LEGAL WARNING

"The following English translation of the Companies Law No. 19,550 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 law is binding.** "*

AVISO LEGAL

"La siguiente traducción al idioma inglés de la Ley General de Sociedades N° 19.550 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 esta ley es vinculante**".*

COMPANIES LAW

Law No. 19,550

*(**Infoleg Note:** Revised by Decree No. 841/84 of the Official Gazette 03/30/1984 as amended therefrom.)*

See Regulatory Background

ANNEX

REVISED TEXT OF COMPANIES LAW

(Name of the Title replaced by point 2.1 of Annex II of Law No. 26,994 O.G. 10/08/2014 Supplement.) Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

CHAPTER I

GENERAL PROVISIONS

PART I

Existence of a Company

(Name of the Section replaced by point 2.1 of Annex II of Law No. 26.994 O.G. 10/08/2014 Supplement.) Validity: 08/01/2015, text according to Section 1 of the Law No. 27.077 O.G. 12/19/2014)

Concept.

Section 1º — A company will arise whenever one or more people organized, pursuant to the types included in this Law, undertake to make contributions to be applied to production activities or in the trade of goods or services, sharing both earnings and losses.

A one-person company can only be constituted as a corporation. A one-person company cannot be constituted by a sole proprietorship.

(Section replaced by point 2.2 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27.077 O.G.12/19/2014)

Subject of legislation.

Section 2º — A company is a subject of legislation within the scope of this Law.

Associations acting as companies.

Section 3º — Regardless of their purposes, associations adopting any type of company under any of the types set forth herein shall be subjected to their provisions.

PART II

Form, Proof and Procedure

Form.

Section 4º — The Agreement whereby a company is organized or modified shall be executed by public or private instrument.

Registration in the Public Registry of Commerce.

Section 5º — The Constituent Act, its modification and the regulation, if any, shall be recorded at the Public Registry of the registered office and in the Registry corresponding to the seat of each branch, including the address where it is installed for the purposes of section 11, paragraph 2

The registration shall be provided prior ratification of the grantors, except where it is extended by public instrument or the signatures are authenticated by public notary or other competent official

Publicity in the documentation.

The companies must state in all their documentation the address of their headquarters and the data that identify their registration in the Registry.

(Section replaced by point 2.3 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G.12/19/2014)

Registration's deadlines. Acknowledgment

Section 6° — Within twenty (20) days of the Constituent's Act, it shall be submitted to the Public Registry for registration or, where appropriate, to the Controller's authority. The deadline for completing the procedure shall be thirty (30) additional days, being extended when exceeded by the normal fulfillment of the procedures.

Late registration. The inscription requested belatedly or expired the supplementary period, will only be available if there is not an opposition of an interested party. Authorized for registration. If there were no special representatives to carry out the formalities, it is understood that the representatives of the company designated in the Constituent Act are authorized to do so. Failing that, any partner can urge it at the expense of the company.

(Section replaced by point 2.4 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 ° of the Law No. 27,077 O.G. 12/19/2014)

Registration: effects.

Section 7º — The company shall only be deemed regularly incorporated after registration at the Public Registry of Commerce.

National Registry of Joint Stock Companies.

Section 8º — Regarding Joint Stock Companies, the Public Registry of Commerce, regardless of the territorial jurisdiction, shall issue a statement of the documents with the certificate of acknowledgment to the National Registry of Joint Stock Companies.

File.

Section 9º — Once the registration has been ordered, Registers shall prepare a file for each company, with duplicate copies of different acknowledgments and related documentation thereof, which shall be open for consultation.

Advertising of limited liability companies and joint stock companies.

Section 10. — Limited liability companies and joint stock companies shall advertise a notice in the pertinent legal publication that shall contain:

a) Upon incorporation:

1. Name, age, marital status, nationality, profession, address, ID number of partners;

2. Date of Constituent Act;

3. Company name;

4. Address of the company;

5. Company purpose;

6. Duration;

7. Capital stock;

8. Composition of the administration and monitoring entities, name of partners and duration of positions, if applicable;

9. Organization of the legal representation;

10. Closing date for the fiscal year;

b) Upon amendment or termination of the Agreement:

1. Date of the company approval of the amendment or termination of the Agreement;

2. When the amendment affects the items numbered in subsections 3 to 10 of Paragraph a), the publication must include such information.

Content of the articles of incorporation.

Section 11. — Notwithstanding the provisions for specific types of companies, the articles of incorporation must include:

1) Name, age, marital status, nationality, profession, address, ID number of partners;

2) Company name, and the address of the company.

