

Decree 14.957 / 1946

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SEEN Decree-Law number 8.503 / 46 and 11,554 / 46 and the proposal of the Central Bank of Argentina, with the force of law, the President of Argentina, in General Agreement of Ministers,

DECREES:

CHAPTER I NATURE AND PURPOSE

Article 1 - The Central Bank of Argentina is a national independent agency with the most complete independence to exercise their functions and shall be governed by the provisions of Decree-Law No. 8,503 / 46, the provisions of this and other standards consistent legal effect.

The Nation guarantees all bank liabilities incurred.

Article 2 - The bank will be domiciled in the City of Buenos Aires. By resolution of its board of directors may establish branches or agencies or appoint correspondents both at home as abroad.

Article 3 - The bank shall:

- a) To promote, guide and conduct, to the extent of its legal powers, adequate economic policy to maintain a high level of activity that seeks the maximum use of human resources and materials available and the orderly expansion of the economy, with a view to growth of national wealth will raise the standard of living of the inhabitants of the Nation;
- b) Moderate, with reservations and other means at its disposal, the effects on the value of the currency and economic activity may have fluctuations in foreign trade and international capital movements and investment;
- c) To regulate the amount of credit and payment methods, adapting them to the actual volume of business in order to maintain the purchasing power of the currency;
- d) To promote liquidity and smooth functioning of credit and apply the provisions of Decree-Law No. 11,554 / 46, of the Banking Act and other laws that were enacted in consequence;
- e) Be responsible for the operations of domestic and foreign credit and the issuance of public loans on behalf of the Government;
- f) To act as an economic and financial advisor of the State authorities.

CHAPTER II CAPITAL

Article 4 - The capital of the bank is to m \$ n. 20 million and reserves.

CHAPTER III BOARD

Article 5 - The bank will be governed by a board composed of a chairman, deputy chairman and thirteen directors, all of whom must be native Argentines.

Article 6 - The president and vice president shall be persons of recognized industrial and commercial or banking and financial experience and moral solvency and materials. The appoint the Executive Branch. The president can only be removed from office for misconduct or crime in the execution of their

functions or common crimes, according to the procedure for impeachment.

Last four to seven years respectively in the exercise of their duties, may be reelected indefinitely.

Article 7 - The vice president shall perform the duties of the president in case of absence or impediment; and in case of vacancy in the office, until the holder is appointed.

Article 8 - are born directors of the Central Bank of Argentina presidents or vice presidents of the National Bank of Argentina Nation, Argentine Industrial Credit and Mortgage. The remaining ten directors are appointed by the National Executive on the proposal, each of the departments or Ministry of Finance, Agriculture, Public Works, Industry and Trade and Labor and Welfare and in accordance with the regulations issued for the sectors of agriculture, livestock, industry, commerce and law, work.

Article 9 - The ten directors appointed by the National Executive last four years in their mandates, may be reelected indefinitely and be renewed each biennium. If any of these directors should die or renounce or otherwise leave vacate his seat before the end of the period for which he was appointed, we will proceed to elect another director, to complete the term, in the manner prescribed in Article 8.

They can not occupy those positions:

- a) members of national and provincial legislatures or municipalities;
- b) bankruptcy or reorganization proceedings civilly;
- c) convicted of criminal offenses;
- d) Those who are part of the management or administration, or that depend on the entities covered by Decree-Law No. 14,962 / 46.

Article 10 - The remuneration of the president, the vice president and the ten directors appointed by the National Executive will be established by the budget of the bank can not be decreased during the current period of its mandate.

Article 11 - The President shall, on behalf of the board, the governance of the bank, and is authorized to act and resolve all matters that were not expressly reserved to the board's decision, and even in this case, when warranted reasons emergency and should then report to the board at the first opportunity. It will be both the legal representative of the bank in all its dealings with third parties. Shall appoint, promote, suspend and dismiss from office employees, reporting to the Board.

Article 12 - The President shall convene Board meetings at least once every fortnight. Eight 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 President or whoever occupies the presidency shall have two votes.

