

LAW 20,539

CHARTER OF THE CENTRAL BANK OF ARGENTINA

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HOW MUCH:

SENATE AND HOUSE OF REPRESENTATIVES OF ARGENTINA ETC. in Congress assembled,
SANCTIONED WITH FORCE OF LAW:

CHAPTER I

Nature and Purpose

Article 1 - The Central Bank of Argentina is an autonomous body of the nation, governed by the provisions of this Act and other concordant legislation. Its relations with the executive branch will remain through the Ministry of Economy. The Nation guarantees the obligations of the bank.

Article 2 - The bank will be domiciled in the City of Buenos Aires. It may establish branches and agencies and appoint correspondents in the country and abroad.

Article 3 - The bank shall:

- a) Regular credit and means of payment in order to create conditions for maintaining an orderly and increasing economic development, social sense, a high occupancy rate and the purchasing power of the currency;
- b) Run the foreign exchange policy laid down by the Ministry of Finance with advice from the Central Bank and to concentrate and manage gold and foreign exchange reserves and other foreign assets of the country;
- c) Monitor the liquidity and smooth functioning of financial markets and apply the law of financial institutions and other rules that are dictated in consequence;
- d) To encourage the development and strengthening of capital markets, and
- e) Act as an international financial and financial agent of the state, economic, financial, monetary and exchange advisor of the national executive branch through the Ministry of Economy of Argentina, and the country's depository and agent before international monetary institutions, bank to which the acceded nation.

Article 4 - The performance of the bank shall comply with the guidelines that the National Government, through the Ministry of Economy, issued in economic, monetary, exchange and financial policy, and within this principle, must the responsibilities conferred upon it agree to the Central Bank especially regulated by Articles 14, 17, 18, 25, 26 and 38.

CHAPTER II

Capital

Article 5 - The capital of the bank will be one hundred million pesos (100 million pesos).

The National Executive may extend as far as is necessary for the performance of the functions of the bank.

CHAPTER III

Directory

Article 6 - The bank will be governed by a board composed of a chairman, deputy chairman and nine directors, all of whom must be native or naturalized Argentine, with no less than ten years of exercise of citizenship.

Article 7 - born directors of the bank are the presidents of the Banco de la Nacion Argentina, the National Development Bank, the National Mortgage Bank and National Savings and Insurance. The president, the vice president and the other five directors are appointed by the National Executive and shall be persons of recognized competence in economic and financial matters. Three of the directors representing respectively mixed officers and provincial banks and the employer and labor sectors and their appointment will be made in accordance with the regulations issued. The appointment of the President and Vice President will be with the Senate.

Article 8 - The president, vice president and five directors appointed by the Executive last four years in their terms and may be reappointed indefinitely. If one of them should die or resigns, or otherwise leave vacate his seat before the end of the period for which he was appointed, we will proceed to appoint his replacement to complete the term, as established in the previous article. They can not occupy those positions:

- a) Employees or officials of any distribution of the national government and those who have other offices or positions, rented or paid in any way, that depended directly or indirectly on the national, provincial or municipal governments, including the legislative and judicial powers. They are not covered by the provisions of this subsection who exercise teaching;
- b) forming part of the management, administration, receivership or relying on financial institutions, and
- c) Those who are hit by the disqualifications prescribed by law of financial institutions.

Article 9 - The remuneration of the President, the Vice President and the five directors appointed by the National Executive will be established by the budget of the bank.

Article 10. - The President is the first executive authority of the bank and as such:

- a) exercises the senior management of the bank;
- b) acts on behalf of the Board and convenes and presides over its meetings;
- c) Ensures full compliance with the Organic and other national laws, the executive decrees and resolutions of the board Charter;
- d) legally represents the Bank in its relations with third parties;
- e) appoints, promotes and spreads the bank staff in accordance with regulations established by the board, giving later account of the resolutions adopted;
- f) Provides summary substantiation of staff, whatever their rank, through the competent department, and
- g) Acts and resolves on all matters not expressly reserved to the board's decision.

Article 11. - when reasons of urgency so require, the President may also resolve matters reserved to the board in consultation with the Vice President or his substitute or at least one director must realize that body, at the earliest opportunity , of the resolutions adopted in this form. Of the same faculty will enjoy his replacement.

Article 12 - The President shall convene board meetings at least once every fortnight. Six members shall constitute a quorum, and unless otherwise provided, decisions shall be taken by a simple majority vote of the members present. In case of a tie, the chairman has a casting vote.

Article 13 - The Vice President shall perform the duties of the president in case of absence or impediment or vacancy of the post. Outside those cases it shall perform the president -of between stock- assign.