If the Agreement only included the domicile, the company address must be recorded in a separate file executed by the administrative body. All notices filed at the registered office shall be valid and binding for the company;

3) The object, which must be accurate and specific;

4) Corporate capital, which must be expressed in Argentine currency, including the amount contributed by each partner; In the case of one-person companies, the equity must be fully integrated into the Constituent Act.

5) Duration, which must be definite;

6) Organization of the supervision administration and partner meetings;

7) The rules pertaining to the distribution of earnings and losses. Unless otherwise provided, it will be proportional to their contributions. If only distribution of earnings is described, the same method shall be applied for losses and vice-versa;

8) The necessary clauses required to establish the rights and obligations of partners accurately between each other and with third parties;

9) Clauses related to operation, dissolution and liquidation of the company.

(Section replaced by point 2.5 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Non-recorded modifications: Non-enforceability for the company and third parties.

Section 12. — Amendments that have not been regularly recorded bind the grantor partners. They cannot be enforced against third parties. However, they may enforce them against the company and partners, except for joint stock companies and limited liability companies.

Null and void provisions.

Section 13. — The following provisions are null and void:

1) Where some partners are granted benefits or are excluded therefrom, or where they are released from distribution of losses;

2) Where the partners or limited partners are given their contributions with an award granted or with the profits of their own capital, or with an additional amount, regardless of profits;

3) Where the partner is given guarantee of capital or potential profits;

4) Where the total amount of profits and company services belong to the partners or surviving partners;

5) Where the determination of a price to acquire the share of a partner by another partner is notably far from the actual value at the time it is effective.

Publication: General rule.

Section 14. — Any publication ordered without the determination of the publicity entity or the number of days to be published shall be made only once in the legal publication for the pertinent jurisdiction.

Procedure: General rule.

Section 15— Whenever the law sets forth or authorizes a legal action, it will be followed with summary proceedings, unless otherwise provided.

PART III

Regime of nullity

Overview.

Section 16. — Nullity or annulment affecting the relationship of any of the partners shall not give rise to nullity, annulment or termination of the Contract, except the participation or provision of that partner should be considered essential, given the circumstances or in the case of a single partner.

If it is a limited partnership or by shares, or a Capital Intensive Industry Company, the vice of the will of the sole partner of one of the partner categories makes the contract voidable.

(Section replaced by point 2.6 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Atypicality. Lack of essential requirements

Section 17. — The companies foreseen in chapter II of this Law may not omit essential prerequisites or comprehend elements that are incompatible with the legal type.

In the event of infringement of these rules, the incorporated company does not produce the effects of its own type and is governed by the provisions of Part IV of this Chapter.

(Section replaced by point 2.7 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Unlawful object.

Section 18. — Companies with an unlawful object are absolutely null and void. Third parties in good faith may challenge the existence of the company against the partners, without alleging nullity. Partners may not allege the distributions of profits or losses in order to allege the existence of the company, or to sue third parties in order to claim the return of contributions.

Liquidation.

Once nullity has been declared, liquidation shall be performed by the person appointed by the judge.

After the conveyance of assets and cancellation of the liabilities and the compensation for the damages caused, the remaining amount shall be kept in a state fund aimed at encouraging common education of the pertinent jurisdiction.

Liability of administrators and partners.

Partners, administrators and persons acting in that capacity in corporate management shall have unlimited joint and several liability for corporate liabilities and damages caused.

Company with an unlawful object, unlawful activity.

Section 19. — Whenever the company with a lawful purpose performed lawful activities, its dissolution and liquidation procedure, whether requested by a party or by operation of law, shall be governed by Section 18. Partners proving their good faith shall be excluded from the provisions of paragraphs 3 and 4 of the Section above.

Forbidden object. Liquidation.

Section 20. — Companies with an unlawful object in related to type are absolutely null and void. Section 18 shall apply, except for the case of distribution of the remaining portion of the liquidation, which shall be governed by Part XIII.

PART IV

Non-constituted companies according to the types of chapter II and other assumptions

Included companies.

Section 21. — The company which is not constituted subject to the types of chapter II, which omits essential requirements or which fails to comply with the formalities required by this Law, is governed by the provisions of this section

(Section replaced by point 2.8 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Applicable Regime

Section 22. — The company's contract can be invoked among the partners. It will be opposable to third parties only if it is proven that they knew of it effectively at the time of the recruitment or at the start of the compulsory relationship, and it can also be invoked by third parties against the company, partners and administrators.

