



MARTINEZ
DE HOZ
& RUEDA

BANKING & FINANCE | NEWSLETTER | JANUARY 2020

Ladies and Gentlemen,

With our newsletter we would like to inform you of recent and significant legal developments in the field of Banking & Finance in Argentina.

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Argentina's Debt Sustainability Bill

ARGENTINA'S DEBT SUSTAINABILITY BILL

On January 21, 2020, the Argentine Government submitted a bill of law to the Argentine Congress, requiring Congress' authorization for the Government to conduct liability management exercises, exchanges and/or restructuring transactions concerning Argentina's sovereign non-Argentine law governed debt. Congress is expected to discuss the bill next week. The most relevant features of the bill are:

- to achieve a so called "sustainability of public external indebtedness" purpose, the bill authorizes the Argentine Government to carry out liability management exercises, exchanges and/or restructuring transactions in connection with interest and principal payments under Argentina's sovereign indebtedness that is not governed by Argentine law;
- the bill delegates to the Argentine Ministry of Economy the issuance of regulation to implement the law and all matters in connection with the implementation and execution of the aforementioned transactions;
- the bill allows the Argentine Ministry of Economy to submit to foreign jurisdiction in the documentation in connection with the aforementioned transactions, and allows the Argentine Ministry of Economy to waive sovereign immunity subject to certain limitations, exceptions and carved-out assets; and
- the bill caps banks and financial advisors fees at 0.1% of the amount of the effectively exchanged/restructured debt.

CONTACTS

For your further inquiries the following contact persons are available:



**JOSÉ
MARTÍNEZ DE HOZ (NIETO)**

jose.mdehoznieto@mhrlegal.com

[+INFO](#)



**MARTIN
LEPIANE**

martin.lepiane@mhrlegal.com

[+INFO](#)

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Bouchard 680 - Piso 19°
Ciudad Autónoma de Buenos Aires
C1106ABJ - Argentina
(+54-11) 2150.9779

Corrientes1650
Ciudad de Neuquén
Argentina
(54-299) 442.2135

www.mhrlegal.com