedies under this Contract shall not be exclusive to any right or remedy provided by law and the exercise of any right or remedy shall not be construed as a waiver of the right to exercise any other right or remedy granted under the provisions of this Contract or by law.

16.2 The express or implied waiver of rights or remedies under a specific provision of this Contract shall not be construed as a waiver by the **Department** of rights or remedies under such provision at any other time or under any other provision of this Contract, or of rights or remedies granted by law. The failure to act in relation to the breach of the obligations, conditions, terms, agreements, representations, guarantees, or certifications of this Contract shall not be construed as a waiver by the **Department** of the right to take action with respect to such breach or any subsequent breach.

16.3 Any payment or disbursement under this Contract shall not be construed as a waiver of the right to exercise any right or remedy granted under this Contract or by law, and the **Entity** will continue to be liable to the **Department** for any damages suffered by the **Department** as a result of the **Entity's** breach or violation of any term, agreement, or stipulation contained in this Contract.

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17.0 Severability

- 17.1** If any clause of this Contract is declared null and void, illegal, or unenforceable, of its face or in its application to any person or circumstance, the validity or enforceability of the remaining clauses shall not be affected, and said other clauses shall remain in force and effect. However, if a clause which is declared null and void, illegal, or unenforceable is essential to this Contract, and the nullity, illegality, or unenforceability of such clause makes it impossible to comply with the other clauses of this Contract, the parties may then negotiate in good faith new clauses satisfactory to both or, by decision of a competent authority, the Contract may be terminated.

18.0 Choice of Law; Choice of Forum

- 18.1** This Contract and the rights of the parties under it shall be governed by the laws of the Government of Puerto Rico. The Court of First Instance, San Juan Part, shall have exclusive jurisdiction to judicially resolve any dispute relating to this Contract.

19.0 Entire Contract; Amendments

- 19.1** This Contract constitutes the entire agreement between the **Parties**. The **Parties** may amend this Contract at any time during its effective term, but no amendment shall be valid unless it is set forth in a document signed by the **Parties** and registered with the Office of the Comptroller.

20.0 Sustainability Act

- 20.1** The **Entity** acknowledges and accepts that this Contract and the rights and obligations arising from it shall be subject to the applicable provisions of the Government of Puerto Rico Special Fiscal and Operational Sustainability Act, Law No. 66-2014, and the Act to Address the Economic, Fiscal, and Budget Crisis to Guarantee the Operations of the Government of Puerto Rico, Law No. 3-2017.

21.0 Office of the Controller

- 21.1** No benefit or consideration under this Contract may be demanded until this Contract has been submitted for registration with the Office of the Comptroller of Puerto Rico in accordance with Law No. 18 of October 30, 1975, as amended. In accordance with said provision, the **Department** undertakes to submit the Contract for registration to the Office of the Comptroller within the prescribed period.
- 21.2** The **Entity** acknowledges and accepts the authority of the Comptroller of the Government of Puerto Rico (the "Comptroller") to intervene or examine any report, invoice, material, or document related to this Contract, all of which the **Entity** shall retain for a period of six (6) years from the date of termination, cancellation, or rescission of this Contract.

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IN WITNESS WHEREOF, we sign this Contract in San Juan, Puerto Rico, on this day of March
29, 2019.

**DEPARTMENT OF ECONOMIC
DEVELOPMENT AND COMMERCE**

[illegible signature]

Hon. Manuel Laboy Rivera
Secretary
Employer ID 660-65-4753
P.O. Box 362350
San Juan, PR 00936-2350
Telephone: (787) 765-2900

NAME OF ENTITY

MOTIVARTE, INC.

[illegible signature]

NAME MELANIE RIVERA CRUZ
Position Vice President
Employer ID 66-0831675
Address Condominio Atlantis #1706
4021 Avenida Constitución
San Juan PR 00901
Telephone: 787-[hw: 901-1449]

NAME OF PRODUCER

[illegible signature]

NAME RAY LEONERDIAZ DIAZ
Position Producer
Personal ID [hw: 597-01-6979]
Address Condominio Atlantis #1706
4021 Avenida Constitución
San Juan PR 00901
Telephone: 787-690-0788

[Translator's Note: The original Spanish document provided for translation has three sets of handwritten initials on the left margin of all its pages, except the last page, which only contains one set of handwritten initials.]

**CERTIFICATE OF TRANSLATION
SPANISH TO ENGLISH**

DOCUMENT: Contract for the Incentives of the Special Fund for the Puerto Rico Film Industry Development Program executed by and between the Puerto Rico Department of Economic Development and Commerce; Motivarte, Inc., and Mr. Ray Leonerdt Díaz in San Juan, Puerto Rico on March 29, 2019 (original document consisting of 13 pages)

The undersigned, Margot A. Acevedo Chabert, USCCI, hereby certifies that she has been actively engaged as a professional translator and interpreter (English <> Spanish) certified by the Administrative Office of the United States Courts since 2006 (Certificate No. 06-001), that she has an MA in Translation from the University of Puerto Rico, and that to the best of her knowledge and understanding, the attached document is a true and correct translation of the original text provided for translation.

In Milwaukee, WI, on February 24, 2025



Margot A. Acevedo Chabert, USCCI

C. Government of Puerto Rico email with title "THE BUTTERFLY":

Case: 24-1256 Document: 00118251459 Page: 21 Date Filed: 02/24/2025 Entry ID: 6630505

(CERTIFIED TRANSLATION)

4 Messages 3:10 PM Mon Jan 8

LTE 100%



Spanish → English
Show original



Sent from my iPhone

Begin forwarded message:

From: "Pedro J. Piquer Herr" <Pedro.Piquer@ddcc.pr.gov>
Date: October 28, 2020 at 11:38:40 AM AEST
To: Jaime Aponte-Pared <japonte@hondai.com>
Cc: Ray Diaz <raydiaz2@hondai.com>
Subject: The Butterfly

Hello,

We are in the process of extending the agreements under the fund, including [the one for] The Butterfly.

When you have the chance, please send us the original agreement between Motivate and the DDEC signed by both parties, and the corporate resolution authorizing the extension of the agreement.

Pedro Piquer Herr, Esq.
Executive Assistant

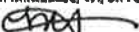


254 Ave. Roosevelt - Hato Rey, PR 00918
PO Box 982800 - San Juan, PR 00908-0800
Tel: (787) 288-2800 - Ext. 9028
pedro.piquer@ddcc.pr.gov

Reply

Forward

Case: 24-1256 Case: 24-1256 Document: 00118251459 Page: 22 Date Filed: 02/24/2025 Entry ID: 6630505

CERTIFICATE OF TRANSLATION SPANISH TO ENGLISH DOCUMENT: Email of October 28, 2020, from Pedro J. Piquer Henn to Jaime Aponte-Parsi and Ray Diaz, Subject: The Butterfly (original Spanish document consisting of 2 pages) The undersigned, Margot A. Acevedo Chabert, USCO, hereby certifies that she has been actively engaged as a professional translator and interpreter (English <=> Spanish) certified by the Administrative Office of the United States Courts since 2006 (Certificate No. 06-001), that she has an MA in Translation from the University of Puerto Rico, and that to the best of her knowledge and understanding, the attached document is a true and correct translation of the original text provided for translation. In Milwaukee, WI, on February 19, 2024  Margot A. Acevedo Chabert, USCO

CERTIFICATE OF TRANSLATION SPANISH TO ENGLISH DOCUMENT: Contract for the Incentives of the Special Fund for the Puerto Rico Film Industry Development Program executed by and between the Puerto Rico Department of Economic Development and Commerce; Motivarte, Inc., and Mr. Ray Leonerdirt Díaz in San Juan, Puerto Rico on March 29, 2019 (original document consisting of 13 pages) The undersigned, Margot A. Acevedo Chabert, USCCI, hereby certifies that she has been actively engaged as a professional translator and interpreter (English <=> Spanish) certified by the Administrative Office of the United States Courts since 2006 (Certificate No. 06-001), that she has an MA in Translation from the University of Puerto Rico, and that to the best of her knowledge and understanding, the attached document is a true and correct translation of the original text provided for translation. In Milwaukee, WI, on February 24, 2025  Margot A. Acevedo Chabert, USCCI

United States Court of Appeals For the First Circuit

No. 24-1256

RAY LEONERDIRT DÍAZ-SANTIAGO,

Plaintiff - Appellant,

v.

JOSÉ SÁNCHEZ-ACOSTA, Attorney; MANUEL CIDRE-MIRANDA,

Defendants - Appellees.

ORDER OF COURT

Entered: May 19, 2025

Plaintiff-appellant Ray Leonerdirty Díaz-Santiago has appealed the district court's decision dated February 9, 2024, dismissing his complaint. Plaintiff has filed several motions seeking, inter alia, an order to set a briefing schedule in this appeal.

On May 3, 2017, the Commonwealth of Puerto Rico filed a petition under Title III of PROMESA, 48 U.S.C. § 2161, et seq., for adjustment of its debts. On January 18, 2022, the Title III court confirmed the Commonwealth's Title III plan of adjustment. In re Fin. Oversight & Mgmt. Bd. of P.R., 636 B.R. 1 (D.P.R. 2022). The effective date of the Plan was March 15, 2022. Under 48 U.S.C. § 2161(a), the bankruptcy discharge provisions of 11 U.S.C. §§ 944 and 524(a)(1) and (2) are incorporated into PROMESA.

In light of the above, the parties are directed to show cause **within 30 days** of this order whether any aspect of this appeal can proceed in light of the Commonwealth's Title III Plan's discharge (§ 92.2) and discharge injunction (§ 92.3) provisions, or any other Plan provisions, as well as the express inclusion of "employees" and "officials" in Confirmation Order ¶ 56(b). See 11 U.S.C. § 524(a)(1) and (2) (stating that discharge "voids any judgment at any time obtained" and "operates as an injunction against the commencement or continuation of an action, the employment of process, or an act to collect, recover or offset any such debt . . . of the debtor"); see also 11 U.S.C. § 944(a)(1) (stating that "provisions of a confirmed plan bind the debtor and any creditor, whether or not--(1) a proof of such creditor's claim is filed"); In re Pavelich, 229 B.R. 777, 782 (B.A.P. 9th Cir. 1999) ("The statutory voidness and statutory injunction created by § 524(a) operate to strip a . . . court of the subject matter jurisdiction to require a debtor to pay a discharged debt.").

The parties are directed to state with specificity the reasoning behind their conclusions one way or the other and shall address the following:

(1) Whether any party has any proof of claim(s) or administrative expense claim(s) resolved or pending in the Title III process that involves the complaint filed in the underlying district court matter (No. 3:24-cv-01011-PAD) and, hence, this appeal, and, if so, the status of any such claim(s) and the impact of any Title III court order allowing or disallowing such claim(s).