Article 13 - All directory corresponds:

- a) Establish standards for economic and financial management of the bank; deciding on operations, dictate the internal rules and resolve cases not provided, and submit for consideration of the Executive's annual budget salaries and expenses;
- b) To approve annually the bank's balance sheet, the profit and loss account and the notes, all of which will be presented to the Executive and published;
- c) annually appoint a second vice president from among the directors;
- d) Establish and close branch offices and agencies;
- e) Appoint correspondents, regulating its relations with the bank;
- f) Set rediscount and interest rates on loans to agree and decides to issue obligations;
- g) acquire and dispose of the necessary properties to the bank's operations and sell you purchased in accordance with Article 21, paragraph e);
- h) Consider rediscount operations and other loans outstanding;
- i) To propose to the Executive Branch the appointment of the general manager and deputy general manager;

- j) Determining appropriate amounts allocated to provisions and reserves in accordance with Article 50;
- k) Submit to the Executive Branch, making the considerations that deserve it, balance sheets, reports and budgets of the institutions mentioned in Article 56.
- l) Regulate disciplinary action on bank staff.

CHAPTER IV MANAGEMENT

Article 14 - Bank management will be exercised through the general manager and what is assigned by the deputy general manager.

Article 15 - The general manager and deputy general manager native Argentines are appointed by the National Executive to Board proposal. General manager can only be removed from office for misconduct or crime in the execution of their duties or for common crimes under the procedure for impeachment. The remuneration shall not be diminished.

Article 16 - The general manager and deputy general manager are the main bank officials and the president's advisers and directors. In that capacity the first, and in his absence the second, attend Board meetings.

They are responsible for compliance with the rules, regulations and special resolutions of the Board.

The general manager and deputy general manager in his case report daily to the president on the progress of the bank.

CHAPTER V BANK OPERATIONS

Article 17. - The Central Bank of Argentina will perform the following operations under the conditions set by the Board:

- a) Issuance of banknotes and coins in accordance with the provisions of this Decree-Law;
- b) Acceptance of deposits through official, mixed and private authorized banks; and
- c) deriving from international agreements on payments, whose coordination should intervene.

Article 18. - The Bank may, under conditions determined by the Board:

- a) Buy and sell gold and foreign currency or foreign exchange and fixed exchange rates when technically appropriate;
- b) issue securities, bonds and bonds with mortgage securities and certificates of participation in public securities held and other obligations with or without special safeguards;
- c) rediscounting banks -letters documents, notes, securities and other investment-values from operations that are subject authorized to perform;
- d) Make progress into account and other loans to banks, with deposit of government securities or other securities or special or general security interest in certain assets, either authorizing them to use funds from deposits received on behalf of the Central Bank Argentina Republic or providing other resources;
- e) Approve advances secured by gold coins or bars;
- f) To receive gold in custody;
- g) To act as a correspondent or agent of other central banks, or represent or be part of any international entity, existing or to be created for purposes of banking, monetary, economic and financial cooperation;
- h) To ensure the issue, purchase and sale of securities by the national government. These operations are done exclusively by the government without the bank to subscribe to these values and ensure their placement;
- i) Acquire own national values and investment to an amount which in no case exceed the bank's capital, reserves and the amortized amount of the Consolidated Treasury Bonds

National who holds.

In the cases of subsections. c), d) and e) shall be provided the necessary margin calls with technical nature reserve.

Article 19 - The bank set interest rates for rediscounts and loans to banks, as well as deposits that they receive, with the obligation that they are uniform within the same area or bank square for each type of operation.

Article 20. - The Central Bank of Argentina may buy and sell in Plaza, on their own, with the sole purpose of trading or monetary policy, national values to an amount not exceeding 10% of the average balances of deposits registered the set of banks authorized in the three years preceding each current year. Without prejudice of those who can purchase as an investment of their capital and reserves in accordance with Article 18, paragraph i).

Article 21. - It is forbidden to the bank:

- a) grant loans to the national government, without prejudice to: 1 The authorized under Article 36 operations and
2nd The rediscount bank documents, commercial, industrial or public utility belonging wholly or partly to the State, provided that the undertakings referred to have an independent heritage of the nation;
- b) grant loans to the provinces, municipalities or autonomous departments dependent on them, without prejudice to the rediscounting bank documents, commercial, industrial or public utility belonging wholly or partly to the provinces or municipalities, provided that the companies referred to are an independent heritage of the former;
- c) To guarantee or endorse bills or other obligations of the national government, provinces, municipalities, autonomous agencies or similar institutions;
- d) To grant advances or extend credit unsecured overdrawn except Allowing banks to use funds from deposits and in the case of agreements entered into swaps with other central banks, and
- e) Buy real estate, except that they were necessary for the bank to develop its activities. If in the opinion of the Board in danger any credit extended by the bank, it can take steps to secure their rights on real estate or goods of the debtor and may acquire real estate or commodities these measures, but will be forced to sell them as soon as you possibly can.