Article 14. - When directory is responsible for:

- a) establish the rules for the organization and management of the bank; take cognizance of operations decided under those rules and intervene, according to regulations issued in the resolution of cases not provided;
- b) approve the annual budget of salaries and expenses and the calculation of resources and elevate them to the Ministry of Economy of the Nation;
- c) approve the annual balance sheet, income statement and memory bank, all of which will be raised to inform the National Executive Branch and published;
- d) Determine the corresponding sums allocated to reserves in accordance with Article 45;
- e) annually appoint a vice 2nd among the directors, who will replace the vice president in the event of temporary absence or when holding the Presidency;
- f) Establish and close branch offices and agencies;
- g) To appoint correspondents;
- h) Determine the amounts, rates and other conditions of rediscounts, advances and other credits and obligations agreed to issue;
- i) To authorize the opening of new banks and branches, and the draft merger of financial institutions;
- j) Assess the financial institutions for the purposes of the law of financial institutions;
- k) To consider the share transfers that alter the structure of the groups of shareholders of financial institutions;
- l) To approve plans regularization and reorganization of financial institutions that have affected the solvency or liquidity;
- m) establish interest rates and fees that banks apply to loans and deposits and service fees;
- n) revoke the operating license to financial institutions when appropriate;
- o) To issue the regulations of the Financial Institutions Act;
- p) Set the values and characteristics of banknotes and coins issued by the bank;
- q) Provide the demonetization of banknotes and coins in circulation and the periods in which the exchange will occur;
- r) To acquire the necessary properties for the bank to fulfill its purpose and alienate those who are left to be;
- s) appoint the general manager and deputy general managers, the proposal of the President;
- t) To establish the status of bank staff, establishing the conditions for admission, technical development, licenses and separation.

CHAPTER IV

General management

Article 15 - Bank management will be exercised through the general manager and deputy general managers, all of whom must be native or naturalized Argentine, with no less than ten years of exercise of citizenship.

Article 16 - The general manager and deputy general managers are the advisors of the president, the vice president and the board. In that capacity the first and if the latter, will attend board meetings.

They are responsible for compliance with the rules, regulations and resolutions of the board and the president, whose application and approval thereof may enact internal regulations as may be necessary.

The general manager or deputy general managers, where appropriate, keep informed the President on the progress of the bank. They may only be removed from office for misconduct or having committed any of the disqualifications provided in the law of financial institutions.

CHAPTER V

Bank operations

Article 17 - The bank will perform the following operations under the conditions set by the board:

- a) Issuance of banknotes and coins;
- b) Acceptance of deposits through banks and other financial institutions;
- c) Agreement limits to banks and other financial institutions for the care of the operations that are subject authorized to perform, by general or sector rediscount of their portfolios, advances or other loans that account be reinstated them in preference to any other creditor, either authorizing it to use funds from deposits that are received on behalf of the bank or by providing other resources;
- d) The rediscounting banks of documents of commercial, industrial and service companies, belonging wholly or partly to the Federal Government or the provinces or municipalities, provided that companies have referred to an independent heritage of those, have resources to make payments and the necessary precautions are taken to carry them out in ways that are established or agreed upon;
- e) deriving from international agreements on payments.

Article 18. - The Bank may:

- a) Buy and sell gold and foreign exchange;
- b) Obtaining foreign loans;
- c) Agree advances secured by gold coins or bars;
- d) To receive gold in custody;
- e) act as agent or correspondent of other central banks, or represent or be part of any international entity existing or to be created, for purposes of banking, monetary and financial cooperation;
- f) Receive deposits in local and foreign currency;
- g) To issue securities or bonds and certificates of participation in public securities held and other obligations with or without special safeguards;
- h) To ensure the purchase and sale of government securities issuance. These operations will be the sole responsibility of the government and without the bank may subscribe to such securities or guarantee placement;
- i) buy and sell government securities market regulatory purposes. The bank may invest in these operations to 15% of the outstanding amount of government securities with current market trading, but such limit may be extended by the involvement of special reserves or, in emergencies, with the unanimous vote of board members.

Article 19. - It is forbidden to the bank:

- a) grant loans to the national government, without prejudice to the operations authorized by Articles 18, paragraph i), 29, 51 and 54;
- b) grant loans to the provinces, municipalities or dependent upon autarchic dealings;
- c) To guarantee or endorse bills or other obligations of the national government, provinces, municipalities, self-governing agencies or similar institutions;
- d) To grant advances or extend credit unsecured overdrawn, unless authorization to banks and other financial institutions to use funds from deposits and in the case of credit agreements concluded with other central banks;
- e) Buy real estate, except that they were necessary so that it can develop its activities;

f) Purchase shares, except those for international financial institutions;
g) To participate directly or indirectly in any commercial, agricultural, industrial or other company except the case provided in the preceding paragraph, and
h) grant loans to individuals or legal persons not authorized to operate as financial institutions, except in cases provided for in Articles 18, paragraph i); 29 and 51.