(2) Whether the claims against defendants-appellees José Sánchez Acosta and Manuel Cidré Miranda, in whole or in part, are claims against the Commonwealth subject to the discharge and discharge injunction provisions contained in the Commonwealth's Title III Plan and Confirmation Order ¶ 56(b). See In re Fin. Oversight & Mgmt. Bd. for P.R., 650 B.R. 286, 292-93 (D.P.R. 2022) (determining that a claim against an office identified on the list of governmental entities that comprise the Central Government of Puerto Rico is a claim against the Commonwealth subject to treatment under the Plan); see also In re Fin. Oversight & Mgmt. Bd. for P.R., 636 B.R. at 232 (stating in Plan § 92.2(b) that "the Confirmation Order shall constitute a judicial determination, as of the Effective Date, of the discharge and release of all such Claims, Causes of Action or debt of or against the Debtors and the Reorganized Debtors"); id. at 38 (Confirmation Order ¶ 56(b)).

The Financial Oversight and Management Board is invited to submit its views on this matter at the time the parties file their responses. See 48 U.S.C. § 2175(b) (stating that the Oversight Board "is the representative of the debtor"). The parties are reminded of the court's requirements for certified or stipulated English translations when documents or cited opinions are not in the English language. 1st Cir. R. 30.0(e).

By the Court:

Anastasia Dubrovsky, Clerk

cc:

Ray Leonerdirt Diaz Santiago II
Luis R. Roman-Negron
Mariola Abreu Acevedo
Timothy W. Mungovan

**UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT**

No.24-1256

**RAY LEONERDIRT DÍAZ SANTIAGO,
Plaintiff-Appellant,
v.**

**JOSÉ SÁNCHEZ ACOSTA, Attorney and MANUEL CIDRE MIRANDA
Defendants-Appellees.**

May 19, 2025

**APPELLANT'S RESPONSE TO ORDER TO SHOW CAUSE AND
SUPPLEMENTAL STATEMENT REGARDING PENDING UNOPPOSED
DISPOSITIVE MOTIONS**

COMES NOW, Appellant Ray Leonerdirty Díaz Santiago, pro se, and respectfully submits this Response to the Court's Order to Show Cause dated May 19, 2025, and further provides a supplemental statement regarding his **Emergency Motion to Compel Ruling on Unopposed Dispositive Motions Based on Self-Authenticating Evidence**, filed on May 1, 2025, which remains pending without resolution.

I. INTRODUCTION

Appellant reaffirms that this appeal arises from claims against individual government officials acting ultra

vires and causing continuing constitutional harm unrelated to any debt or claim subject to discharge under PROMESA Title III.

As detailed in the pending motions, the uncontested and **self-authenticating** evidence in the record supports the urgent need for this Court to issue rulings without further delay, to prevent ongoing irreparable harm to Appellant's constitutional and property rights.

II. RESPONSE TO ORDER TO SHOW CAUSE ITEMS

1. No Claims Filed in Title III Case:

Appellant confirms that no proof of claim or administrative expense claim has ever been filed or is pending in the Title III case (*In re Commonwealth of Puerto Rico*, No. 17-BK-3283). The claims asserted here are **independent constitutional claims**, not financial claims subject to discharge.

2. Claims Not Barred or Discharged:

The claims are not barred, discharged, or otherwise precluded by the Title III Plan or its discharge injunction because they:

- Are based on acts outside lawful official capacity (ultra vires acts);
- Concern constitutional violations not extinguished by PROMESA discharge;
- Involve continuing harms requiring judicial remedy.

III. STATUS OF UNOPPOSED DISPOSITIVE MOTIONS

Appellant respectfully reminds the Court of the pending motions listed in the Emergency Motion filed May 1, 2025, all supported by **self-authenticating documentary evidence**, including:

- Government contracts issued under official seal;
- Official government emails confirming contract extensions;

- Sworn affidavits authenticating facts and timelines.

Pursuant to **Fed. R. Evid. 902(1), 803(6), and 201(b)(2)**, these materials are admissible without further hearing.

IV. CERTIFIED INVESTMENT AND ECONOMIC DAMAGE

The Plaintiff made a certified and audited investment amounting to \$373,501.75 USD during the COVID-19 emergency period, pursuant to a formal and legally binding contract entered into with the Government of Puerto Rico. This contract was electronically executed and complies with the legal requirements set forth in the Electronic Signatures in Global and National Commerce Act (E-SIGN Act), 15 U.S.C. § 7001 et seq., as well as the Uniform Electronic Transactions Act (UETA), thereby ensuring its validity and legal effect.

Furthermore, the contract and related official correspondence—including an email from government official Pedro Piquer—have been duly authenticated,

translated by a federally certified translator, and submitted in accordance with the Federal Rules of Evidence, specifically Rule 201, which mandates that courts take judicial notice of facts that are indisputable and verifiable through reliable sources.

The current administration's failure to honor the contractual commitments made during this period not only constitutes a breach of the executed contract but also violates the Contracts Clause of the United States Constitution (Article I, Section 10), which prohibits states from passing any law impairing the obligation of contracts. Relevant case law, including *Perry v. United States*, 294 U.S. 330 (1935), and *United States Trust Co. v. New Jersey*, 431 U.S. 1 (1977), affirms that public contractual obligations must be respected regardless of subsequent administrative or political changes.

Moreover, this refusal to fulfill contractual obligations causes irreparable harm to the Plaintiff, who acted in good faith relying on the validity of the

contract and the continuity of the contractual relationship during a federally declared state of emergency. Such conduct violates fundamental principles of equity, due process, and the protection of legitimate interests under federal law.

In light of the foregoing, the Plaintiff respectfully requests that this Honorable Court take judicial notice of the submitted contractual documents and official communications, and duly consider the economic damage and legitimate investment made, in order to safeguard the Plaintiff's constitutional and contractual rights.

V. LEGAL GROUNDS FOR PROMPT RULING

The prolonged delay violates Appellant's due process rights under *Mathews v. Eldridge*, 424 U.S. 319 (1976), and *Neversen v. Farquharson*, 366 F.3d 32 (1st Cir. 2004), which requires timely adjudication when facts are undisputed and motions unopposed.

The Court has the inherent authority and obligation to act expeditiously, especially when the record is clear and the delay causes ongoing irreparable harm,

including economic loss, obstruction, and reputational damage.

VI. REQUEST FOR RELIEF

WHEREFORE, Appellant respectfully requests that this Honorable Court:

1. Accept this Response to the Order to Show Cause;
2. Deny any suggestion that the claims here are barred or discharged by Title III;
3. Immediately rule on the pending unopposed dispositive motions referenced in the May 1, 2025 Emergency Motion;
4. Issue any appropriate interim or final order to prevent further irreparable harm to Appellant.

RESPECTFULLY SUBMITTED,

/S/.RAY LEONERDIRT DIAZ SANTIAGO

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CERTIFICATE OF COMPLIANCE WITH RULE 32(g) (1)

Pursuant to Rule 32(g) (1) of the Federal Rules of Appellate Procedure, I certify that this motion complies with the type-volume limitation of Rule 27(d) (2) (A) and the typeface requirements of Rule 32(a) (5) and (a) (6).

This document contains approximately **824** words, excluding the items exempted by Rule 32(f), and was prepared using Microsoft Word with COURIER NEW 14-point font, a proportionally spaced typeface.

I certify that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Ray Leonerdirt Diaz Santiago

CM/ECF CERTIFICATE OF FILING AND SERVICE

I HEREBY CERTIFY: that today May 19, 2025 a true copy of the foregoing document has been electronically served by the Notice of Docketing Activity to all attorneys of record, in compliance with the Rules of the Federal Rules of Appellate Procedure and the Rules of the Administrative Order Regarding CaseManagement/Electronic Case Files System ("CM/ECF") of the US Court of Appeals for the First Circuit. And via email to: mariola.abreu@justicia.pr.gov, and Irnr@roman-negron.com

United States Court of Appeals
for the
First Circuit

Case No. 24-1256

RAY LEONERDIRT DÍAZ-SANTIAGO,

Plaintiff - Appellant,

v.

JOSÉ SÁNCHEZ-ACOSTA, Attorney; MANUEL CIDRE-MIRANDA,

Defendants - Appellees.

**THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD
FOR PUERTO RICO'S RESPONSE TO THE MAY 19, 2025
ORDER OF THE COURT**

CORPORATE DISCLOSURE STATEMENT

The Financial Oversight and Management Board for Puerto Rico is not required to file a Corporate Disclosure Statement pursuant to Federal Rule of Appellate Procedure 26.1 because it is not a non-governmental corporate party.

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48 U.S.C. § 2164(a)1

The Financial Oversight and Management Board for Puerto Rico (the “Board”) respectfully submits this memorandum in response to the May 19, 2025 Order of the Court. Doc. 00118287448 (the “Order”). For the reasons stated below, the Board believes that Appellant Ray Leonerdi Díaz-Santiago’s contract claim against Appellees—who are officials of the Commonwealth of Puerto Rico—was discharged by the Commonwealth’s plan of adjustment. Moreover, Díaz-Santiago failed to file a proof of claim or an administrative expense claim in the Title III case in accordance with applicable orders. He therefore is barred from recovery on his contract claim. This appeal is thus moot because the Court cannot grant Díaz-Santiago any effective relief.

BACKGROUND

A. The Commonwealth’s Title III Case and Plan of Adjustment

In May 2017, the Board commenced a restructuring case on behalf of the Commonwealth by filing a petition under Title III of the Puerto Rico Oversight, Management, and Economic Stability Act. *See* 48 U.S.C. § 2164(a). The Title III court confirmed the Commonwealth’s plan of adjustment in January 2022, and the plan became effective on March 15, 2022. *See* ECF No. 19784 (“Plan”); *see also* ECF No. 19813 (“Confirmation Order”); ECF No. 20349 at 2.¹

¹ ECF cites in this section refer to the Commonwealth’s Title III case, No. 17-bk-3283 (D.P.R.). ECF cites elsewhere are to the case below, No. 24-cv-1011 (D.P.R.).

Section 92.2 of the Plan discharges and releases the Commonwealth from “any and all Claims, Causes of Action, and any other debts that arose, in whole or in part, prior to the Effective Date.” Plan § 92.2(a). The Plan’s definition of “Claim” largely mirrors the Bankruptcy Code’s definition in 11 U.S.C. § 101(5) and includes any “right to an equitable remedy for breach or enforcement of performance, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.” Plan § 1.135. Pursuant to § 92.3 of the Plan, all parties holding claims discharged pursuant to § 92.2 are permanently enjoined from commencing or continuing any action to enforce or collect on them. *Id.* § 92.3.

