

LAW 13,571

Establishes FUNCTIONS AND ORGANIZATION OF THE CENTRAL BANK; DEPENDENCE OF OFFICIAL BANKS AND THE LAW AMENDING 12,962

Penalty: September 23, 1949

Promulgation: September 30, 1949

Publication in Official Gazette: October 10, 1949 WHEREAS:

The Senate and Chamber of Deputies of Argentina in Congress assembled, enact as LAW:

Section 1 - Suprímense of Decree 14.957 / 46 (Law 12.962, Section III) Articles 15, 19, 20, 23, 24, 28, 35, 39, 53, 54, 55, 56, 61, 62, 63, 64 and 65

Article 2 - Agréganse the text of the aforementioned decree, with the number that corresponds to them in the order that Article 9 of the present invention relates to the following:

1) To exercise the functions of control changes the bank must:

a) Addressing the foreign exchange income from exports and other items, and the distribution of available exchange between imports and other remittances;

b) To propose to the Executive Branch exchange rates for imports and exports and consider those for other exchange operations;

c) Determine the modalities of the exchange control regime, and establish regulations that it demands, and

d) Apply the rules changes and exercise the means of control that compliance required.

2) The Bank may at any time by authorized financial institutions, houses, exchange agencies and brokers, exporters, importers and any other person or ideal existence, to intervene directly or indirectly in trading person, the exhibition of their books and documents and supply all information related to the operations they used to do or where they had intervened. It is also empowered to investigating cases and impose sanctions for violations of foreign exchange regulations.

The information to be collected will be secret and governed his respect the provisions of Article 20 of the Banking Law (revised text)

3) The Banco granting and cancellation of registrations or authorizations to trade in foreign exchange.

4) For the purposes of the regular function of caring for development of the securities market, the Bank shall exercise supervision over all stock exchanges and markets in the country. In consequence it belongs:

a) Report to the Executive about the requests for authorization to operate as a stock exchange or market and the respective draft statutes as well as the reforms that wishes to introduce in the statutes of the entities in operation;

b) Advise the withdrawal of authorizations to operate as stock market or entities who violate the provisions governing its development;

c) Consider the regulations and other rules concerning the operation of stock exchanges or markets, and

d) To grant and cancel licenses to act as stockbroker and keep track of such commission.

5) The Bank may examine the books and documents of the bags, markets and brokers, and require them all the information relating to operations which have been or where they had intervened, concerning which govern the conditions of confidentiality mentioned in Article 20 of the Banking Law (revised text). It is also empowered to investigating cases and apply sanctions for breaches of the existing rules in the matter.

6) The Bank may require immediate help from the police when he stumbles with problems or resistance to fulfill the functions of inspection and control hereby entrusted.

It may also require the courts the necessary search warrants, which shall be issued without delay under the responsibility of officials who request them.

7) To comply with the provisions of Article 4 of the present, they will be taken from the reserves of the Bank the necessary funds.

Article 3 - Modificanse articles of Decree 14.957 / 46, (Law 12.962, Section III), which in each case are mentioned as follows:

Art 1st. - The Central Bank of Argentina is under the Ministry of Finance autonomous entity and is governed by the provisions of this and other concurrent legislation.

The Nation guarantees all bank liabilities incurred.

Art 2 ° -. The Bank will have his home in Buenos Aires. By resolution of its Board of Directors may establish branches or agencies or appoint correspondents in the country and abroad.

Art. 3rd - The bank shall:

- a) Concentrate and mobilize reserves and exercise control over the changes, to moderate the effects on the value of the currency and economic activity may have fluctuations in foreign trade and international capital movements and investment;
- b) Make the regulation of credit and payment methods, to create conditions that will maintain a high occupancy rate and the purchasing power of the currency;
- c) Monitor the liquidity and smooth functioning of credit and apply the Banking Law (revised text) and other laws in pursuance be issued, and
- d) Ensure the regular development of the securities market and act as financial agent of the National Government in the operations of domestic and foreign credit and the issuance and attention of government borrowing.

Article 4. -. It is fixed on \$ 100 million national currency the bank's capital.

Article 5. -. The bank will be governed by a board composed of a President, a Vice-nine directors, all of whom must be native Argentines.

Art. 6 -The Minister of Finance and Deputy Secretary of the Secretariat of State are respectively president and vice president of the bank born.

Article 7. -. The Vice President shall perform the duties of the president in case of absence or impediment or vacancy in the office. Out of these cases, you may perform -of which the President may assign him between stock-.