(Section replaced by point 2.9 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Representation: Administration and government.

Section 23. —The clauses relating to representation, administration and others on the organization and governance of the company may be invoked among the partners.

In relations with third parties any of the partners may represent the company displaying the contract, but the disposition of the company's contract can be opposed if it proves that the third party knew it effectively at the time of the start of the legal relationship.

Assets subject to Registration In order to acquire assets subject to registration, the company must prove to the registry its existence and the powers of its representative for an act of recognition of all those who claim to be their partners. This act must be implemented in a public deed or private instrument with signature authenticated by notary. The asset will be registered under the name of the company, indicating the percentages of the partners regarding their participation in the company.

Proof

The existence of the company can be accredited by any means of proof.

(Section replaced by point 2.10 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Liability of the Partners

Section 24. —The partners respond to third parties as compelled simply joint and equally obliged, unless the solidarity with the company or among them, or a different proportion, results of:

1) An express stipulation concerning a relationship or a set of relationships;
2) A stipulation of the contract, under the terms of section 22;
3) The common rules of the type which they expressed to adopt and for which they were no longer to fulfill substantial or formal requirements.

(Section replaced by point 2.11 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Rectification

Section 25. —In the case of companies included in this Part, the omission of essential, typified or non-typified requirements, the existence of elements incompatible with the type chosen or the omission of formal requirements, may be rectified as an initiative of the company or of the partners at any time during the term established in the contract. In the absence of unanimous agreement of the partners, the rectification can be judicially ordered in a summary proceeding. If necessary, the judge may supply the lack of agreement, without imposing greater responsibility to the partners who do not agree with it.

The dissatisfied partner may exercise the right of recess within ten (10) days of the judicial decision in the terms of the section 92.

Dissolution. Liquidation.

Any of the partners may cause the dissolution of the company when there is not a written stipulation of the duration pact, duly notifying such decision to all partners. The full legal rights effects will be produced among the partners at ninety (90) days after the last notification.

Partners who wish to stay in the company must pay to the outgoing partners their company share.

The liquidation is governed by the rules of the contract and of this Law.

(Section replaced by point 2.12 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Relations between the company’s creditors and the partners ' private individuals

Section 26. — The relations between the company’s creditors and the individual creditors of the partners, even in case of bankruptcy, will be judged as if it were a company of the types envisaged in Part II, even with respect to the recordable assets.

(Section replaced by point 2.13 of the II Annex of the Law No. 26,994 O.G.10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

PART V

Partners

Company among spouses

Section 27. —.Spouses can integrate with each other companies of any kind and those regulated in Part IV

(Section replaced by point 2.14 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014).

Minor, incapable, or limited-capacity heir partners.

Section 28— In the company constituted with assets subject to hereditary forced indivision, minor heirs, unable, or with restricted capacity can only be partners with limited liability. The constituent contract must be approved by the probate judge. If there possibility of collision of interest between the legal representative, the

conservator or the support and the minor person, unable or with restricted capacity, an ad hoc representative must be designated for the conclusion of the contract and for the controller of the Administration of the company if it is exercised by that one.

(Section replaced by point 2.15 of the II Annex of the Law No. 26,994 O.G. order 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Sanction.

Section 29. — Without prejudice to the transformation of the company into an authorized type, the infringement of Section 28 makes joint and unlimited responsibility to the representative, the conservator and the support of the minor person, unable or with restricted capacity and to the partners Fully capable, for damages caused to the person under age, unable or with restricted capacity.

Partner Society.

Section 30. — Corporations and partnerships limited by shares may only be a part of joint stock companies and limited liability. They can be part of any associative contract.

(Section replaced by point 2.17 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Interest in other company: Limitations.

Section 31. — No company, except for those whose object is exclusively for financial or investment purposes may take or hold interest in other companies for an amount higher than its free reserves and half of its capital and legal reserves. The case where the surplus of participation derives from payment of dividends of shares or capitalization of reserves is exempted from this provision.

The entities governed by Law No. 18,061 are excluded from these limitations. The National Executive Power may authorize deviation from the limits in specific cases.

Interests such as parts of interest, quotas or shares in excess of that amount must be conveyed within six (6) months after the date of the approval of the Balance Sheet evidencing that the limit has been exceeded. This case must be informed to the participated company within ten (10) days from the approval of the above-mentioned balance sheet. Failure to comply with the conveyance of the excess shall derive in the loss of voting rights and the profits applicable to those excessive interests until the correct interest is kept.

