

LEGAL WARNING

"The following English translation of the Decree No. 471/2018 has been prepared to facilitate the approach of potential future investors and any person interested in the legal framework that regulates the capital market of Argentina.

Notwithstanding, only the Spanish version of this decree is binding. "

Aviso Legal

"La siguiente traducción al idioma inglés del decreto N° 471/2018 ha sido preparada para facilitar el acercamiento de posibles futuros inversores y toda persona interesada en el marco legal que regula el mercado de capitales de la República Argentina.

Sin perjuicio de ello, sólo la versión en español de este decreto es vinculante".

PRODUCTIVE FINANCING LAW

Decree No. 471/2018

Regulation. Law No. 27,440.

City of Buenos Aires, 5/17/2018

WHEREAS file No. EX-2018-16311055-APN-MF, Productive Financing Law No. 27,440, Capital Markets Law No. 26,831, as amended and supplemented, Mutual Funds Law No. 24,083, as amended and supplemented, Law No. 20,643, as amended and supplemented, Decree No. 780 dated November 20, 1995, as amended and supplemented; and

WHEREAS:

One of the main purposes of the Productive Financing Law No. 27,440 is promoting financing to Micro, Small and Medium-Sized Enterprises (MSMEs) and the development of the National Capital Market aiming to increase the number of investors and of companies receiving financing, especially Micro, Small and Medium-Sized Companies, as well fostering the integration and federalization of different markets throughout the country.

The Productive Financing Law No. 27,440 intends to develop a mechanism to improve financing conditions for Micro, Small and Medium-Sized Enterprises and help the latter increase their productivity through the early collection of credits and notes receivable from their clients and/or debtors, with whom they could have entered into an agreement for sale of goods or for rendering of services for a specific term.

The aforementioned mechanism shall allow Companies to decrease their financial cost, specially in the case of Micro, Small and Medium-Sized Enterprises, since, at present, they pay high interest rates to commercial banks by reason of working capital financing, and shall allow better rates to be achieved through the negotiation of executory instruments as set forth in the abovementioned Law for invoice payment.

The Capital Markets Law No. 26,831 was amended by the Productive Financing Law No. 27,440, in order to adjust it to the global trend, by receiving recommendations from specialized international bodies, such as the INTERNATIONAL ORGANIZATION OF SECURITIES COMMISSIONS (IOSCO), and considering the development of the capital market as an essential and strategic activity for the country's growth. One of the main purposes of said law is to promote integrity and transparency in the capital markets, and to reduce the systemic risk by encouraging free and healthy competition.

Regarding Mutual Funds, the growing demands of the market as a result of the evolution and complexity of these financial instruments required the law to be adjusted in order to make it easier for the Argentine security markets, and especially for said funds industry, to be in a competitive position in relation to its peers.

Moreover, the powers of the Central Securities Depository Intermediaries are expanded, allowing them to enter into collaborative agreements with their foreign pairs, among other functions.

The abovementioned powers require further surveillance by regulatory agencies, as a form of compensation and for the investors' protection, vesting them with powers to adopt the necessary measures to verify the activities carried out by said intermediaries.

The financial inclusion has gained relevance in the political agendas of governments with developed and emerging economies, as well as in the agendas of multilateral organizations.

As stated by the Inter-American Development Bank, the financial inclusion comprises access and use of the full range of integral financial services (savings, credit, payments, transfers and insurance) by companies and households, with special attention to those who have not access to them, including poor and vulnerable people and informal segments such as small-business owners, and people who misuse financial services and that, as a result, cannot have access to financial practices, or the benefits arising therefrom.

The implementation of a National Financial Inclusion Strategy shall allow the inclusion of all sectors of society in the economic development process, within the framework of an efficient and transparent financial system that promotes consumers' trust in the financial sector and that is easily accessible throughout the territory of the ARGENTINE REPUBLIC.