Art 8 ° -. They are born Directors of the Bank Presidents banks of Argentina Nation, Argentine National Industrial Credit and Mortgage and the National Postal Savings Bank. The remaining five directors are appointed by the Executive Power, on behalf and in accordance with the regulations issued, in the sectors of agriculture, livestock, industry, trade and labor forces.

Art 9 -. The five Directors appointed by the 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 provided in the preceding article. They can not occupy those positions:

a) The members shall national or provincial legislatures and deliberative municipalities;

b) bankruptcy or reorganization proceedings civilly and defaulters of banks;

c) convicted of criminal offenses;

d) forming part of the management or administration, or that depend on the entities covered by the Banking Law (revised text).

Art 10. -. The remuneration of five directors appointed by the executive branch will be established by the budget of the bank.

Art 11. -. The President shall, on behalf of the Board, the governance of the Bank, and is authorized to act and resolve all matters that are not specifically reserved to the Board's decision, and, even then, when require urgent reasons and should then report to the Board at the earliest opportunity. It will, at the same time, the legal representative of the Bank in all its relations with third parties. Shall appoint, promote, suspend and dismiss from office employees, reporting to the Board.

Art 12. -. The President shall convene Board meetings at least once every fortnight. Six members shall constitute a quorum, and, unless otherwise specified, the decisions shall be taken by a simple majority vote of the members present. In case of a tie, the Chairman or whoever is occupying the Presidency, will have a double vote.

Art. 13. - At the directory is responsible for:

- a) Establish standards for the 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, and submit to the Executive Branch the annual budget for 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) To appoint a Vice 2nd annually from among the directors;
- d) Establish and close branch offices and agencies;
- e) Appoint correspondents, regulating its relations with the bank;
- f) To intervene in setting rates and interest rediscount credits and obligations agreed to decide the issue and exchange rates;
- g) acquire and dispose of the necessary properties to the bank's operations and sell you purchased in accordance with Article 18, paragraph e);
- h) To propose to the Executive the appointment of the General Manager and the Deputy General Manager;
- i) Determine the appropriate amounts allocated to provisions and reserves in accordance with Article 45;
- j) To regulate the disciplinary measures in respect of bank staff.

Art 14. -. The Bank's management will be exercised through the General Manager and what is assigned by the Deputy General Manager, who will be native Argentine and designated by the Executive Board on a proposal.

Art 16. -. The General Manager and the Deputy General Manager are the advisers to the President and Directors. In that capacity the first, and if the second, attend Board meetings.

They are responsible for compliance with the rules, regulations and resolutions of the Board, for the application and approval of the President, they may make such internal arrangements as may be necessary.

The General Manager or the Deputy General Manager as appropriate, must inform the President on the progress of the bank.

Art. 17. - El Bank made the following operations under the conditions set by the Board:

- a) Issuance of banknotes and coins in accordance with the provisions of this;
- b) Acceptance of deposits through official, mixed and private authorized banks;

c) deriving from international agreements on payments. Art. 18. - The Bank may, under conditions determined by the Board:

- a) Buy and sell gold and foreign exchange;
 - 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) documents rediscounting banks 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 by Bank 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 and financial cooperation;
 - h) To ensure the issue, purchase and sale of government securities. These operations will be the sole responsibility of the government without the Bank to underwrite such securities or guarantee placement;
 - i) buy and sell government securities up to an amount not exceeding the capital and reserves of the Bank. With exclusive market stabilization purposes under the regulations issued, this limit may be extended by up to 15% of average balances recorded by all authorized in the three years preceding each current year bank deposits.
- In cases of paragraphs c), d) and e) shall be provided the necessary margin calls.

Art. 21. - It is forbidden to the Bank:

- a) grant loans to the national government, without prejudice to: 1 ° The authorized under Article 30 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, have the resources to make payments and have taken the provisions needed to carry them out in ways that are established or agreed upon;
- b) grant loans to the provinces, municipalities or dependent upon autarchic dealings, subject to rediscount 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 those, have the resources to make payments and have taken the necessary precautions to perform them in ways that are established or agreed upon;
- 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 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 granted by the Bank, it may take measures to secure their rights on real estate or goods of the debtor and may acquire real estate or commodities these measures, but is obliged to sell under the regulations issued to other banks.

Art 22. -. The Bank is the sole responsible for the issuance of notes 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 banknotes and coins or other documents that were likely to circulate as paper money.

Art 25. -. The banknotes and coins of the Bank shall be legal tender throughout the territory of Argentina, by the amount expressed in them. These designations are set by the Board.

