

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 New Debt Sustainability Law and Execution Timeline

ARGENTINA'S NEW DEBT SUSTAINABILITY LAW AND EXECUTION TIMELINE

On January 21, 2020, the Argentine Government submitted a bill of law to the Argentine Congress, requiring powers to conduct liability management exercises, exchanges and/or restructuring transactions concerning Argentina's sovereign debt that is not governed by Argentine law.

The bill of law was approved by the House of Representatives on January 29, 2020 and by the Senate on February 5, 2020. Thus, the bill has now become a law and will be effective as from its publication in the Official Gazette in the coming days.

The most relevant features of the so-called "Argentine Law for the Restoration of the Sustainability of the Public Indebtedness Issued under Non-Argentine Law" (*Ley de*

Restauración de la Sostenibilidad de la Deuda Pública Emitida bajo Ley Extranjera) are:

- (i) the law 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;
- (ii) the law allows the Argentine Ministry of Economy to submit to foreign jurisdiction in the documentation in connection with such transactions, and allows the Argentine Ministry of Economy to waive sovereign immunity subject to certain limitations, exceptions and carved-out assets;

(iii) the law caps banks and financial advisors' fees at 0.1% of the amount of the exchanged/restructured debt; and

(iv) the law 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 mentioned transactions.

On January 29, 2020, the Argentine Ministry of Economy published on its website the following timeline for the execution of the Process for the Restoration of the Sustainability of the Public Indebtedness under Non-Argentine Law:

1st WEEK OF FEBRUARY

- The Unit for the Sustainability of the Foreign Public Debt formally invites Information Agents, Financial Advisors and Placement Banks / Distribution Agents to submit offers of advice and/or assistance regarding the process contemplated in the Law for the Restoration of the Sustainability of the Public Indebtedness under Non-Argentine Law.
- The bill is discussed in the Senate.
- The Minister of Economy meets with the Managing Director of the IMF in Rome.

2nd WEEK OF FEBRUARY

- Selection of Information Agents from the proposals received.
- Signing of Letter for Engaging the Information Agent
- The Argentine Government receives the IMF Mission to Argentina in Buenos Aires (February 12-14).
- The Minister of Economy presents the guidelines of the Sustainability Analysis of the public debt of the Argentine Republic in the Congress (February 12-17).

3rd and 4th WEEK OF FEBRUARY

- Selection of Distribution Agents and/or Financial Advisors from the proposals received.
- Signing of Letter for Engaging Distribution Agents and/or Financial Advisors.
- Kick-off of a 10-day period of meetings and exchange of views with holders of the public debt governed by non-Argentine law based on the guidelines of the Sustainability Analysis of the public debt of the Argentine Republic presented by Minister of Economy Guzmán to Congress.
- Preparation of a report based on the comments of the holders of the public indebtedness governed by non-Argentine law.

1st WEEK OF MARCH

- Argentina determines the final structure of the Offer with the aim of restoring the sustainability of the public indebtedness governed by non-Argentine law.
- Frequently asked questions and answers with respect to the Offer are distributed through the Distribution Agents.

2nd WEEK OF MARCH

- Launch of the Offer.
- Informative meetings on the Offer (Roadshow) [2nd and 3rd week of March].

3rd and 4th WEEK OF MARCH

- Offer acceptance period expires
- Press release announcing the results of the Offer.
- Preparation of the documentation required to execute the Offer.

CONTACTS

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