In view of the foregoing, and since Law No. 27,440 includes matters set forth in Decree No. 174 dated February 8, 1993 and Decree No. 1023 dated July 29, 2013, regulating Laws No. 24,083 and 26,831 respectively, it is necessary to repeal said

decrees and approve a new regulation of the Capital Markets Law No. 26,831, as amended.

The appropriate Legal Services have intervened.

This is issued in exercise of the powers set forth in Article 99, Subsections 1 and 2, of the NATIONAL CONSTITUTION.

Therefore,

THE PRESIDENT OF THE ARGENTINE REPUBLIC

HEREBY ORDERS THE FOLLOWING:

Section 1. Regulation of TITLE I of Law No. 27,440 that, as Annex I (IF-2018-23457000-APN-SSALYR#MF), is an integral part of this Decree is hereby approved.

Section 2. The MINISTRY OF PRODUCTION is hereby appointed as Enforcement Authority for the "MSMEs Electronic Credit Note" regime, with the power to delegate their duties to an area with the duties of Secretary.

Section 3. For the purposes of implementing the "MSMEs Electronic Credit Note" regime, the FEDERAL ADMINISTRATION OF PUBLIC REVENUES (AFIP) shall have the following powers apart from the ones already set forth in Law No. 27,440:

- a. To establish proceedings for the optional adherence to said regime and its operation.
- b. To implement all necessary mechanisms in order to verify if the MSMEs or the large companies liable for payment adhere to said regime when the "MSMEs Electronic Credit Note" is issued.
- c. To establish all necessary proceedings to adjust the amount of the "MSMEs Electronic Credit Note", and thus be able to issue all relevant explanatory and supplementary rules regarding debit and credit notes that may eventually be issued by both parties.

Section 4. Section 2 of Decree No. 780 dated November 20, 1995, as amended, is hereby replaced by the following text:

"Section 2. The Real Estate Registries of the country and civil law notaries shall verify that if book-entry mortgage bonds are issued, the name and address of the entity keeping the relevant record is stated on the bond. The entity keeping the relevant record, the financial institution managing the bond or the creditor when the latter is a financial entity, shall keep the mortgage deed.

If the issuance of book-entry mortgage bonds is authorized after the creation of the mortgage, the record of said issuance at the registry shall previously require that said authorized issuance be acknowledged at the Real Estate Registry where the mortgage has been recorded.

The book-entry mortgage bond shall be deemed issued when the registrar acknowledges it."

Section 5. Last paragraph of Section 3 of Decree No. 780/1995, as amended, is hereby added as follows:

“The entity where the mortgage deed is kept shall be responsible for its custody and conservation for the debtor and creditors.”

Section 6. Subsection f) of Section 4 of Decree No. 780/1995, as amended, is hereby added as follows:

“F) Name of the entity where the mortgage deed is kept.”

Section 7. Subsection e) of Section 7 of Decree No. 780/1995, as amended, is hereby replaced by the following:

“E) Name and address of the entity issuing the voucher and name and address of the entity where the mortgage deed is kept.”

Section 8. Decrees No. 174 dated February 8, 1993, and 1023 dated July 29, 2013 are hereby repealed.

Section 9. Regulation of the Capital Markets Law No. 26,831, as amended, that, as Annex II (IF-2018-23456437-APN-SSALYR#MF), is an integral part hereof, is hereby approved.

Section 10. For the purposes set forth in Section 142, Paragraph I, of Law No. 27,440, the legal relationship between the escrow intermediary and the parties to the financing contract shall be governed by the provisions set forth in Chapter 8, Section 1, of Title IV of the First Book of the Argentine Civil and Commercial Code. Both individuals and legal entities may act as escrow intermediaries.

The assignment set forth in Section 142, Paragraph II, of the aforementioned law, may be carried out by a single act, identifying the assigned credits by stating their amount, terms and security interests. In the event of an assignment of future credits, the total amount of the assigned credits shall be stated as well as any other data necessary to allow their identification. The assignment, if applicable, shall be recorded in the relevant records.