Art 26. -. Tickets must state in its text the Bank's obligation to pay the carrier and given the amount of national currency expressed in its name. They also bear the facsimile signature of the Chairman and CEO or those who replace them in the office at the time of issue.

Art. 31. As the principal of the receiving banks to deposits, the Bank may require them as a condition of maintaining or providing authorization to operate, commitment-and their fulfillment of providing banking services he requires, .no lock or any omission.

Art 32. - The Bank will coordinate the development of the activities of various government agencies - federal, provincial or municipal, mixed and individuals by reason of their duties, are subject covered by the Banking Law (revised text), by the present or its complementary, so that no overlap in inconveniently action within the same bank area or plaza.

Art 33. -. The banks of the provinces and municipalities, official or mixed and private banks may participate in development plans in the previous article, in which case they shall refer to, to that effect, the benefits and privileges accorded to official banks of the Nation.

The Bank, which banks must apply to participate in these plans, accepted to the extent permitted by reserves that have accumulated on their own to cover total or partial losses that could result in such operations.

Art 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 15% of the average cash resources it has obtained in the three last 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, may not return to the faculty of the 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.

Art 41. -. The Bank shall inform the executive branch, at least twice a year, on the monetary condition of the country, based on the maintenance of the purchasing power of money and the orderly expansion of the economy and related to the development of finance and public credit, as well as about the events of an international character affecting Argentina particularly on the situation in the field.

Annually, also will supply special information concerning the performance of its functions as financial agent of the Government, which may be included as a chapter in the General Report of the Bank.

43. Art. - The Bank shall act on behalf of the National Government in issuing public loans of any kind and time to the attention of the public services, internal and external debt.

You can place values in direct sales or in the bag, or through bank syndicates or consortia who acquire firm to negotiate in public. You can not be a member of them but supervise its operation.

This fee is charged by the above services, the amount debited to the account of Ministry of Finance -Tesorería General of the Nation and communicate it immediately to proceed with the appropriate attribution.

Art 45. -. Any sale or purchase of government securities made by national departments, whether or not self-sufficient, and boxes national pensions, must be made through the Bank. Also, will you previously consulted offers such dealings and boxes may desire present in tenders for the repayment of public debt.

Art 47. -. The Bank will debit the account of the Treasury General of the Nation - Tesoreria the amount of the services of internal and external public debt attended on behalf of the Government, as well as the costs occasioned such services will . He immediately informed about this operation, for charging corresponding to the Ministry, which shall also submit the rendering of respective accounts.

Art 48. -. The Bank shall at any time officials designated by the Ministry of Finance General of the Nation -Contaduría control all actions relating to the issuance and placement of public borrowing and care services public debt, 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.

Art 49. -. In its capacity as financial agent of the federal government, the bank must inform the Executive whenever issuing domestic bonds or the conclusion of special loans that exceed the limits of Article 30 is projected, and the adoption of measures which affect the market.

Art. 50. - At the end of each year and after the prepayment of assets and net of provisions and reserves as the Board deems necessary, will be used:
50% of liquid profits to the general reserve fund, and
50% to the National Government, which will be credited to the account that Article 32 refers.

Art 51. -. The financial year of the bank last a year, and will close on December 31. Within one month the bank will prepare, send to the Executive and publish its balance sheet and income statement at the closing date. The executive, in turn, forward them promptly to the Honorable Congress.

Art 57. - The general or special development plans to develop the official bank of the Nation, as well as any investment that exceeds those covered by such plans, they should first be considered by the Bank.
Building investments will only be made for purposes likely to produce a true and durable return of interest to the national economy.

Art 58. -. Suspéndese the validity of the provisions of Article 22 and mantiénense without entering into force the article 23, subject all to what is established by a special law.

Art 60. - The Bank is exclusively subject to national jurisdiction. Whenever an actor in the national competition will trial concurrent with that of the ordinary courts of provinces.

Article 4 - The banks of the Argentina Nation, Argentine National Industrial Credit and Mortgage and the National Postal Savings depend on the Ministry of Finance.

Article 5 - Suprimense of Decree 11,554 / 46 (Law 12.962, Section II) articles 6th, 7th and 8th, and Decree 14,962 / 46 (Law 12.962, Section VIII) Article 22.