CHAPTER VI

ISSUE OF CURRENCY AND METAL WARRANTIES

Article 22. - The Central Bank of Argentina is the sole responsible for the ticketing of Argentina and any other body of the national government or the governments of the provinces or municipalities, banks or any other institutions may issue notes and coins or other documents that were likely to circulate as paper money.

Article 23 - The bank will also take charge of notes and coins in denominations of 5 pesos and under and shall replace those as its wear are withdrawn from circulation.

Article 24. - For the amount of currency issued subsidiary until the date of this Decree-Law by the National Government, the Central Bank increased the bond without interest that Article 4 of the Law No. 12.160 refers to.

Article 25 - The notes and coins of the Central Bank of Argentina, will be legal tender throughout the territory of Argentina to the value expressed in them. Banknotes and coins will denominations set by the Board.

Article 26. - Tickets must be expressed in its text the obligation of the Central Bank to pay the carrier and given the amount of national currency expressed in its name. They also bear the facsimile signature of the president and general manager or their stead in the office at the time of issue.

Article 27 - The bank will maintain at all times a sufficient reserve to ensure the weight value, whether in gold, foreign currency or foreign exchange equivalent to 25% or more of its notes in circulation and demand deposits.

Gold and foreign currency or foreign exchange must be free from all liens and property belonging to the bank without restriction; and currency or foreign exchange will only be included in the net balance reserves, ie the free remaining after deducting all its liabilities in gold and foreign currency or foreign exchange.

If an exercise certain reservations in respect to notes and demand deposits would have been below 33% for 60 consecutive days or 90 days for the full year, total government benefits will go to general reserve fund .

Liabilities for deposits received through banks must be backed by commercial documents, public and private securities, deposits the order of the Central Bank of Argentina in banks, or other assets to ensure they recover claims the Central Bank of Argentina has agreed to them.

Article 28. - In any case the bank may have foreign currency or foreign exchange, whose value relative to gold not been secured by a serious guarantee that exceeds 20% of reserves to support the issuance of currency, or compute them within the same by more than 10%.

Article 29 - The bank will be forced to switch to view their bills in smaller amounts to no value in domestic currency of a typical bar of gold 12,441 kilograms (400 ounces "troy"), for gold or, at the option of the bank, by currency or foreign exchange. The rate shall apply to the exchange of notes by foreign exchange or vice versa, may not vary by more than 2% above or below par.

Article 30. - Whenever the bank check the violation of its exclusive function of issuing currency, communicate the fact with all the background to the Executive Branch to take the measure of this case.

CHAPTER VII RELATIONS WITH BANKS

Article 31. - As a client of banks to receive deposits the Central Bank of Argentina will be able to require, as a condition of maintaining or providing authorization to operate, commitment-and their fulfillment of providing the services bank he needed without locking or some omission, especially as they relate to taking deposits on their own. The bank will pay the expenses occasioned them such services.

Article 32. - The various official municipal bodies, national, provincial or who by reason of their duties are covered by the Decree-Law No. 11,554 / 46, in the Banking Act, in the present or their complementary endeavor to coordinate the development of their activities so as not to overlap in inconveniently action within the same bank area or plaza. To that end they held each other conventions, with the intervention of the Central Bank of Argentina, who will be responsible for the enforcement and interpretation of its provisions.

Mixed banks and individuals may accede to those conventions with the agreement of the contracting parties and the Central Bank of Argentina.

Article 33 - The banks of the provinces and municipalities, official or mixed and private banks may participate in development plans to develop the official bank of the Nation, in which case they shall, to that end, the benefits and privileges granted to the latter.

The Central Bank of Argentina, which banks must apply to participate in these plans, accept the extent permitted reserves have accumulated to cover their own total or partial losses that could result in such operations. For this purpose special agreements will be concluded.

Article 34. - The Central Bank of Argentina will manage the clearinghouses existing or to be installed in the future anywhere in the country.

CHAPTER VIII

RELATIONS WITH GOVERNMENT

Article 35 - Relations of the Central Bank of Argentina, with the Executive Branch will remain through the Ministry of Finance of the Nation.

Article 36. - The Bank may make advances for a limited time the national government to cover seasonal or temporary gaps in the collection, up to an amount not exceeding 10% of the average cash resources it has obtained in the last three years; all advances made under this heading must be repaid within twelve months made, and whether any advance of this nature remain unpaid after that time, it may not return to the right bank used to make further advances in this class subsequent years until the amounts due have been paid. On these developments the government will pay no more than the minimum rediscount rate effective interest.