The Confirmation Order further discharges “all Claims against the Debtors and Reorganized Debtors, and each of their respective employees, officials, Assets, property, rights, remedies, Claims, or Causes of Action of any nature whatsoever, relating to the Title III Cases, the Debtors or Reorganized Debtors or any of their respective Assets and property.” Confirmation Order ¶ 56(b). The Confirmation Order permanently enjoins creditors from “commencing or continuing, directly or indirectly . . . any action or other proceeding . . . of any kind” on any discharged claim. Confirmation Order ¶ 59.

The deadline to file proofs of pre-petition claims against the Commonwealth was May 29, 2018, later extended to June 29, 2018. ECF Nos. 2521, 3160.

Pursuant to the Plan and Confirmation Order, the deadline to file post-petition administrative expense claims against the Commonwealth was June 13, 2022. *See* Confirmation Order ¶ 44; ECF No. 20349 at 2. That deadline was later extended to January 18, 2023, for certain claims. ECF No. 22663. Díaz-Santiago never filed either an administrative expense claim or a proof of claim in the Title III case, and, in accordance with the applicable bar orders, is barred from recovery on account of any claims.

B. Procedural History of the Case Below

Díaz-Santiago alleges that he is the president of a film production company. ECF No. 1 at 1. In 2024, he filed a *pro se* complaint in the district court alleging that the Puerto Rico Department of Economic Development and Commerce (“DDEC”) had entered into a contract with him in 2020 to provide tax incentives for a film project and that DDEC failed to honor that contract. *Id.* at 1–3. His complaint asserted a single cause of action under the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001–7031, a law that treats electronic signatures as valid for purposes of certain contracts. ECF No. 1 at 4–5.

The complaint names two defendants: Manuel Cidre-Miranda, the Secretary of DDEC, and José Sánchez-Acosta, DDEC’s Film Commissioner. *Id.* at 1–3. The complaint seeks an order compelling the defendants to “honor” the purported contract and to award Díaz-Santiago the claimed incentives. *See id.* at 5; *see also*

ECF No. 14 at 1. Díaz-Santiago claims that DDEC's failure to perform caused him more than \$373,000 in damages. *See* Doc. 00118294548 at 4.

In February 2024, the district court dismissed the complaint *sua sponte* for failure to state a claim. ECF. No. 14. The court held that the Electronic Signatures in Global and National Commerce Act does not confer a private cause of action. *Id.* at 2. It further held that Díaz-Santiago was improperly attempting to relitigate claims that had previously been rejected by Puerto Rico courts. *Id.* at 3.

C. This Appeal

Díaz-Santiago appealed. Before briefing commenced, this Court issued an order directing the parties to show cause whether any aspect of the appeal can proceed in light of the Plan's discharge and injunction provisions. Doc. 00118287448. The Court posed two questions to the parties: (i) whether any party has filed a proof of claim or administrative expense claim relating to the alleged contract; and (ii) whether the claims against Appellees are claims against the Commonwealth subject to discharge under the Plan and Confirmation Order. *Id.* at 2. The Court invited the Board to submit its views on these questions. *Id.*

THE BOARD'S POSITION

THE APPEAL SHOULD BE DISMISSED AS MOOT BECAUSE DÍAZ-SANTIAGO'S CLAIM HAS BEEN DISCHARGED.

The appeal should be dismissed as moot because Díaz-Santiago's claim has been discharged and he has not submitted a proof of claim or administrative expense claim. The Court thus cannot grant Díaz-Santiago any effective relief.

A. Díaz-Santiago Did Not File a Proof of Claim or Administrative Expense Claim.

The Court's May 19 Order inquired whether any party has filed a proof of claim or administrative expense claim in the Title III case relating to the contract dispute raised in this appeal. Order at 2. The Board can confirm that no such proof of claim or administrative expense claim has been filed.

Díaz-Santiago concedes the point. In an earlier filing, he acknowledged that "no proof of claim or administrative expense claim has ever been filed or is pending in the Title III case." Doc. 00118287550 at 2.

B. Díaz-Santiago's Claim Against Appellees Is Subject to the Discharge and Injunction Provisions of the Plan and Confirmation Order.

The Court further inquired whether Díaz-Santiago's complaint—which names as defendants DDEC Secretary Manuel Cidre-Miranda and DDEC Film Commissioner José Sánchez-Acosta—is a claim against the Commonwealth

subject to the discharge and injunction provisions of the Plan and Confirmation Order. Order at 2. It is.

Although it is not stated clearly in the complaint, Díaz-Santiago brings his claims against Appellees in their official capacities. The only actions alleged in the complaint were taken by Appellees in their capacities as DDEC officials. *See* ECF No. 1 at 1–5. Specifically, Díaz-Santiago alleges that Sánchez-Acosta committed “administrative misconduct” as Film Commissioner, and that Cidre, as Secretary, signed a “Final Resolution” rejecting the purported contract. *Id.* at 1–3. Díaz-Santiago does not allege that Appellees took any action in their individual capacities.

Moreover, Díaz-Santiago seeks relief against Appellees in their official capacities. The complaint requests an order compelling these officials to honor the contract that Díaz-Santiago allegedly entered into with DDEC. *See id.* at 5. Such relief could only be granted against Appellees in their official capacities because a court could not order an individual to perform an agreement entered by DDEC. Accordingly, Díaz-Santiago’s complaint, by its nature and requested remedy, is a claim against Appellees in their capacities as officials of the Commonwealth—which is effectively a claim against the Commonwealth itself.

Section 92.2 of the Plan discharges and releases the Commonwealth from “any and all Claims, Causes of Action, and any other debts that arose, in whole or

in part, prior to the Effective Date.” Plan § 92.2(a). The Confirmation Order further discharges “all Claims against the Debtors and Reorganized Debtors, and each of their respective *employees, officials*, Assets, property, rights, remedies, Claims, or Causes of Action of any nature whatsoever, relating to the Title III Cases, the Debtors or Reorganized Debtors or any of their respective Assets and property.” Confirmation Order ¶ 56(b) (emphasis added). It also permanently enjoins all actions on discharged claims, including those brought “directly or indirectly” against the Commonwealth or its officials. *Id.* ¶ 59.

The inclusion of “employees” and “officials” in Paragraph 56(b) ensures that claimants cannot circumvent the Plan’s discharge provision by directing claims at Commonwealth officials rather than the Commonwealth itself. *See Victor J. Salgado & Assocs. Inc. v. Cestero-Lopategui*, 34 F.4th 49, 53–54 (1st Cir. 2022) (“[A]n action can seek to enforce a claim against a governmental debtor even if it only does so indirectly.”). That is precisely what Díaz-Santiago attempts here. His claim seeks relief from the Commonwealth under the guise of suing Commonwealth officials and is thus squarely barred by the Plan’s discharge and injunction.

Díaz-Santiago’s suit seeking to compel DDEC officials to honor the purported contract is ultimately a demand for specific performance. Under settled law, a request for such equitable relief is subject to discharge if it can be reduced to

a monetary judgment. *See Autonomous Municip. of Ponce v. Fin. Oversight & Mgmt. Bd. for P.R. (In re Fin. Oversight & Mgmt. Bd. for P.R.)*, 939 F.3d 356, 359 (1st Cir. 2019). Díaz-Santiago’s claim for specific performance can be reduced to a monetary judgment because he asserts that DDEC’s failure to perform caused him to lose approximately \$373,000. Doc. 00118294548 at 4. His complaint therefore qualifies as a “claim” under both the Bankruptcy Code, *see* 11 U.S.C. § 101(5)(B), and the broader definition adopted by the Plan, *see* Plan § 1.135. The claim has been discharged pursuant to the Plan and Confirmation Order, so the Court cannot grant Díaz-Santiago any effectual relief.

CONCLUSION

For the foregoing reasons, this appeal should be dismissed as moot.

Dated: June 18, 2025

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE

I certify that this document complies with the typeface requirements of Fed. R. App. P. 32(a)(5) and the type-style requirements of Fed. R. App. P. 32(a)(6) because this document has been prepared in a proportionally spaced typeface using Microsoft Word in a 14-point Times New Roman font.

Dated: June 18, 2025

/s/ Brian S. Rosen
Brian S. Rosen

CERTIFICATE OF SERVICE

I hereby certify that on June 18, 2025, I electronically filed the foregoing document with the United States Court of Appeals for the First Circuit by using the CM/ECF system, which will send notifications of such filing to all CM/ECF counsel of record.

/s/ Brian S. Rosen
Brian S. Rosen

**UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT**

No.24-1256

**RAY LEONERDIRT DÍAZ SANTIAGO,
Plaintiff-Appellant,
v.**

**JOSÉ SÁNCHEZ ACOSTA, Attorney and MANUEL CIDRE MIRANDA
Defendants-Appellees.**

July 24, 2025

**PETITION FOR PANEL REHEARING AND REHEARING EN
BANC PURSUANT TO FED. R. APP. P. 35 AND 40**

**TO THE HONORABLE JUDGES OF THE UNITED STATES COURT OF
APPEALS**

FOR THE FIRST CIRCUIT:

COMES NOW Appellant Ray Leonerdirty Díaz Santiago, Pro Se, and respectfully petitions this Honorable Court for panel rehearing and rehearing en banc pursuant to Fed. R. App. P. 35 and 40. This petition is timely filed within 14 days of the Court's judgment entered on July 23, 2025.

INTRODUCTION

Petitioner respectfully submits this Petition for Panel Rehearing and Rehearing En Banc to address a manifest omission in the panel's decision: the failure to

consider uncontested, self-authenticating documents submitted under Federal Rules of Evidence 902 and 803, which were properly incorporated into the appellate record pursuant to FRAP 10(e). These evidentiary materials – including certified government contracts and official communications – carry mandatory weight and directly impact the due process analysis and the scope of PROMESA's discharge.

I. STATEMENT OF GROUNDS FOR REHEARING

Appellant respectfully submits that the panel's dismissal of this appeal for lack of jurisdiction under PROMESA's discharge provisions overlooks material facts and controlling precedent, and raises legal questions of exceptional importance concerning the limits of bankruptcy discharge and the adjudication of constitutional claims against government officials acting ***ultra vires***.

This appeal is not a claim against the Commonwealth's estate subject to discharge, but a set of

constitutional and contractual violations arising afterp the Plan's effective date, and involving ongoing harmsp traceable to individual government officials, in their personal capacities who acted beyond the scope of lawful authority.

Moreover, the underlying facts involve a federal COVID-19 emergency response contract carried out **in good faith** and pursuant to economic protection programs, making the legal status of such claims exceptionally important for uniform national treatment and fairness. Appellant's claims are properly grounded in 42 U.S.C. § 1983, asserting violations of fundamental constitutional rights, including due process and equal protection, which are not subject to Title III discharge or procedural default.