Article 6 - Agrégase the text of the aforementioned decrees, with the corresponding number in the order that Article 9 of the present invention relates to, the following:

"Depending on the rediscount rate to be determined, the Central Bank may determine the minimum and maximum interest rates that banks receive for their various

operations. That determination will be made taking into account the state of the money market and the policy of economic promotion to unfold through credit, and may consist of different rates depending on the destination of loans incurred by the banks. "

Article 7 - Modificanse articles of Decree 11,554 / 46 (Law 12.962, Section II), which in each case are mentioned as follows:

Art 1st. - The Nation guarantees all deposits of money made in mixed public banks, individuals and established in the country, current account, savings, fixed term or under other names that constitute bank deposits in the opinion of the Central Bank . As a result of this warranty, banking institutions registered in the name of Central Bank deposits referrals and movements for cancellations, withdrawals, transfers or new revenues occurring in the respective accounts.

Art 4th. - For its discount operations and investment banks allocated capital and reserves and the funds available through the rediscounting of their own portfolios or otherwise provide them with the Central Bank.
The limits and conditions of rediscount, shall be fixed by the Central Bank as the state of the money market and the liquidity of each establishment.

Article 8 - Modificanse articles of Decree 14,962 / 46 (Law 12.962, Section VIII) in each case are mentioned as follows:

Art. 1 - The opening of new branches, agencies, offices or bureaus by banks, and the closure of existing ones, may take place only with the agreement of the Central Bank. Such approval is not required for provincial or municipal banks -oficiales or mixed with regard to the opening or closing of houses within the territorial limits of their respective political jurisdictions.

Art 2 ° -. The national, provincial and municipal entities or mixtas- -oficiales whose business depends primarily on the acceptance of deposits or term by their nature are considered mandatory legal central bank in the previous article and get subject to the provisions of this law.
Provincial or municipal, official or mixed, banks do not require the Central Bank pursuant to the installation and operation of their homes within the territorial limits of their respective political jurisdictions.

Art. 5th - Banks may not, without prior authorization from the Central Bank:

- a) To issue bonds or debentures;
- b) Use funds for operations other than their own resources and to provide them with the Central Bank or give them another destination that expressed in section 9, excluding the purchase of goods on behalf of credits, the settlement and / or redemption is subject to the general conditions established by the Central Bank;
- c) To grant guarantees or assume obligations which might eventually affect its assets to an extent that appreciably diminish the guarantee of other creditors. The Central Bank set standards for such operations;
- d) Agree to any of its creditors or preferences privileges on all or part of its assets, or
- e) Use credits to other banks or institutions that section 27 of this Act, except as necessary for the care of their mutual concerns operations.

Art 15. -. The Central Bank may resolve the liquidation of banks in appropriate cases and handle the procedure for her leading, whatever the determining cause. Entities whose settlement is found by the Central Bank can not be declared bankrupt, it must promote civil or criminal action be taken against those responsible. If requested the bankruptcy or insolvency of a bank, before providing

orders judges must give the central bank intervention that, if appropriate, resolve the liquidation and take charge.

Where relevant judicial proceedings, the functions of trustee, inventariador and / or liquidator shall be performed by the central bank, which may only charge for management expenses of any kind incurred as a result of it.

Art 21. -. The banks or any nature that violate the provisions of this Act shall be liable to fines of \$ 500 to \$ 500 000 national currency, which will be

applied by decision of the President of the Central Bank, with appeal to the Federal Court.

Persons who have committed the offense, if their actions had higher penalty in the Criminal Code, will be repressed with the same fines or imprisonment of six months to five years, or both penalties together, depending on the amount and nature of the operations and repeated infringements, for which the Central Bank will promote appropriate action.

Article 9 - To authorize the Executive Power to order the text of Decree 14,957 / 46 and 11,554 / 46 and 14,962 / 46 (Law 12.962, sections II and III and VIII) - refundiendo that of the two últimos- with the modifications set forth in hereof. It is also authorized to assign new numbers to its articles and introduce into the text necessary grammatical reforms.

Article 10. - Repealed the Decree 12,596 / 46 (Law 12.962, Section IX) and any provision contrary to this Law.

Article 11. - Communicate to the Executive

Given in the Hall of the Argentine Congress in Buenos Aires, September 23, 1949.

H. J. Alberto H. Reales QUIJANO

W. J. CAMPORA

Zavalla L. Carbo

-registered Under number 13.571-

Buenos Aires, September 30, 1949.

EXECUTIVE OF THE NATION FINANCE MINISTRY DECREE No. 24,571

THEREFORE:

Note by Law of the Nation, be fulfilled, communicated, published, submitted to the Directorate General of the National Registry and filed.

PERON

Alfredo Gomez Morales