Article 37. - The Central Bank of Argentina directly, or through authorized banks when he required, it shall arrange for remittances and banking the National Government, both inside the country and abroad; You will receive funds from the national government and make payments on his behalf. The bank will not pay any interest on the amounts deposited in the accounts of the government or receive remuneration for payments made on their own, but may charge the costs which in turn paid to the banks.

Article 38 - The bank opens a general account for the General Treasury of the Nation, which will credit all revenues, of whatever kind, and all the advances made to the Government, and will only make payments or transfers account subsidiary accounts by order of the Treasury and with the intervention of the General Accounting Office.

Article 39. - The Central Bank of Argentina, in its capacity as financial agent of the Government, may extend its own resources the Exchange Fund, in agreement with the Ministry of Finance, if the situation so requires market . Gold and currencies purchased under this extension, shall be entered in the accounts of the Central Bank without prejudice to the seats needed to be carried in the memorandum accounts of the National Government and the Central Bank operations performed on their own . Any differences that would result in the value of gold and foreign exchange purchased by the Central Bank, pursuant to this article shall be the sole responsibility of the national government.

Article 40 - The Ministry of Finance of the Nation shall 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 the collection of rents in cash and the proceeds of the loan proceeds;
- c) Expenses committed, as permitted by the implementation of the respective accounting, and
- d) State debt, consolidated and floating.

Besides this information the bank may require the Ministry of Finance and other Ministries and government departments, those which will be necessary or useful for the purpose of better performance of its functions.

Article 41 - The bank, in its capacity as financial adviser to the Government, without prejudice to the special issues that he submit it for consultation, should report regularly on the state

economic and monetary of the country and, in particular, its connection with the development of state finances and the internal and external public debt, as well as about the events of an international character affecting particularly on Argentina's economic and financial situation.

Annually, without prejudice to other information that the Central Bank provides the Executive Branch, it will provide special information concerning the performance of their duties as Financial Agent of the Government, which may be included as a chapter of the General Memory bank.

Article 42 - The headquarters of the bank and its branches and operations made directly or through authorized banks shall be exempt from all taxes or national, provincial or municipal assistance, provided that in the case of payments that otherwise should be in charge.

CHAPTER IX MARKET

Article 43. - The Central Bank will act as financial agent of the Government, and on his behalf, in the issuance of public loans of any kind and time to the attention of the services of internal and external public debt.

Article 44 - The bank may place national direct selling securities or stock exchange or by unions or corporations that acquire banking firm to negotiate in public. The Central Bank may not be a member of the bags, unions or consortiums, but may intervene in them to oversee its operation. The bank will charge fee for the services in the amount debited to the account of the General Treasury of the Nation, immediately notifying the Ministry of Finance to proceed with the appropriate attribution.

Article 45 - Any sale or purchase of national values that have to perform domestic dealings, whether or not autonomous, national pensions boxes must be made through the Central Bank. Also, they must be consulted beforehand offers such dealings and boxes may desire to present in tenders for the repayment of public debt.

Article 46 - The Central Bank of Argentina is empowered to agree "ad referendum" of the Ministry of Finance tax or paying agents, the measures it deems suitable for due attention, on behalf of the National Government, the service external debt.

Article 47. - The Central Bank of Argentina debited to the account of the General Treasury of the Nation the amount of the services of internal and external public debt serviced by the bank on behalf of the Government. He immediately informed about this operation, for charging corresponding to the Ministry of Finance of the Nation, to which must also submit the rendering of respective accounts. Expenses incurred in the bank to the attention of the public debt services will be deducted from the share of profits corresponding to the same Government.

Article 48. - The Central Bank of Argentina will facilitate anytime to officials appointed by the General Accounting Office control all actions relating to the issuance and placement of public loans and care services debt public, including the deactivation and incineration of values. It was also submitted to the inspection of the books, records and other documents relating to such operations, the Central Bank must take regardless of their own accounts.

Article 49. - In its capacity as financial agent of the Government, the Central Bank must inform the executive and through it to the Honorable Legislative Chambers whenever issuing domestic bonds or the conclusion of special loans is projected to exceed the limits of Article 36, and measures likely to affect the market. These reports will be founded, and advertising may be given to the bank by the Board when in his opinion are of no confidence.