Unless there is a contractual provision by which no notice to the assigned debtor is necessary, the payment made in good faith by the assigned debtor to the assignor after the aforementioned assignment has taken effect shall be discharging and opposable to the assignee provided that it is carried out according to the types and methods related to the assigned credit.

Section 11. In accordance with the provisions of Section 157 of Law No. 27,440, which replaces Section 31 of Law No. 20,643, as amended, in the cases in which the Central Depository Intermediary of Marketable Securities, by itself or through a related company, provides services included in Law No. 21,526, said entity shall develop only those activities that are related to compliance with its duties and that have been authorized by the SECURITIES AND EXCHANGE COMMISSION (CNV), decentralized body of the MINISTRY OF FINANCE.

For such purposes, said body may enter into a collaboration agreement for the required supervision with the CENTRAL BANK OF THE ARGENTINE REPUBLIC, as the enforcement authority of Law No. 21,526.

Section 12. The HOUSING SECRETARIAT of the MINISTRY OF THE INTERIOR, PUBLIC WORKS AND HOUSING is hereby empowered to issue explanatory and supplementary rules pursuant to Section 206, first paragraph, of Law No. 27,440.

Distributions made in accordance with Paragraph e), second subparagraph, of the aforementioned section, shall be considered made by both Closed Mutual Funds and Financial Trusts.

Section 13. The MINISTRY OF FINANCE is hereby appointed as the Enforcement Authority for the purposes of the provisions set forth in Title XIV of Law No. 27,440.

Section 14. This shall be effective as of May 21, 2018.

Section 15. Be thus notified, published, delivered to the NATIONAL BUREAU OF OFFICIAL REGISTRY and filed. — MACRI. — Marcos Peña. — Francisco Adolfo Cabrera. — Luis Andres Caputo.

NOTE: All Annexes attached hereto are added to the web edition of the Argentine Official Gazette (BORA) -www.boletinoficial.gob.ar-.

(Infoleg Note: All annexes mentioned herein have been taken from the web edition of the Official Gazette.)

e. 5/18/2018 No. 35006/18 v. 5/18/2018

ANNEX I

REGULATION OF TITLE I OF LAW No. 27,440

DRIVE TO THE FINANCING OF SMALL AND MEDIUM-SIZED COMPANIES

Section 1. The "MSMEs Electronic Credit Note" regime shall be optional for all MSMEs acting in their capacity as purchasers or lessees. They may adhere to the "MSMEs Electronic Credit Note" regime and all provisions of Law No. 27,440, and this decree and any other explanatory and supplementary rules issued for such purposes shall be applied to them.

Section 2. Unregulated.

Section 3. For the purposes of the provisions of Section 3 of Law No. 27,440, transactions shall mean all transactions made by the parties involved in the "MSMEs Electronic Credit Note" regime.

Parties involved in the "MSMEs Electronic Credit Note" regime shall mean the FEDERAL ADMINISTRATION OF PUBLIC REVENUES, the Central Securities Escrow Intermediaries, settlement and clearing intermediaries, Investors in general and/or any other parties involved in the transaction, as well as Micro, Small and Medium-Sized Companies and large companies originating the business transaction.

The exception to the prohibition of Section 101 of Law No. 11,683, revised text, 1998, as amended, also covers the identification of "large companies" referred to in Section 7 of Law No. 27,440, in accordance with the provisions set forth in Section 3, Subsection b), hereof.

The parties involved in this regime that participate in the negotiation of the "MSMEs Electronic Credit Note" shall participate in the "MSMEs Electronic Credit Note" regime through a settlement and clearing Intermediary as set forth in Section 2 of Law No. 26,831, or a Financial Entity pursuant to Law No. 21,526, as amended.

In accordance with the provisions set forth in Section 3 of Law No. 27,440, the Central Securities Escrow Intermediaries must implement a digital platform through which the parties involved in the "MSMEs Electronic Credit Note" regime may have access, free of charge, to any information on payments made.