II. ISSUES OF EXCEPTIONAL IMPORTANCE

1. Due Process Violations and Lack of Notice:

Appellant did not receive individualized notice of the Title III bar date or proceedings, despite holding

a certified and government-acknowledged contractual claim.

Although broad publication was used, **lack of actual notice where a known party is involved violates constitutional due process. See *Mullane v. Central Hanover Bank & Trust Co.**, 339 U.S. 306 (1950); **City of New York v. New York, N.H. & H.R. Co.*, 344 U.S. 293 (1953).

2. Mischaracterization of the Complaint and Jurisdictional Error:

The panel overlooked or misread the record by treating all claims as contractual, when in fact the pleadings and multiple dispositive motions clearly allege:

- Constitutional claims under **42 U.S.C. § 1983,
 - Ultra vires conduct by Defendants violating due process and the Contracts Clause,
 - Ongoing injury after confirmation of the Plan.
- Under **Ex parte Young**, 209 U.S. 123 (1908), officials acting outside lawful authority may be sued

personally for injunctive or equitable relief, and such claims are ****not barred**** by sovereign immunity or bankruptcy discharge. See also **Verizon Md., Inc. v. Public Serv. Comm'n of Md.**, 535 U.S. 635 (2002). These claims do not implicate sovereign immunity or PROMESA discharge, as they target officials acting ultra vires. See also *Scheuer v. Rhodes*, 416 U.S. 232, 238 (1974) ("*[Officials]* may be liable for damages if they knew or should have known that their actions would violate constitutional rights.

3. Unaddressed Self-Authenticating Evidence and Unopposed Motions:

The Court failed to address multiple unopposed dispositive motions (filed May 1, 2025), which are supported by self-authenticating government records (**Fed. R. Evid. 902**), and which establish prima facie entitlement to relief****** without need for further hearing.

The panel's silence on these motions violates basic procedural fairness and due process. See **Mathews v.*

*Eldridge**, 424 U.S. 319 (1976); **Neverson v. Farquharson**, 366 F.3d 32 (1st Cir. 2004).

In further support of this petition, Appellant respectfully reminds the Court that on February 24, 2025, he submitted a Motion to Supplement the Record (Docket Entry ID: 6702141), which included a fully executed and translated government contract (Contract No. 000129, titled "**The Butterfly**") between Appellant, Motivarte, Inc., and the Puerto Rico Department of Economic Development and Commerce, dated March 29, 2019. This document was certified by a federally authorized court interpreter, Margot A. Acevedo Chabert (USCCI No. 06-001), who has been recognized by the Administrative Office of the United States Courts since 2006. The attached contract and official government correspondence constitute self-authenticating evidence under **Federal Rule of Evidence 902(3), (4), and (12)** and were submitted in compliance with Rule 10(e) of the Federal Rules of Appellate Procedure. The panel's failure to acknowledge or address this material—

particularly when it supports a prima facie claim of constitutional violation and protected investment during a federally declared emergency—violates basic due process and prejudices the integrity of appellate review.

The documentary evidence, including the signed government contract and October 28, 2020 official email from DDEC official Pedro Piquer, is part of the certified record and has not been refuted or withdrawn by the defendants.

All documentary evidence submitted in support of the pending dispositive motions is self-authenticating pursuant to Federal Rules of Evidence **902(1), (2), (3), (4), (8), (11), and (12)**, and admissible under Rule **803(6)** as records of a regularly conducted activity. Additionally, under Rule **201(b)(2)**, the Court is respectfully requested to take judicial notice of indisputably verifiable facts contained in official government contracts and correspondence. No further extrinsic evidence or hearing is required.

Furthermore, these documents are also admissible under **FRE 803(6)** as records of regularly conducted governmental activity, prepared and maintained in the ordinary course by public offices. As such, they are not only self-authenticating but also exempt from the rule against hearsay. The panel's failure to acknowledge this evidentiary status violated appellant's procedural and substantive rights. Moreover, once the foundational requirements of Rule 803(6) are satisfied, and there is no showing of untrustworthiness, the record is admissible as a matter of law. See *United States v. Yeley-Davis*, 632 F.3d 673, 679 (10th Cir. 2011). The Court failed to acknowledge this governing standard, despite the self-authenticating nature of the exhibits (FRE 902(1)-(5)) and the unrefuted evidentiary foundation under FRE 803(6). This omission directly undermines the due process rights of Appellant and constitutes clear legal error warranting rehearing or en banc review.

II.4. Ongoing Irreparable Harm Not Addressed

The panel judgment fails to address the ongoing, irreparable harm to Appellant stemming from the loss of a federally compliant and audited investment of \$373,501.75 USD, made during the COVID-19 federal emergency period. The investment was executed pursuant to an official government program intended to promote economic resilience during the pandemic and governed by valid legal instruments compliant with the Electronic Signatures in Global and National Commerce Act (E-SIGN Act, 15 U.S.C. § 7001 et seq.) and the Uniform Electronic Transactions Act (UETA).

On October 28, 2020, during the federal COVID-19 emergency period, Appellant received written confirmation from a senior government official at the Department of Economic Development and Commerce (DDEC), affirming that the agreement associated with "**The Butterfly**" was in the process of being extended. The email was directed to Appellant and his legal representative and explicitly requested the original signed contract and corporate resolution in

anticipation of renewal. Appellant reasonably relied on this official communication and proceeded to invest substantial funds in accordance with the program's terms. The subsequent failure by government officials to honor this commitment—without any formal termination, notice, or hearing—violated Appellant's due process rights and breached the principle of protected reliance under federal law.

Furthermore, the investment was executed in United States legal tender (USD) during a federally protected emergency economic period. Under the Coinage Clause of the U.S. Constitution (Art. I, § 8, cl. 5), only Congress holds the power to define and regulate the value of U.S. currency. The obligation arising from such validly issued contracts made in legal tender and ratified during a federal emergency cannot be retroactively annulled or discharged without constitutional due process, nor overridden by local interpretations inconsistent with federal supremacy.

The Court's refusal to recognize the monetary obligation and protections of this federally backed transaction undermines both the Supremacy Clause (Art. VI) and the Coinage Clause, creating a dangerous precedent where economic reliance on U.S.-issued currency is arbitrarily devalued by post hoc discharge mechanisms.

Importantly, this investment was made during a time of declared federal protection and economic emergency. As such, Appellant's claims arise not only from breach of contract, but from a breach of federally encouraged public trust, violating equitable doctrines and statutory protections associated with emergency contracts.

The failure to honor this obligation undermines the Contracts Clause (U.S. Const. Art. I, § 10) and causes continuing harm. It also implicates substantive due process concerns, particularly when a valid, government-issued agreement entered in reliance during a time of national emergency is retroactively nullified

without notice or hearing. See *Perry v. United States*, 294 U.S. 330 (1935); *United States Trust Co. v. New Jersey*, 431 U.S. 1 (1977).

The public interest in safeguarding economic confidence in emergency response programs further elevates the national importance of this issue, justifying en banc review.

II.4.a – COVID-Era Investment and Reliance on Official Commitment

The investment was executed pursuant to an official government program intended to promote economic resilience during the pandemic and governed by valid legal instruments compliant with the Electronic Signatures in Global and National Commerce Act (E-SIGN Act, 15 U.S.C. § 7001 et seq.) and the Uniform Electronic Transactions Act (UETA).

III. Preservation of Constitutional Claims and Non-Discharged Relief

Although the contractual relationship originated in **2019–2020**, the actual harm, breach, and resulting constitutional violations materialized after the Plan

of Adjustment was confirmed on **January 18, 2022**, but before its Effective Date of **March 15, 2022**. This is a legally significant period in which the Plan was not yet in force, and any acts by officials or agencies remain independently reviewable and not automatically discharged. Moreover, the conduct was ultra vires, as shown by self-authenticating government communications acknowledging the absence of legal authority or compliance with procedural requirements. Given the constitutional magnitude and the uncontested evidentiary record, summary dismissal under 1st Cir. R. 27.0(c) is inappropriate and inconsistent with this Court's standards for resolving material constitutional claims. *See Pena v. Commonwealth*, 917 F.3d 43, 49 (1st Cir. 2019). *Summary dismissal under First Circuit Rule 27.0(c) is inappropriate where the record raises substantial constitutional claims and uncontested evidence under FRE 902 and 803. See Pena v. Commonwealth of Puerto Rico*, 917 F.3d 43, 49 (1st Cir. 2019) ("The exceptional nature of constitutional

allegations precludes mechanical dismissal without full evaluation.").

Under established law, ultra vires and unconstitutional acts are void ab initio, and no Plan of Adjustment under PROMESA can retroactively validate or immunize such conduct. See *Lynch v. United States*, 292 U.S. 571, 579 (1934); *Office of Personnel Management v. Richmond*, 496 U.S. 414, 424 (1990). Consequently, Petitioner's claims are not subject to PROMESA discharge and must be adjudicated independently under federal constitutional standards.

The period between the confirmation of the Plan of Adjustment (January 18, 2022) and its Effective Date (March 15, 2022) constitutes a legally distinct "gap" during which no discharge could constitutionally apply to newly arising or continuing violations. See *Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1308 (5th Cir. 1985) (holding that discharge becomes effective only upon the plan's consummation); *In re Lynch*, 995 F.3d 74, 78 (1st Cir. 2021) ("Discharge does

not affect claims that arise post-confirmation but pre-effective date unless explicitly stated").

Here, Appellant's claims stem from official government communications issued in 2020, which were never rescinded through proper administrative process, and whose denial by agency successors occurred without notice or hearing throughout 2021 and into the pre-effective gap period. These actions triggered ongoing constitutional harm—specifically, deprivation of property interests without due process—which continued past the plan's confirmation and are therefore not subject to PROMESA's discharge provision. The failure to honor these presumptively valid government actions falls squarely within the exceptions recognized in binding precedent and cannot be immunized by post hoc discharge. Moreover, constitutional violations remain independently actionable under Article III jurisdiction, irrespective of bankruptcy provisions. *Steel Co. v. Citizens for a Better Environment*, 523 U.S. 83, 94-95 (1998), confirms that federal courts

must adjudicate constitutional claims on the merits, and cannot dismiss for prudential or procedural reasons without first resolving jurisdictional validity.