CHAPTER X UTILITIES

Article 50 - At the end of each year, and after deduction of provisions and reserves as the Board considers necessary for bad or doubtful debts as well as for expenses and other special purposes, and the prepayment asset will go:
30% of profits liquid to the General Reserve Fund;
10% Bonus to cancel the guarantee (Article 4, Law No. 12,160 and Article 24 of this Decree-Law); 30% increase in capital,
30% to the National Government, which will be credited to the account that Article 38 refers.
Once canceled the Bonus Warranty, 10% for I amortize will be credited to the account of the Government.

CHAPTER X ACCOUNTS AND

Article 51 - The financial year of the bank will last one year, ending on December 31. Within 20 days of closing the bank prepare, send to the Executive and publish its balance sheet and income statement at the closing date.

Article 52. - Immediately after the 15th day after the last day of each month, the bank shall prepare and publish a statement of its assets and its liabilities at the close of business on the days indicated, showing the broadly discriminately main items of the balance.

CHAPTER XII

CONTROL OF THE MONETARY RESERVES

Article 53 - The Treasury Attorney's Office brought before the bank comptroller functions of gold and foreign exchange without prejudice to the charge.

Article 54. - For the purposes of the preceding article, the Treasury Attorney may review the bank's accounting and documentation and attend Board meetings when matters relating to their functions are addressed, with an obligation to inform in all matters in which it is required his opinion, by the National Executive or by the board. It may obtain, for the best performance of their duties, all the facts and information that it considers appropriate to promote and / or intervene in tonnages, counts and controls.

The balance sheets published by the Central Bank of Argentina will be subscribed by the Treasury Attorney's Office, who thereby certify the existence and value of guarantees gold and currencies under their control.

Article 55. - For the role assigned to it in this decree-law, the Treasury Attorney's Office will receive the special annual remuneration determined by the budget of the Central Bank of Argentina, subject to the appropriate charge specific.

CHAPTER XIII COORDINATION OF BODIES

Article 56 - are part of the system of the Central Bank of Argentina, the following national institutions: Banco de la Nacion Argentina; Argentine Industrial Credit Bank; National Mortgage Bank; Institute of credits, guarantees and savings for Employees and Workers of the State and individuals, and the Argentine Institute for the Promotion of Exchange.

By decision of the Executive may be incorporated into the system of the Central Bank of Argentina other national autonomous agencies with existing economic functions or to be created in the future.

In order to coordinate action in economic it develops the state through these agencies, and ensure its effectiveness the Central Bank of Argentina, subject to the autarky of these institutions shall exercise supervision over them. Henceforth the relations of these institutions with the Executive Branch will be maintained by the Central Bank of Argentina, even raising their reports, balance sheets and budgets.

Article 57 - The general or special plans to promote national institutions develop the preceding article or economic bodies whose functions take those responsible, and any investment exceeding those covered by such plans, it must first be referred to approved by the Central Bank of Argentina. Building investments will only be made for purposes likely to produce a true and durable return of interest to the national economy.

CHAPTER XIV MISCELLANEOUS

Article 58 - The provisions of Article 29 will not take effect until well be established by special law.

Article 59 - The President of the bank in writing absolve positions in judgment, not being obliged to appear in person.

Article 60 - The bank, as an entity of the State, is subject only to federal jurisdiction. Whenever an actor in the federal trial competition will be concurrent with that of the ordinary courts of the capital and the provinces.

Article 61. - The Central Bank of Argentina will set the target to give the property, funds and resources of the entities referred to in Article 16 of Decree-Law No. 8,503 / 46 as its functions are exercised by the institutions referred to in Article 56 of this. Meanwhile those entities will retain its current management and administrative bodies under the control of the Central Bank of Argentina which, to that end, appoint delegates broad powers on them.

Article 62 - The officials, bank employees and workers affiliated to the National Pension Fund Bank, may decide, within one year of issued Decree-Law No. 8,503 / 46, between continuing linked to that Fund or eligible to benefits of the National Civil Retirement and Pension. After this term, the personnel who have not opted credited directly to the National Civil Retirement and Pension.

Article 63. - Repealed any provision that is contrary to this Decree. Article 64 - Realize promptly to the Honorable Congress of the Nation. Article 65. - Communicate, etc.

Farrell. - Amaro Avalos. - Juan Pistarini. - Humberto Sosa Molina. - Juan I. Cooke. - Joseph M. Astigueta. - Abelardo Pantin. - Felipe Urdapilleta.