Said platform must include, at least, the following information:

- a) The negotiation channels used by MSMEs.
- b) The amount of "MSMEs Electronic Credit Notes" negotiated.
- c) Payments related to the foregoing, provided that they are under their custody, and a rate of compliance for each Individual Taxpayer Identification Number (CUIT).

The information contained in the aforementioned platform shall protect the rights of the parties involved, in accordance with Law No. 25,326 on Protection of Personal Data, as amended.

Section 4. In the "Registry of MSMEs Electronic Credit Notes", created by Section 3 of Law No. 27,440, the payment of the "MSMEs Electronic Credit Note" shall be notified, as well as any debit and/or credit note adjusting the amount of the transaction and issued between the parties.

In the event that the "MSMEs Electronic Credit Note" is issued in foreign currency, all exchange differences arising therefrom and until the acceptance thereof, either express or implied, shall be recorded by issuing debit and/or credit notes.

Debit and/or credit notes created by any reason after the acceptance, either express or implied, of the "MSMEs Electronic Credit Note", shall not involve changes to the negotiable net amount of the executory instrument and the value not of record arising therefrom.

Section 5. The requirement set forth in Section 5, Subsection i), of Law No. 27,440 shall be deemed fulfilled after notice of the issuance of the relevant "MSMEs Electronic Credit Notes" has been served by FEDERAL ADMINISTRATION OF PUBLIC REVENUES at the electronic domicile for tax purposes of the purchaser, lessee or borrower.

The inability of the "MSMEs Electronic Credit Note", set forth in Section 5, last paragraph, of Law No. 27,440, shall mean that said document does not comply with current invoicing rules and shall have the tax effects related to documents not valid as invoices. All notices served at electronic domiciles for tax purposes within the

framework of this Regime, with the scope established in Law No. 11,683, text revised in 1998, as amended, shall be valid.

Section 6. Unregulated.

Section 7. Unregulated.

Section 8. The payment referred to in Section 8, Subsection g), of Law No. 27,440 shall mean any payment taking place before the deadline for the acceptance of the "MSMEs Electronic Credit Note."

Section 9. Unregulated.

Section 10. Unregulated.

Section 11. Unregulated.

Section 12. Unregulated.

Section 13. The Markets set out in Section 12 of Law No. 27,440 may hire the tools or computer systems set forth in Section 13 of the aforementioned law, in accordance with the regulations issued by the SECURITIES AND EXCHANGE COMMISSION for such purposes.

Section 14. Unregulated.

Section 15. Unregulated.

Section 16. Unregulated.

Section 17. Unregulated.

Section 18. Unregulated.

Section 19. Unregulated.

Section 20. Unregulated.

Section 21. Unregulated.

Section 22. Unregulated.

Section 23. This regime shall be applicable in accordance with the schedule established for such purposes by the Enforcement Authority for each sector of the economy.

Section 24. Unregulated.

Section 25. Withholdings and/or collections of national and/or local taxes related to the transactions included in this regime shall be carried out only by the payor of the "MSMEs Electronic Credit Note" and at the moment of their express or implied acceptance. Their manner, term and conditions shall be set forth by the FEDERAL ADMINISTRATION OF PUBLIC REVENUES (AFIP) and any competent provincial body.

If, after withholdings and/or collection payments have been made, the result exceeds or is less than the amount deducted by application of Section 24 of Law No. 27,440, the relevant balances shall be reimbursed between issuers and those accepting the "MSMEs Electronic Credit Note", through all means of payment approved by the CENTRAL BANK OF THE ARGENTINE REPUBLIC.

ANNEX II

REGULATION OF CAPITAL MARKETS LAW No. 26,831

Section 1. Unregulated.

Section 2. Unregulated.

Section 3. Unregulated.

Section 4. Unregulated.

Section 5. DIGITAL DOCUMENTS.