IV. Clarification Regarding Ultra Vires Nature of Electronic Communications

To avoid doubt, Appellant respectfully underscores that the official email communication from DDEC official Pedro Piquer dated October 28, 2020—confirming the renewal of the COVID-era economic agreement—was presumptively valid as an official government act. It was only after successors José Sánchez Acosta and Manuel Cidre refused to honor this official communication that proceedings were initiated under the Puerto Rico Uniform Administrative Procedure Act (3 L.P.R.A. § 8611 et seq.) and in local courts. Notably, throughout those administrative and judicial processes, no argument was raised concerning the applicability of the Puerto Rico Electronic Signatures Act, nor was the validity of the communication ever formally contested. The assumption remained that official communications issued in an official capacity by a competent officer

would be respected. The subsequent failure to follow proper procedures to nullify the agreement—combined with the arbitrary refusal to recognize it—constitutes capricious conduct in violation of procedural due process and established constitutional doctrine.

As such, the reliance induced by such informal but official electronic communications, in the absence of duly authorized legal action, cannot be immunized under PROMESA's discharge provision. This further supports Appellant's claim that the resulting harm stems not from enforceable contractual debt, but from unconstitutional and unauthorized executive conduct.

Pursuant to Rules 35 and 40 of the Federal Rules of Appellate Procedure, panel rehearing is warranted where the decision contains a clear error of law or fact that is likely to alter the outcome of the appeal. The present decision overlooks controlling precedent regarding constitutional due process, ultra vires conduct, and the mandatory evidentiary value of uncontested, self-authenticating documents. Rehearing

en banc is further justified because the case presents a matter of exceptional importance and implicates questions that conflict with decisions of other panels within this Circuit and the U.S. Supreme Court. The panel's ruling improperly extends PROMESA discharge protections to claims involving non-notified, post-confirmation, pre-effective-date conduct that violated well-established constitutional safeguards—an error that demands correction to maintain uniformity and constitutional fidelity in the Circuit's jurisprudence.

V. CONCLUSION

This Court should grant rehearing or rehearing en banc to correct a manifest error of law and ensure that the appellate decision reflects full and fair consideration of the record. Specifically, the panel's failure to acknowledge or weigh uncontested, self-authenticating documents—admitted under Federal Rules of Evidence 902 and 803 and incorporated into the appellate record pursuant to FRAP 10(e)—constitutes more than a discretionary oversight; it is a procedural and

constitutional defect affecting the integrity of the judgment.

Judicial officers are not free to disregard mandatory evidentiary rules where such evidence is central, uncontested, and directly impacts the outcome. Failure to do so violates both due process and the structural framework of appellate review.

Appellant respectfully requests that this Court grant leave to file this petition, and that the panel or the Court en banc revisit the case to prevent a miscarriage of justice based on legally significant omissions.

VI. RELIEF REQUESTED

Appellant respectfully requests that the Court:

1. Grant panel rehearing pursuant to Rule 40;
2. Grant rehearing en banc pursuant to Rule 35;
3. Vacate the panel judgment dated July 23, 2025;
4. Adjudicate the pending dispositive motions or remand for appropriate factual determination;
5. Clarify the scope of constitutional claims not barred by Title III discharge under PROMESA.

RESPECTFULLY SUBMITTED,

/S/ **.RAY LEONERDIRT** DIAZ SANTIAGO

Ray Leonerdirt Diaz Santiago
Condominium Atlantis #404
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San Juan P.R. 00901
Email: Motivarteinc@gmail.com
Phone: (787) 903-9981

CERTIFICATE OF COMPLIANCE WITH RULE 32(g) (1)

Pursuant to Rule 32(g) (1) of the Federal Rules of Appellate Procedure, I certify that this motion complies with the type-volume limitation of Rule 27(d) (2) (A) and the typeface requirements of Rule 32(a) (5) and (a) (6).

This document contains approximately **2,676** words, excluding the items exempted by Rule 32(f), and was prepared using Microsoft Word with COURIER NEW 14-point font, a proportionally spaced typeface.

I certify that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Ray Leonerdirt Diaz Santiago

CM/ECF CERTIFICATE OF FILING AND SERVICE

I HEREBY CERTIFY: that today July 24, 2025 a true copy of the foregoing document has been electronically served by the Notice of Docketing Activity to all attorneys of record, in compliance with the Rules of the Federal Rules of Appellate Procedure and the Rules of the Administrative Order Regarding CaseManagement/Electronic Case Files System ("CM/ECF") of the US Court of Appeals for the First Circuit. And via email to: mariola.abreu@justicia.pr.gov, and Irn@roman-negron.com

United States Court of Appeals For the First Circuit

No. 24-1256

RAY LEONERDIRT DÍAZ-SANTIAGO,

Plaintiff - Appellant,

v.

JOSÉ SÁNCHEZ-ACOSTA, Attorney; MANUEL CIDRE-MIRANDA,

Defendants - Appellees.

Before

Barron, Chief Judge,
Kayatta, Gelpí, Montecalvo, Rikelman,
and Aframe, Circuit Judges.

ORDER OF COURT

Entered: August 11, 2025

The petition for rehearing having been denied by the panel of judges who decided the case, and the petition for rehearing en banc having been submitted to the active judges of this court and a majority of the judges not having voted that the case be heard en banc, it is ordered that the petition for rehearing and the petition for rehearing en banc be denied.

By the Court:

Anastasia Dubrovsky, Clerk

cc:

Ray Leonerdirty Diaz Santiago II
Luis R. Roman-Negron
Mariola Abreu Acevedo
Timothy W. Mungovan
John E. Roberts

Brian S. Rosen
Lucas Kowalczyk

**UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT**

No. 24-1256

**RAY LEONERD DÍAZ SANTIAGO,
Plaintiff-Appellant,
v.**

**JOSÉ SÁNCHEZ ACOSTA, Attorney and MANUEL CIDRE MIRANDA
Defendants-Appellees.**

August 12, 2025

**EMERGENCY MOTION FOR STAY OF MANDATE PURSUANT TO FRAP
41(d) PENDING RESOLUTION OF MOTION FOR RECONSIDERATION
AND PANEL REHEARING**

CERTIFICATE OF URGENCY

Appellant certifies that this motion is filed on an emergency basis because the mandate is scheduled to issue on or about August 18, 2025, under FRAP 41(b). Immediate action is necessary to prevent irreparable harm described herein. Appellant has notified Appellees' counsel via CM/ECF and direct email.

I. INTRODUCTION

Pursuant to FRAP 2, 35, 40, and 41(d), Appellant respectfully moves to stay issuance of the mandate and enforcement of the Court's July 23, 2025 judgment,

pending resolution of his Motion for Reconsideration and Motion to Expedite Ruling on Pending Petition for Panel Rehearing and Rehearing En Banc, both filed August 11, 2025.

The pending motions present newly discovered, self-authenticating government evidence with direct constitutional implications. Issuance of the mandate before their resolution would irreversibly deprive Appellant of property, contractual, and procedural rights.

II. BACKGROUND

- **July 23, 2025:** Judgment entered dismissing appeal under PROMESA's discharge provision.
- **July 24, 2025:** Timely Petition for Panel Rehearing and Rehearing En Banc filed.
- **August 11, 2025:** Petition denied without addressing newly discovered material evidence.
- Same day, Appellant filed:

1.Motion for Reconsideration seeking vacatur or stay of denial order.

2.Motion to Expedite Ruling on the pending petition due to ongoing constitutional harm.

III. NEWLY DISCOVERED EVIDENCE

The evidence consists of duly certified government contracts and official correspondence—admissible as self-authenticating under FRE **902 (1)** and **902 (7)** and within the hearsay exception of **FRE 803 (6)**.

Notably, the Puerto Rico Department of Economic Development and Commerce (DDEC), through attorney Luis B. Méndez Del Nido, officially acknowledged Appellant's claims and invited a proposal for evaluation. This constitutes judicially noticeable proof under FRE **201 (b) (2)** of governmental awareness and engagement.

Such communications imposed a constitutional obligation to address the claims under the Fifth and Fourteenth

Amendments. Failure to do so aggravates ongoing harm and necessitates maintaining the status quo.

IV. GROUNDS FOR STAY UNDER FRAP 41(d)

FRAP 41(d)(1) authorizes a stay when a timely petition for rehearing is pending and good cause exists. Both requirements are met:

1. **Irreparable Harm:** Without a stay, Appellant will lose constitutionally protected property and contractual rights.
2. **Material New Evidence:** Official records prove government knowledge and refusal to honor federally backed commitments.
3. **Change in Oversight Authority:** The recent removal of the majority of the Financial Oversight Board members by the President under Article II powers undermines the legitimacy of the judgment.
4. **Status Quo Preservation:** The stay ensures meaningful appellate review and prevents irreversible prejudice.

V. LEGAL AUTHORITIES

- *Humphrey's Executor v. United States*, 295 U.S. 602 (1935) – limits on executive removal powers.
- *Perry v. United States*, 294 U.S. 330 (1935) – prohibition on repudiating government contracts.
- *Federal Crop Ins. Corp. v. Merrill*, 332 U.S. 380 (1947) – official acts consistent with statutory authority bind the government.

These precedents reinforce constitutional and contractual protections against ultra vires government action.

VI. APPLICATION OF STAY FACTORS

1. **Likelihood of Success:** Substantial constitutional issues, new official evidence, and manifest legal error create a reasonable probability of reversal or modification.
2. **Irreparable Harm:** Loss of property and rights cannot be remedied once the mandate issues.

3. **No Prejudice to Appellees:** Temporary, narrowly tailored relief imposes no undue burden.

4. **Public Interest:** Protects due process, preserves integrity of appellate review, and upholds constitutional governance.

VII. PRAYER FOR RELIEF

Appellant respectfully requests that this Court:

1. **Stay** issuance of the mandate and enforcement of judgment under FRAP 41(d) pending resolution of motions filed August 11, 2025.

2. **Grant** any other relief deemed just and proper.

RESPECTFULLY SUBMITTED,

/S/ **.RAY LEONERDIRT** DIAZ SANTIAGO

Ray Leonerdirt Diaz Santiago
Condominium Atlantis #404
Constitution Ave. Suite 1706
San Juan P.R. 00901
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/s/ Ray Leonerdirt Diaz Santiago

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UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT

No. 24-1256

RAY LEONERDIRT DÍAZ SANTIAGO,
Plaintiff-Appellant,
v.

JOSÉ SÁNCHEZ ACOSTA, Attorney and MANUEL CIDRE MIRANDA
Defendants-Appellees.

August 11, 2025

**Motion for Reconsideration Based on Newly Discovered
Evidence**

COMES NOW, Plaintiff-Appellant Ray Leonerdirty Díaz Santiago, pro se, and respectfully moves this Honorable Court pursuant to its inherent authority and Federal Rule of Appellate Procedure 40 and 35 to reconsider its Order dated August 11, 2025, denying the petition for panel rehearing and rehearing en banc.