CHAPTER VI

Issuance of currency and reserves in gold and foreign exchange

Article 20 - The bank is the sole responsible for the issuance of banknotes and coins of Argentina and any other body of the Government, nor the governments of the provinces or municipalities, banks or any other institutions may issue notes or coins or other instruments that were likely to circulate as currency.

Article 21 - The bank notes and coins will be legal tender throughout the territory of Argentina to the value expressed in them. The tickets bear the facsimile signature of the president and the general manager or who replace them in their duties.

Article 22. - Whenever the bank check the violation of its exclusive function of issuing currency, communicate the fact with all the background to the Executive Branch for it to take appropriate action.

Article 23 - The bank may maintain a reasonable part of its foreign deposits or other transactions to interest, foreign banking institutions or roles of recognized solvency and liquidity payable in gold or foreign currency assets.

Article 24 - The bank will maintain at all times a reserve of gold and foreign exchange and other external assets considered as such, including loans authorized by Article 23, equivalent to 25% at least of its banknotes in circulation and obligations to view.

CHAPTER VII

Relations with financial institutions

Article 25 - The bank will coordinate the development of the activities of the different-national, provincial or municipal, mixed government entities and individuals who by reason of their duties, are included in the Financial Institutions Act, hereby or by its complementary, so as not overlap downside action within the same region or place.

Moreover, without prejudice to its responsibilities, the bank, as rector of the formal banking system, made annually by the Auditor General of Banco de la Nacion Argentina, the National Development Bank, the National Mortgage Bank and the National Fund Savings and Insurance, reporting its findings to the Executive.

Article 26 - The general or special development plans develop banks and other formal financial institutions in the nation, as well as any investment in excess of those covered by the plans must be approved by the bank.

Article 27 - Banks and other financial institutions in the provinces and municipalities, official or mixed and private national may participate in development plans in the previous article, in which case they shall be referred to for that purpose , the benefits and privileges accorded to official bodies of the Nation.

The Bank, which the institutions must apply to participate in these plans, accepted to the extent that the economic and financial policy of the Nation so dictate and permit reservations that those have accumulated to cover their own total losses or Partial that could cause such operations.

Article 28. - The Bank shall regulate the establishment and operation of clearinghouses for checks and other securities.

CHAPTER VIII

Government Relations

Article 29. - The Bank may make temporary advances to the National Government to an amount that does not exceed 30% of the cash resources it has obtained in the last twelve months. All advances made on this account must be repaid within twelve months made. If any advance of this nature remain unpaid after that deadline, it can not be used again right bank until the amounts due have been reinstated. On these developments the government will pay interest to agree with the bank, no more than the minimum rediscount rate in force.

Article 30 - The bank, indirectly or through banks, is responsible for conducting banking remittances and the national government, both inside the country and abroad, receive and hold funds from the National Government and all autarkic departments and make payments on their behalf. The bank will not pay any interest on the amounts deposited in the account of the government or receive remuneration for payments made on their own, but may charge the costs which in turn paid to the banks. The Central Bank may transfer officers and mixed banks deposits of government and autonomous agencies. It also may instruct banks conducting banking operations of any kind of government and agencies or state enterprises.

Article 31. - The Bank shall act on behalf of the National Government in placing public loans of any kind and time to the attention of the services of internal and external public debt. You can place values in direct selling in the market or through financial consortiums. It may promote and supervise the operation of these and integrate them, in which case it will assume its direction. The bank may not take firm subscriptions.

This fee is charged by the above services, by charging them to the Ministry of Finance.

Article 32 - The Bank is empowered to agree with the prosecutors or payers, ad referendum of the Ministry of Finance, the measures it deems suitable for due attention, on behalf of the National Government, the debt service external public.

Article 33 - The bank charged the Ministry of Finance the amount of the services of internal and external public debt serviced on behalf of the Government, as well as the costs occasioned such services. The national government will provide the bank the funds needed to care for these costs, but the bank may overtake within the limitations set out in Article 29.

Article 34. - The Bank shall provide the Ministry of Economy of the Nation control of all actions relating to the placement of government loans and the attention of the public debt services, including the deactivation and destruction of values, and inspection books, records and other documents relating to such operations. In addition, it will provide special information concerning the performance of its functions as financial agent of the National Government.

Article 35. - The Bank shall inform the Ministry of Economy of Argentina on monetary, credit, exchange situation, flow of funds, balance of payments and

product and national income, asking in each case the considerations it deems appropriate.

Article 36 - Any sale or purchase of government securities made government banks, on their own and other national decentralized agencies, national departments, national social security funds and companies, whatever their legal status, whose funds belong Total or mostly to the Federal Government it shall be effected through the bank. Also, will you previously consulted offers such departments and entities may desire present in tenders for the repayment of public debt.