The digitally signed documents sent electronically to the SECURITIES AND EXCHANGE COMMISSION (CNV), a decentralized body of the MINISTRY OF FINANCE, through the Online Financial Information Tool in order grant them the same validity and effectiveness as those signed in paper shall be inalterable and not be questionable by the submitting party.

Section 6. Unregulated.

Section 7. DELEGATIONS. TERRITORIAL JURISDICTION. The SECURITIES AND EXCHANGE COMMISSION shall establish, by virtue of the territory and market conditions, the powers that each regional delegation shall have. The SECURITIES AND EXCHANGE COMMISSION shall submit a proposal to the MINISTRY OF FINANCE in order to establish the territorial jurisdiction of each regional delegation.

Section 8. Unregulated.

Section 9. Unregulated.

Section 10. Unregulated.

Section 11. Unregulated.

Section 12. Unregulated.

Section 13. Unregulated.

Section 14. Unregulated.

Section 15. Unregulated.

Section 16. Unregulated.

Section 17. Unregulated.

Section 18. Unregulated.

Section 19. Subsections a) through e) unregulated.

f) The corporate control of those companies registered under the "Securities and Exchange Commission Secured Small and Medium-Sized Enterprises" ("PYME CNV Garantizada") shall be exercised by the competent bodies of each jurisdiction, notwithstanding the powers granted by current regulations to the SECURITIES AND EXCHANGE COMMISSION. Subsections g) through z) unregulated.

Section 20. Unregulated.

Section 21. Unregulated.

Section 22. Unregulated.

Section 23. Unregulated.

Section 24. Unregulated.

Section 25. Unregulated.

Section 26. Unregulated.

Section 27. Unregulated.

Section 28. Unregulated.

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Section 31. Unregulated.

Section 32. Unregulated.

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Section 40. Unregulated.

Section 41. Unregulated.

Section 43. Unregulated.

Section 44. Unregulated.

Section 45. Unregulated.

Section 46. COURT OF ARBITRATION.

Regulations for the creation and operation of the Arbitration Courts issued by authorized markets shall be approved by the SECURITIES AND EXCHANGE COMMISSION, and such regulations shall set forth, at least, the following:

- a.) The Court shall consist of an odd number of members.
- b.) The members of the Court shall prove conditions of suitability, honorability, integrity, experience, academic and professional background.
- c.) The arbitration award shall be based only on findings of law.
- d.) Extension terms for the issuance of said awards shall be reasonable. The SECURITIES AND EXCHANGE COMMISSION shall monitor compliance with said regulations and the deadlines for the issuance of the awards.

Section 47. Unregulated.

Section 48. Unregulated.

Section 49. APPROVAL. TERM CALCULATION.

The term stated in Section 49 of Law No. 26,831 for the SECURITIES AND EXCHANGE COMMISSION to issue the authorization requested shall be calculated as from the time all the documentation required in each case is integrated.

Section 50. Unregulated.

Section 51. Unregulated.

Section 52. Unregulated.

Section 53. Unregulated.

Section 54. DOCUMENTATION AUTHENTICITY. To comply with the presumption set forth in Section 54 of Law No. 26,831 documents shall include, as a minimum, the place, date, signature, name, document number and capacity in which the intervening intermediary acts. The SECURITIES AND EXCHANGE COMMISSION shall establish all requirements and procedures that shall be fulfilled for the purposes of implementing the digital signature for said purposes.

Section 55. Unregulated.

Section 56. Unregulated.

Section 57. Unregulated.

Section 58. RISK RATING SUBJECT MATTER. Risk rating agencies, at the request of issuing entities and other entities, may rate any marketable security, subject or not to the public offering regime.

EXCEPTION. The SECURITIES AND EXCHANGE COMMISSION may establish the mandatory nature of ratings when the special conditions of entities or of securities so require.

Section 59. Unregulated.

Section 60. Unregulated.