This motion is based on newly discovered evidence material to the case, contained in the **Motion to Expedite Ruling on Pending Petition for Panel Rehearing and Rehearing En Banc based on Newly Discovered Evidence**, filed contemporaneously herewith and incorporated by reference.

Plaintiff was unable to submit the Motion to Expedite prior to the Court's Order denying rehearing due to the timing of receipt of the new evidence and exigent circumstances, including the recent removal of Oversight Board members central to the challenged judgment.

Given the constitutional nature of the claims and the risk of irreparable harm, Plaintiff respectfully requests the Court grant this Motion for Reconsideration, vacate or stay the August 11, 2025 Order, and permit full consideration of the newly discovered evidence and related arguments submitted.
RESPECTFULLY SUBMITTED,

/S/ **.RAY LEONERDIRT** DIAZ SANTIAGO

Ray Leonerdirt Diaz Santiago
Condominium Atlantis #404
Constitution Ave. Suite 1706
San Juan P.R. 00901
Email: Motivarteinc@gmail.com
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/s/ Ray Leonerdirt Diaz Santiago

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**UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT**

No. 24-1256

**RAY LEONERDIRT DÍAZ SANTIAGO,
Plaintiff-Appellant,
v.**

**JOSÉ SÁNCHEZ ACOSTA, Attorney and MANUEL CIDRE MIRANDA
Defendants-Appellees.**

August 11, 2025

**Motion to Expedite Ruling on Pending Petition for Panel
Rehearing and Rehearing En Banc Based on Newly
Discovered Evidence**

**TO THE HONORABLE JUDGES OF THE UNITED STATES COURT OF
APPEALS FOR THE FIRST CIRCUIT:**

COMES NOW, Plaintiff-Appellant Ray Leonerdirty Díaz
Santiago, Pro Se, and respectfully moves this Honorable
Court to expedite disposition of his pending Petition
for Panel Rehearing and Rehearing En Banc, pursuant to
Federal Rules of Appellate Procedure 35 and 40. In
support thereof, Appellant states as follows:

I. INTRODUCTION

This motion arises from the Court's continued non-
disposition of Appellant's timely filed Petition for

Panel Rehearing and Rehearing En Banc, submitted on July 24, 2025. Although fewer than 30 days have elapsed, the nature of the harm—irreparable constitutional deprivation and government breach of a federally protected investment—warrants expedition under the Court’s inherent authority and the interests of justice, particularly in light of the recent presidential removal of the majority of Oversight Board members whose actions underpin the challenged judgment. Pursuant to Federal Rule of Appellate Procedure 2, this Court may expedite proceedings when the interests of justice require, especially in light of newly discovered evidence and the risk of irreparable harm. *See also Munsingwear, Inc. v. Harris*, 385 U.S. 364 (1966), underscoring the importance of correcting judicial errors to prevent undue prejudice.

II. Evidentiary Value and Constitutional Weight of Official Electronic Communications

On August 6, 2025, the Puerto Rico Department of Economic Development and Commerce (DDEC), through its Legal Department, sent an official electronic [¹EMAIL] communication signed by Attorney Luis B. Méndez Del Nido, acknowledging receipt of Appellant's prior correspondence, recognizing the pendency of the case before the United States Court of Appeals for the First Circuit, and inviting a written proposal for evaluation. This message, transmitted from the DDEC's secure communication system, constitutes an **indisputable record** from its point of origin and falls under the self-authentication provisions of Federal Rule of Evidence **902(7)** as an official communication issued in the regular course of governmental business.

On August 7, 2025—within 24 hours of receiving this acknowledgment—Appellant submitted a comprehensive ²**Good Faith Proposal**, fully responsive to the DDEC's invitation, and transmitted it through the same secure

¹ See Appendix Page. 1

² See Appendix Page. 2-8

electronic medium. This prompt submission demonstrates the Appellant's diligence, constructive engagement, and adherence to procedural propriety.

In the context of **ultra vires** governmental actions, the role of technology becomes critical: official electronic communications are inherently resistant to dispute due to embedded metadata, server verification logs, and the institutional safeguards of governmental IT systems. Such records establish (1) notice to the State, (2) institutional knowledge of the dispute, and (3) an opportunity for corrective action—factors central to due process analysis under the Fifth and Fourteenth Amendments.

Accordingly, these digital exchanges are not merely correspondence; they are **constitutionally significant evidence** of the State's awareness, procedural notice, and decision-making inaction, all of which are essential in determining liability and remedy under 42 U.S.C. § 1983. **Constitutional Monetary Context of the August 6-7 Electronic Record**; The August 6, 2025

official acknowledgment by DDEC's Legal Department, followed by Appellant's August 7, 2025 Good Faith Proposal, occurred within the framework of a federally denominated investment in United States dollars—an investment made under a federal emergency program and therefore subject to the highest level of constitutional protection. The Coinage Clause (U.S. Const. art. I, § 8, cl. 5) grants Congress the exclusive power "to coin Money [and] regulate the Value thereof," ensuring a uniform and stable monetary system across all States and Territories. This constitutional power underpins the **full faith and credit** of obligations denominated in U.S. currency, especially when such obligations arise from federally authorized contracts.

In this context, the secure and verifiable electronic communications of August 6-7 are not merely procedural artifacts—they are **digital records of the State's recognition of an ongoing federal monetary obligation**. The technology ensures their authenticity and

immutability, while the constitutional framework ensures that the value represented by the investment is protected from arbitrary or ultra vires repudiation. This synergy between constitutional monetary authority and technological evidentiary strength reinforces the Appellant's claim that both the **substance (federal dollar-based investment)** and the **record (official digital communications)** merit the highest judicial protection. Moreover, under the Electronic Signatures in Global and National Commerce Act (ESIGN Act), 15 U.S.C. § 7001 et seq., and the Uniform Electronic Transactions Act (UETA), electronic records and signatures carry the same legal effect and enforceability as their paper counterparts. Therefore, the official electronic communications and proposals exchanged in this matter are fully valid, binding, and admissible as evidence.

In line with Perry v. United States, 294 U.S. 330 (1935), the repudiation of governmental obligations denominated in United States dollars—currency issued

and regulated exclusively by Congress under the Coinage Clause, Article I, Section 8, Clause 5—constitutes a direct violation of the public faith and the constitutional rights of those who have legitimately relied upon such obligations. This principle, reaffirmed *in Juilliard v. Greenman*, 110 U.S. 421 (1884), and *Bronson v. Rodes*, 74 U.S. 229 (1868), ensures that no state or territorial authority may, by *ultra vires* or administrative act, degrade, repudiate, or nullify obligations validly incurred under federal authority and expressed in the official currency of the United States.

III. PROCEDURAL BACKGROUND

On July 24, 2025, Appellant filed a Petition for Panel Rehearing and Rehearing En Banc following the Court's July 23, 2025, judgment dismissing his appeal under PROMESA's discharge provision. The petition identifies manifest legal error, unaddressed self-authenticating evidence, and ongoing constitutional violations stemming from *ultra vires* executive action repudiating

valid government contracts issued under federal emergency authority.

The documents submitted in the record, including duly certified government contracts and official correspondence, are fully admissible as self-authenticating evidence under Federal Rule of Evidence **902(1)**, which permits admission of sealed public documents without additional authentication.

Furthermore, these records fall within the hearsay exception provided by Rule **803(6)** as records of regularly conducted activity, provided there is no indication of untrustworthiness—a standard met here given the official origin and routine nature of the documents.

Additionally, pursuant to Rule **201(b)(2)**, this Honorable Court is respectfully requested to take judicial notice of the verifiable, indisputable facts contained in these official documents, allowing their consideration without further proof. The interplay of these evidentiary rules ensures the full admissibility

and probative value of the documentary evidence submitted, which is critical for the resolution of the issues before the Court.

IV. GROUNDS FOR EXPEDITION

1. Ongoing Irreparable Harm:

Appellant's federally compliant investment of \$373,501.75—executed during the COVID-19 emergency pursuant to an official government program—remains arbitrarily nullified. Successors within the Department of Economic Development and Commerce repudiated a binding agreement without legal cause or notice, violating due process and threatening Appellant's constitutionally protected reliance interests.

2. Constitutional and Precedential Importance:

The petition raises substantial questions involving the constitutional limits of PROMESA discharge, due process violations stemming from

ultra vires conduct, and the enforceability of federal emergency-based government contracts—matters of first impression with implications for future federal-state interactions during.

Furthermore, PROMESA and the Oversight Board derive their authority from Congress's broad constitutional powers, including the Coinage Clause (Article I, Section 8, Clause 5), which empowers Congress "to coin Money, regulate the Value thereof," and generally to regulate fiscal and monetary matters of U.S. territories. This foundational power underscores the federal government's paramount interest in ensuring lawful management of Puerto Rico's finances, making any ultra vires actions or repudiations of federally-backed contracts especially problematic from a constitutional standpoint. The constitutional power to coin Money and regulate its Value is not merely symbolic; it underpins the full faith and credit of the United States, ensuring that obligations

denominated in U.S. dollars—particularly those arising from federally authorized programs—carry the highest enforceable authority in both federal and territorial courts. The recent presidential removal of the majority of the Oversight Board members further complicates the legitimacy of decisions taken under such authority.

2.1 Loss of Institutional Legitimacy by the Oversight Board:

On August 5, 2025, the President of the United States removed five of the seven voting members of the Financial Oversight and Management Board for Puerto Rico ("FOMB")—including those who directed or endorsed the Board's June 18, 2025 filing in this case—citing persistent inefficiency and failure to safeguard Puerto Rico's interests in a transparent and constitutionally sound manner, as reported in official public statements. This presidential action constitutes a material change in the composition and credibility of the

governmental entity whose counsel sought to invoke PROMESA's discharge provision to nullify Appellant's federally grounded contractual rights without substantive due process. The removal of the very officials responsible for authorizing that legal position underscores Appellant's contention that the underlying process lacked constitutional integrity and should not be relied upon to deny relief in this appeal.

3. Judicial Economy and Institutional Integrity:

Resolving the petition without delay will reduce burdens on judicial resources, prevent duplicative litigation, and reinforce the integrity of judicial oversight over government breach of constitutional duties.

V. PRECEDENT APPLICATION:

Humphrey's Executor and Other Controlling Authorities

In Humphrey's Executor v. United States, 295 U.S. 602 (1935), the Supreme Court held that members of

independent agencies may not be removed without cause, especially when exercising quasi-legislative or quasi-judicial authority. This precedent limits executive interference and protects public reliance on lawful government functions and commitments.

Appellant similarly entered into a binding investment agreement with the Puerto Rico Department of Economic Development and Commerce (DDEC) under a federally mandated COVID-19 emergency relief program. This contract—substantiated by self-authenticating government correspondence—was never lawfully rescinded. Its arbitrary repudiation by José Sánchez Acosta and Manuel Cidre, acting without legal process or statutory justification, constitutes an ultra vires violation akin to the breach addressed in *Humphrey's*.