Article 37 - The Ministry of Economy of Argentina will provide the bank the following information corresponding to each quarter:

- a) Movement of inputs and outputs of the General Treasury of the Nation for their different concepts;
- b) Details of raising cash resources and the proceeds of the credit;
- c) Expenses committed, as permitted by the implementation of the respective accounting, and
- d) Status of consolidated and floating, internal and external debt.

Apart from these reports, the bank may require the Ministry of Economy of the Nation and other ministries and government departments any other powers which may be necessary or useful for the purpose of better performance of its functions.

CHAPTER IX

Exchange regime

Article 38. - The Bank shall:

- a) To advise the Ministry of Economy of the Nation in all matters relating to foreign exchange regime and establish their regulations, which will be mandatory scope for public authorities;
- b) Apply the rules of exchange and exercise means that compliance audit required;
- c) Understanding on income of foreign exchange from exports and other concepts and their allocation for payment of imports and other remittances;
- d) Advise the Executive Branch through the Ministry of Economy of Argentina on exchange rates and duty assessment of import and export licenses and any other concept that impinge on trade and financial transactions abroad.

Article 39. - The Bank may require financial institutions, houses, agencies, offices and exchange brokers, exporters, importers and other natural or legal persons directly or indirectly in foreign exchange, display their books and documents supplying all the information and documentation related to the operations they used to do or where they have participated. The information to be collected will be secret and shall apply, in connection with Article 34 of the Financial Institutions Act.

It is also empowered to investigating cases and impose sanctions for violations of the rules changes and to request, at any stage of the investigation or administrative or judicial proceedings, liens and other protective measures for the amounts deemed sufficient to ensure fines and refunds that may correspond.

Article 40 - It is up to the bank granting and cancellation of licenses to operate changes.

CHAPTER X

Accounts and statements

Article 41 - The financial year of the bank last one year and will close on December 31.

Article 42. - The Bank shall publish summary statements of their assets and liabilities to the close of business on 7, 15 and 23 and last of each month.

Article 43. - The observances by the bank of the provisions of this Charter and other laws, decrees, resolutions and provisions are applicable, it will be monitored by a trustee appointed by the National Executive. The trustee, who must be a lawyer, doctor of economic sciences public accountant or last two years in office and may be reelected; You have access to all documents, books and other proof of bank operations and accompany with his signature balance sheets and income statements for each financial year. It shall inform the board of the bank and the national executive, through the Ministry of Economy of Argentina on the operational management of the institution.

The trustee shall receive remuneration for their work to be fixed in the budget of the bank.

Article 44 - The provisions of the Accounting Act only apply to the bank in terms of verification that expenditures encuadren as authorized by its administrative budget and the presentation of documented accounts, periodically and no longer terms a year, you must submit the Court of Auditors of the Nation.

CHAPTER XI

Utilities

Article 45 - The resulting liquid and realized at the end of each year, after amortization made, penalties, allowances and accruals profits will go:

a) 50% to the general reserve fund and the special reserves as determined by the Board, and

b) 50% increase, on behalf of the Government, the capital of the National Development Bank. CHAPTER XII

Miscellaneous Provisions

Article 46. - The Bank may require immediate help from the police when he stumbles with problems or resistance to comply with the inspection and control functions at your expense. It may also require the courts the necessary search warrants, which shall be issued without delay under the responsibility of officials who request them.

Article 47. - The Bank is subject exclusively to national jurisdiction. Whenever an actor in the national competition will trial concurrent with that of the ordinary courts of provinces.

Article 48 - The president of the bank in writing absolve positions in judgment, not be obliged to appear in person.

Article 49 - The headquarters of the bank and its branches shall be exempt from national, provincial or municipal taxes, as well as the operations carried out directly or through financial institutions on the part of the tax which would not be in charge of other participants.

Article 50 - The bank will be responsible for the collection and analysis and regular publication of the main monetary, credit and exchange, as well as the development and annual balance of payments and national accounts. The bank shall maintain a financial-economic studies and analysis.

Article 51 - The bank may have in your portfolio government securities in an amount not exceeding thirty-five percent (35%) of total deposits received by banks on

behalf of the Central Bank. In that amount will not be computed the "Bonus bank sanitation," the "Consolidated National Treasury Bonds", the regulatory fund under Article 18, paragraph i) of this law, or other values that the Central Bank has to the effective date of this law.

Chapter XIII

Transitional provisions

Article 52. - To Comply with the Provisions of Article 5 of esta The Necessary funds will be taken from the reserve overall.

Article 53 - Mantiénese temporarily suspend the provision of Article 24.

Article 54 - May Banks hold investments in national, provincial or local government bonds, for an amount equal to the securities portfolio Those Institutions That Have the date of the nationalization of deposits.

Article 55. - Repealed Decree Law 13,126 / 57 and any other provision Contrary to this law.

Article 56. - Communicate to the Executive.