Section 61. REMOTE MEETINGS.

When the issuers' s bylaws establish the possibility of holding remote meetings, communication channels shall be established to allow for the simultaneous transmission of sound, images and words, thus ensuring the principle of equal treatment of participants.

The names of all parties and the capacity in which they participated in the remote meeting, the place where the meeting was held, and all technical mechanisms used shall be recorded in the minutes.

The SECURITIES AND EXCHANGE COMMISSION shall be notified FIVE (5) business days before the remote meeting is held. The SECURITIES AND EXCHANGE COMMISSION may appoint one or more inspectors with an inspectorship role to attend the meeting.

PROXIES. In the case of proxies, the relevant authorizing document, sufficiently authenticated, shall be delivered to the entity FIVE (5) business days before the meeting is held.

PROCEDURE. REMOTE MEETING. Entities exercising this power shall submit all procedures to be used to the SECURITIES AND EXCHANGE COMMISSION for approval.

Section 62. CAPITAL INCREASE. SUBSCRIPTION LIMIT.

The SECURITIES AND EXCHANGE COMMISSION shall establish in its rules the mechanism and limit for the subscription of shares in excess.

Section 62 bis. Unregulated.

Section 63. Unregulated.

Section 64. Unregulated.

Section 65. Unregulated.

Section 66. Unregulated.

Section 67. Unregulated.

Section 68. EMPLOYEES' SHARE.

Issuers shall encourage their staff on the payroll, or one or some of their controlled companies, to participate as shareholders under the terms of Section 68 of Law No. 26,831, through participation programs that shall be previously prepared and submitted to the SECURITIES AND EXCHANGE COMMISSION for approval.

Section 69. MEETINGS. REGULATORY GUIDELINES. APPLICANT FOR POWERS OF ATTORNEY.

General powers of attorney certified by a civil law notary authorizes representatives to attend the meeting. Powers of attorney granted for a meeting are valid for its second call. In the event of a special power of attorney, it shall be certified by a civil law notary and state the meetings for which it is granted.

The applicant for powers of attorney shall notify the SECURITIES AND EXCHANGE COMMISSION, in the manner required, THREE (3) business days in advance, of any relationship they may have with other shareholders so that all interested parties know. The SECURITIES AND EXCHANGE COMMISSION shall set forth all other guidelines and mechanisms to be applied.

Section 70. Unregulated.

Section 71. Unregulated.

Section 72. Unregulated.

Section 73. Unregulated.

Section 74. Unregulated.

Section 75. COMPENSATION.

Companies authorized to make a public offering of their shares shall individually notify the SECURITIES AND EXCHANGE COMMISSION of the compensation of their directors, administrators, managers, receivers and supervisory advisors, pursuant to the requirements and procedures established by said body and in accordance with the limits set forth in Section 261 of Companies Law No. 19,550, revised text 1984.

Section 76. Unregulated.

Section 77. Unregulated.

Section 78. Unregulated.

Section 79. Unregulated.

Section 80. Unregulated.

Section 81. Unregulated.

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Section 99. Unregulated.

Section 100. Unregulated.

Section 101. Unregulated.

Section 102. Unregulated.

Section 103. Unregulated.

Section 104. EXTERNAL AUDITORS.

The SECURITIES AND EXCHANGE COMMISSION shall publish the list of authorized external auditors.

Section 105. Unregulated.

Section 106. Unregulated.

Section 107. Unregulated.

Section 108. Unregulated.

Section 109. Unregulated.

Section 110. Unregulated.

Section 111. Unregulated.

Section 112. Unregulated.

Section 113. Unregulated.

Section 114. TERMINATION OF DECEPTIVE ADVERTISING.

The termination set forth in Section 114 of Law No. 26,831, if so provided, shall immediately take place upon notice.

Section 115. Unregulated.

Section 116. Unregulated.

Section 117. Unregulated.

Section 118. Unregulated.

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Section 156. Unregulated.