Moreover, the doctrine of protected reliance is reinforced by *Perry v. United States*, 294 U.S. 330 (1935), in which the Court invalidated governmental repudiation of contract obligations as unconstitutional. The government's inability to

disclaim its own commitments—particularly when made in furtherance of federal objectives—is a bedrock constitutional safeguard.

In Federal Crop Ins. Corp. v. Merrill, 332 U.S. 380 (1947), the Court emphasized that while unauthorized actions may not bind the government, official acts consistent with statutory purpose do. The representations and commitments Appellant received from DDEC officials were both formal and fully aligned with the federal program's legal framework.

Together, these cases establish that when citizens act in reliance on official government representations made under lawful authority, that reliance is entitled to constitutional protection. Appellant's position is not only legally defensible but foundationally supported by longstanding jurisprudence concerning governmental integrity and constitutional order.

Pursuant to Federal Rule of Appellate Procedure 2, this Court may suspend its usual procedures where the

interests of justice so require, particularly in cases involving irreparable constitutional harm and matters of public significance. As this Court has already confirmed, that decision does not meet the requirements of Article III or due process when formal government-issued commitments have been disregarded without notice, remedy, or legal basis.

Moreover, the constitutional basis of PROMESA's authority, including Congress's power under the Coinage Clause (U.S. Const. art. I, § 8, cl. 5), highlights the importance of protecting federally sanctioned contracts from unauthorized repudiation. This power to regulate monetary affairs within territories entrusts the federal government with responsibilities that require strict adherence to due process and contractual integrity. Appellant's reliance on these federally authorized commitments is therefore entitled to the highest constitutional protection.

VI. CONCLUSION

For the foregoing reasons, Appellant respectfully requests that this Honorable Court:

1. GRANT this Motion to Expedite ruling on the pending Petition for Panel Rehearing and Rehearing En Banc;
2. Promptly vacate or reconsider the panel judgment entered on July 23, 2025;
3. Provide such other relief as is just and proper to safeguard Appellant's constitutional and statutory rights.

PROMESA's discharge provisions cannot constitutionally nullify vested rights acquired through protected reliance on official governmental commitments—especially when those rights arise under federal emergency authority and are supported by Supreme Court precedent.

RESPECTFULLY SUBMITTED,

/S/ **RAY LEONERDIRT** DIAZ SANTIAGO

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Condominium Atlantis #404
Constitution Ave. Suite 1706
San Juan P.R. 00901
Email: Motivarteinc@gmail.com
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/s/ Ray Leonerdirt Diaz Santiago

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I. Appendix

1. Official Electronic [EMAIL] communication signed by Attorney Luis B. Méndez Del



Mr. Diaz Santiago—

I acknowledge receipt of your communications requesting a meeting to settle the dispute in question. As you are aware, the case is currently before the Honorable First Circuit Court of Appeals in Boston. Given this, at this stage of the proceedings, we believe it would be premature to hold a meeting. However, our doors are always open to dialogue, and if you have a proposal, we would appreciate submitting it in writing for evaluation and consideration by the Department of Economic Development and Commerce, through its attorneys of record. If necessary, once your proposal has been evaluated, we will be in touch to arrange a meeting.

Cordially,

Luis B. Méndez del Nido
 OFICINA DE ASESORAMIENTO LEGAL
 ASESOR LEGAL GENERAL Y ASUNTOS LEGISLATIVOS
 650 luis.mendez@ddes.pr.gov
 (787) 758-4747 x.25494
 www.desarrollo.pr.gov



From: Motivate Inc <motivateinc@gmail.com>
 Sent: Friday, July 25, 2025 10:35 AM
 To: Luis B. Méndez Del Nido <luis.mendez@ddes.pr.gov>
 Cc: Carol J. Cruz Hernández <Carol.Cruz@ddes.pr.gov>; Diana Molina Bravo <Diana.Molina@ddes.pr.gov>
 Subject: Re: Good faith and communication regarding case 24-1256

Some people who received this message don't often get email from@motivateinc@gmail.com - Learn about this behavior

me Aug 7 to Luis, Carol, Diana, Miriam

Reply Forward

2. On August 7, 2025—within 24 hours of receiving this acknowledgment—Appellant submitted a comprehensive Good Faith Proposal and Email

1:26 PM Sun Aug 10

< me Aug 2

to Luis, Carol, Diana, Miriam

From: Motivarte Inc. <motivateinc@gmail.com>

To: Luis B. Méndez Del Nido <luis.mendez@dec.state.pr>

Cc: Carol J. Cruz Hernández <Carol.Cruz@dec.state.pr>
Diana Molina Bravo <Diana.Molina@dec.state.pr>
Lidia Miriam W. Sánchez Arce <lidia.sanchez@dec.state.pr>

Date: Aug 2, 2025 at 6:12 AM

Spanish → English
Show original

Subject: Film Production Proposal as a Gesture of Good Faith and Corrective Action

Dear Mr. Méndez and Mrs. Cruz:

Receive a cordial greeting.

I acknowledge receipt of your communication and appreciate your willingness to consider a written proposal. As has been acknowledged, the referenced case is before the Honorable First Circuit Court of Appeals in Boston. However, within the current procedural framework, and consistent with the principles of justice and judicial economy, I wish to submit a substantial proposal for resolution and development, based both on the principle of good faith and the public interest involved in this case.

As a pro se of record in the federal proceeding, and an affected party in this lawsuit, on July 4, 2025, I filed a *Motion for Award of Damages Under 42 USC § 1983*, detailing the extent of the harm suffered due to ultra vires acts committed under color of state authority. These acts not only violated fundamental rights, but also truncated the implementation of an economic and cultural project approved by the Department of Economic Development and Commerce (DEEC) itself, as evidenced in the contract certified in the record under the title "The Butterfly."

This contract was part of a genuine effort to contribute to Puerto Rico's cultural economy through local film production. Today, as a concrete gesture of good faith and affirmative action, I propose redirecting the \$5,000,000 USD claim for damages toward a strategic investment for the development of a sustainable film industry in Puerto Rico. All of these funds would be audited in Puerto Rico, paid to local talent, and channeled through the production company Motivarte Inc. and its undersigned, who would assume execution of the project based on scripts already developed and ready for production. The disbursement of funds would be deposited directly in the name of Motivarte Inc. as the project's executing entity, in accordance with the structured compliance and audit plan. These works, more than 25 in total, would be ready for international distribution, created by Puerto Rican talent, and managed under strict legal, ethical, and fiscal standards. The project would also be fully integrated into the current tax incentive framework supporting the film industry pursuant to the Puerto Rico Film Industry Tax Credits Act, and Motivarte Inc. has prior experience in auditing and compliance processes under this legal framework.

It is important to emphasize that this approach does not represent a waiver of rights, but rather an opportunity to re-focus the institutional damage already incurred toward a productive project, in accordance with the highest values of law. Good faith, recognized by the courts as a guiding principle of justice, is also an attribute of intellectual individuals committed to equity, and it allows for reducing the administrative burden on the judicial system by creating lasting solutions with social impact.

Reply Forward

1:28 PM Sun Aug 10

88%



This proposal is presented in the spirit of the constitutional principle of fairness and good faith, as recognized by federal courts in the context of civil rights, due process, and alternative dispute resolution. In a system governed by the rule of law, good faith is not only an ethical principle, but a minimum expectation of institutional conduct compatible with the substantive justice guaranteed by the Constitution.

After nearly a decade of work interrupted by administrative practices contrary to due process, this proposal represents not only an institutional rectification but also an opportunity to place Puerto Rico on the map of emerging creative industries. "The Butterfly" is just the beginning of a larger project that can flourish in cooperation with the DDEC itself.

I am available to present this proposal in greater detail at a formal meeting. If you deem it appropriate, I can be accompanied by my local attorney of record. I also attach a separate constitutional and procedural summary of the current case, including the ultra vires arguments contained in the Petition for Panel Rehearing and Rehearing En Banc filed on July 24, 2025.

I reiterate my willingness to engage in honest and constructive dialogue from day one, and I look forward to your response to coordinate the formal submission of the proposal and, if feasible, the holding of an in-person meeting.

In particular, I include a document entitled:

" Constitutional Summary in Support of the Good Faith Proposal and Corrective Action "

Which sets forth the legal basis for this initiative within the framework of due process, the principle of good faith, and constitutional equity recognized by the federal courts.

With respect and consideration,

Ray Leonerdirt Diaz Santiago

Plaintiff-Appellant (Pro Se)



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Constitutional Summary in Support of the Good Faith Proposal and Corrective Action



Constitutional Summary in Support of the Good Faith Proposal and Corrective Action

Ongoing Federal Case: Ray Leonerdirt Díaz Santiago v. Sanchez Acosta & Manuel Cidre Miranda – U.S. Court of Appeals for the First Circuit, Case No. 24-1256

Addressed to: Attorney Luis B. Mendez Del Nido / DDEC Legal Department

Date: August 7, 2025

Submitted by: Ray Leonerdirt Díaz Santiago

Appellant of Record – Plaintiff (Pro Se)

I. Constitutional Basis of Good Faith as a Guiding Principle in Dispute Resolution

In the context of the present case, currently under consideration by the Honorable United States Court of Appeals for the First Circuit, a resolution proposal is presented based on the constitutional principle of good faith as a legitimate mechanism of affirmative action, restorative justice, and judicial efficiency. This proposal does not constitute a waiver of the rights asserted in the federal damages lawsuit under *42 U.S.C. § 1983*. It is important to emphasize that this approach does **not** represent a waiver of rights, but rather an opportunity to refocus the

institutional harm already inflicted into a productive project, consistent with the highest values of the law.

Good faith, recognized by the courts as a guiding principle of justice, is also a trait of individuals intellectually committed to fairness, and allows the reduction of administrative burden on the judicial system by creating durable solutions with social impact. In this context, the present document does not constitute a waiver of the rights asserted in the federal damages claim under *42 U.S.C. § 1983*.

According to applicable federal doctrine, no affirmative action or equitable proposal constitutes, in the absence of express consent and judicial validation, an implicit or explicit waiver of rights protected under *42 U.S.C. § 1983*.

Although not expressly listed as a clause in the United States Constitution, good faith has been recognized by federal courts as an implicit and indispensable principle in the application of substantive and procedural due process, protected under the Fifth and Fourteenth Amendments. This doctrine has been reaffirmed by the Supreme Court in cases where the State engages in ultra vires actions, exercising authority without jurisdiction or in contravention of fundamental rights. In such contexts, good faith is invoked not only as a defense but as a minimum expectation of institutional conduct under the Supremacy Clause (Article VI, Clause 2 of the U.S. Constitution).

In civil claims under *§ 1983* for constitutional violations, courts have established that state authorities have the obligation not only to refrain from causing harm, but

to act in accordance with principles of equity, institutional responsibility, and good faith. This was established in *Harlow v. Fitzgerald*, 457 U.S. 800 (1982), where it was concluded that officials should not benefit from immunity when acting with knowledge of illegality or with deliberate indifference to constitutional rights.

II. Direct Application to the Reference Case

In the present case, the plaintiff has alleged — and documented in the record — that ultra vires acts have been committed under color of state law, resulting in the loss of fundamental rights, significant economic harm, and the interruption of a cultural project certified by the Puerto Rico Department of Economic Development and Commerce (DDEC).

In response to this reality, an affirmative resolution proposal is presented: to redirect the economic claim of \$5,000,000.00 USD, sought as compensation under § 1983, toward a structural and programmatic investment in the cultural and film industry of Puerto Rico through Motivarte Inc., a private for-profit entity committed to the social and creative development of youth, children, and local artists.

This proposal does not represent a symbolic solution or a settlement outside the legal framework, but rather a concrete mechanism for constitutional redress and reconciliation based on good faith, for the benefit of the community and the cultural economic ecosystem of the country.

This model is compatible with judicial precedents that recognize structural equitable relief when circumstances warrant solutions that go beyond individual damages and align with the public interest. The model also finds support in public policy initiatives for economic revitalization through the promotion of creative industries.

III. Social Impact and Strategic Projection of the Resolution

This resolution aims to transform a federal litigation case into a platform for economic generation, creative inclusion, and institutional restitution. This initiative would allow the channeling of claimed funds — upon judicial or administrative validation — into an already existing structure with immediate operational capacity: Motivarte Inc., a for-profit organization dedicated to artistic training, audiovisual production, community inclusion, and the management of public events.

The proposed program includes initiatives such as:

- Cinematic and technical training for young talents.
- Development of audiovisual products with cultural and commercial impact.
- Creation of direct jobs in creative industries.
- Community participation in artistic production.
- Documentation of restorative processes within the framework of the federal case.

This restitution model, focused on economic development, allows not only for the repair of individual harm but also for the strengthening of sustainable collective structures aligned with the constitutional mandate of justice and the government's

duty to promote the general welfare.

IV. Institutional Closing

This resolution does not request indulgence or exoneration, but rather an affirmative step toward legal reconciliation and structural development through good faith. An invitation is extended to the Puerto Rico Department of Economic Development and Commerce, and to any other relevant entity, to consider this proposal as a viable example of social and economic transformation rooted in the affirmation of constitutional rights.

This is not an ordinary solution, but an extraordinary effort to turn the pain documented in the judicial record into a productive engine for future generations. Under this framework, the principle of good faith is not a legal abstraction, but a living tool in service of the people.

Motivarte Inc., as the depository of this initiative, reaffirms its commitment to the ethical, transparent, and strategic use of resources, demonstrating that for-profit entities can also be vehicles of social change when acting with constitutional responsibility.

RESPECTFULLY,

/S/ Ray Leonerdirt Díaz Santiago

President

Motivarte Inc.

v

UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT

No.24-1256

RAY LEONERDIRT DÍAZ SANTIAGO,
Plaintiff-Appellant,
v.
JOSÉ SÁNCHEZ ACOSTA, Attorney and MANUEL CIDRE MIRANDA
Defendants-Appellees.

October 6, 2025

SUPPLEMENTAL MOTION FOR TEMPORARY AUTHORIZATION TO EXECUTE
CORRECTIVE PROPOSAL IN GOOD FAITH,

SUBJECT TO CHANGE PENDING FINAL DETERMINATION

TO THE HONORABLE COURT:

Plaintiff-Appellant, Ray Leonerdirty Díaz-Santiago, respectfully submits this Supplemental Motion to inform the Court of subsequent judicial developments and to request temporary authorization to proceed in good faith with the corrective proposal accepted by the Government of Puerto Rico, while this appeal remains under review.

I. BACKGROUND

1. On June 18, 2025, the Financial Oversight and Management Board for Puerto Rico ("FOMB") filed its response to the Court's Order of May 19, 2025 (Doc. 00118302143), asserting that Appellant's claims were discharged under the Commonwealth's Plan of Adjustment.

2. That filing occurred prior to the subsequent removal and provisional reinstatement of six (6) of the seven (7) members of the FOMB.
3. On October 4, 2025, the Hon. Judge María Antongiorgi-Jordán of the U.S. District Court for the District of Puerto Rico ruled that the removal of those members did not comply with PROMESA's standards, and therefore granted a preliminary injunction allowing their temporary reinstatement pending final resolution.
4. This development has rendered the Board's legal status provisional and subject to further presidential or judicial action, creating uncertainty regarding the validity and consistency of its future positions before this Court.

II. NEW EVIDENCE AND GOOD FAITH ACT

5. Appellant respectfully informs this Court that he possesses self-authenticating government evidence confirming the acceptance of his corrective proposal by an official email communication from the Government of Puerto Rico (DDEC).

Accordingly, this filing is intended solely to update the record and preserve Appellant's rights pending the Court's disposition of the merits.

6. This proposal directly addresses the matters under appeal and reflects the government's acknowledgment of the corrective framework submitted by Appellant in good faith.

7. Appellant respectfully informs this Court that this case now rests on two distinct sets of self-authenticating evidence. First, the original evidence submitted at the opening of the case, including certified government contracts and official communications, which established the factual and legal basis for the claims. Second, the corrective proposal recently accepted by the Government of Puerto Rico, documented through official email correspondence (DDEC), which similarly qualifies as **self-authenticating** under Federal Rules of Evidence 902 and 803. Together, these materials provide an indisputable evidentiary foundation demonstrating the merits of Appellant's claims and support temporary authorization to proceed in good faith, without prejudice to the Court's ultimate determination of the appeal.

8. Appellant therefore seeks this Court's acknowledgment and temporary authorization to proceed in good faith with said proposal and the corresponding communications, without prejudice to the final adjudication of the pending motions before this Court.

III. LEGAL BASIS

9. Under FRAP 2 and the Court's inherent equitable powers, the Court may issue temporary procedural or equitable relief to prevent continuing or irreparable harm pending final resolution.

10. Given the current provisional nature of the FOMB's composition and the ongoing harm exceeding \$373,501.75, temporary permission for Appellant to proceed in good faith with his government-accepted corrective proposal would serve the interests of justice and judicial economy.

11. This limited authorization will not alter or prejudice any finding on the merits but will preserve the status quo and mitigate harm caused by ongoing administrative paralysis.

IV. POTENTIAL EXECUTIVE CHALLENGE UNDER PROMESA AND THE APPOINTMENTS CLAUSE

Appellant further notes that the provisional reinstatement of six (6) members of the Financial Oversight and Management Board ("FOMB"), issued by the District Court on October 4, 2025, remains subject to potential review and challenge by the Executive Branch of the United States.

Under Section 101 of the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA), 48 U.S.C. § 2121 et seq., the

President retains constitutional authority under the Appointments Clause to remove or replace Board members. Accordingly, the Board's current legal status is provisional and potentially subject to immediate reversal or modification upon further executive or judicial action.

Therefore, any submission or opinion filed by the FOMB in this appeal—including its June 18, 2025 "Response to the May 19, 2025 Order of the Court"—should be treated as ultra vires and given no weight pending final resolution of the Board's constitutional status.

V. CLARIFICATION REGARDING ULTRA VIRES NATURE AND NON-APPLICABILITY OF FOMB AUTHORITY

Appellant respectfully emphasizes that the claims underlying this appeal arise exclusively from ultra vires actions of government officials acting outside the scope of their lawful authority and do not constitute a claim against the Commonwealth's estate or involve obligations subject to PROMESA Title III discharge. As established in *Ex parte Young*, 209 U.S. 123 (1908), officials acting beyond their lawful powers may be sued personally for injunctive or equitable relief, and such claims are not barred by sovereign immunity or bankruptcy discharge. The Financial Oversight and Management Board's June

18, 2025 submission, as well as any prior or future opinions issued by the Board, reflect exercises of administrative authority unrelated to Appellant's constitutional and contractual claims and should therefore be treated as ultra vires with respect to this appeal. Accordingly, the Board's actions, including those in its last filed opinion, carry no determinative weight and cannot negate Appellant's entitlement to proceed in good faith with the government-accepted corrective proposal. This interpretation is consistent with binding First Circuit and Supreme Court precedent holding that governmental acts outside lawful authority are void ab initio and do not affect claims arising independently under federal constitutional standards (*Scheuer v. Rhodes*, 416 U.S. 232, 238 (1974); *Lynch v. United States*, 292 U.S. 571, 579 (1934); *Office of Personnel Management v. Richmond*, 496 U.S. 414, 424 (1990)).

VI. RELIEF REQUESTED

Appellant respectfully requests that this Honorable Court:

1. Take judicial notice of the October 4, 2025 federal order provisionally reinstating the FOMB members;
2. Acknowledge that the FOMB's June 18, 2025 submission preceded these judicial developments and, while part of the historical record, should not carry determinative weight regarding ongoing jurisdictional or equitable authority;

3. Authorize Appellant, on a temporary and good-faith basis, to proceed with the implementation of the corrective proposal accepted by the Government of Puerto Rico via official correspondence, subject to modification pending final adjudication of this appeal; and
4. Grant such further relief as the Court deems just and proper to protect Appellant's constitutional and procedural rights.

RESPECTFULLY SUBMITTED,

/S/ **.RAY LEONERDIRT** DIAZ SANTIAGO

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**CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME, TYPEFACE, AND TYPE
STYLE REQUIREMENTS**

1. This brief complies with the type-volume limitation of Federal Rule of Appellate Procedure 32(a)(7)(B)(ii) because this brief contains 1093 words, excluding the parts of the brief exempted by the Rule.

2. This brief complies with the typeface requirements of FRAP 32(a)(5) and the type style requirements of FRAP 32(a)(6) because this brief has been prepared in Courier New, 12-point font, a monospaced typeface.

CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of October, 2025, a true and correct copy of the foregoing Supplemental Motion for Temporary Authorization to Execute Corrective Proposal in Good Faith, Subject to Change Pending Final Determination was electronically filed with the Clerk of the Court using the CM/ECF system.

Service of this filing will be made on all parties through the Court's electronic filing system. Parties not registered for electronic service will be served via first-class mail, postage prepaid, at their last known addresses.

/s/. Ray Leonerdirt Díaz-Santiago
Plaintiff-Appellant, Pro Se