*(**Infoleg Notice**: By Section 31 of Decree No. 1076/2001 Official Gazette 08/28/2001, companies incorporated as partners of mutual guarantee companies are exempted from the limits set forth by the first paragraph of Section 31 of Law No. 19,550 (amended in 1984) as amended.)*

Mutual interests: Nullity.

Section 32. — The incorporation of companies or the increase of capital with mutual interests, even by proxy, is null and void. In case of violation of this prohibition, the founders, administrators, directors and receivers shall be jointly and severally liable. The reduction of the unduly integrated capital shall be completed within three (3) months; otherwise, the company will be dissolved by operation of law.

A subsidiary cannot participate in the parent or in a subsidiary controlled by the parent company for a higher amount, according to the balance sheet, or reserves, excluding the legal reserve.

Parts of interest, quotas or shares in excess of that amount must be conveyed within six (6) months after the date of the approval of the Balance Sheet evidencing the violation. The violation shall be sanctioned pursuant to Section 31.

Subsidiaries.

Section 33. — Subsidiaries are those companies controlled, whether directly or indirectly, by another company that:

1) Has participation, of any kind, that grants the necessary number of votes to obtain the corporate will, in corporate meetings or ordinary meetings;

2) Has a dominant influence derived from its shares, quotas or portions of interests held, or special relationships between companies.

Affiliated companies.

For the purposes of Part IX of this chapter, affiliated companies are those companies where one of them owns more than 10% (ten percent) of capital of the other company.

The company acquiring more than twenty-five percent (25%) of capital of the other company shall inform it in the following meeting.

Apparent partner.

Section 34. — The partner who does inform his name as partner shall not be deemed as such in relation to the true partners, regardless of whether he has a share in profits of the company; however, in relation to third parties, he shall be deemed to have the obligations and responsibilities of a partner, except his action against partners to be compensated for the amounts he paid.

Silent partner.

The silent partner liability is jointly and severally liable within the terms set forth in Section 125.

Partner of the partner.

Section 35. — Any partner may introduce third parties as partners. These participants shall not be partners and will not have corporate action; the rules related to unincorporated companies or undisclosed partnerships shall apply.

PART VI

Partners and their relationship with the Company

Rights and obligations.

Section 36. — Rights and obligations of partners start from the date specified in the corporate Agreement.

Prior actions.

Notwithstanding the above, they are responsible for the actions performed on behalf of the company, for those under his representation and administration, pursuant to the provisions for each type of company.

Late contribution: sanctions.

Section 37. — The partner who does not make contributions according to the agreed upon conditions shall be in default at the end of the term and shall be liable for damages. If no term has been specified, the contribution is enforceable since the registration of the company.

The company may exclude the partner, notwithstanding any legal claim of the affected party or demand for due payment of the contribution. In joint stock companies, Section 193 shall be applied.

Contribution of property.

Section 38. — Contributions may involve obligations to give or do something, except for the types of companies where an obligation to give is required.

Form of contribution.

The contributions shall comply with the requirements imposed by law according to the different nature of property.

Preventive registration.

When registration is required to transfer contributions, this will be preventively made under the name of the company under formation.

Determination of the contribution.

Section 39. — In limited liability companies and joint stock companies, the contribution must involve specific goods, susceptible of enforcement of judgment.

Contribution of rights.

Section 40— Rights may be granted when these are duly instrumented and refer to property susceptible to be supplied and are not under litigation.

Contribution of credits.

Section 41. — In contribution of credits, the company acts as assignee with the certificate in the bylaws. The contributor answers for existence and legitimacy of credit. If the credit cannot be collected upon expiration, the liability of the partner will involve contributing money, which shall be effective within thirty (30) days.

Listed securities.

Section 42.— Listed securities may be contributed up to its listed value.

Non-listed securities.

If securities were not listed, or they were not regularly listed within a (3) three-month period before the contribution, they shall be valued according to the procedure set forth in Sections 51 and subsequent Sections.

Encumbered assets.

Section 43. — Encumbered assets may only be supplied for an amount without the encumbrance, which must be specified by the contributor.

Goodwill.

Section 44. — In case of goodwill contribution, inventory and valuation shall be performed, pursuant to legal provisions governing the transfer.

Contributions of use or enjoyment according to the type of company.

Section 45. — It is presumed that assets are contributed with property rights, unless an express provision indicating contribution for use or enjoyment is provided. The contribution for use or enjoyment is authorized for cooperatives. In limited liability companies and joint stock companies, they are only allowed as ancillary services.

Eviction. Consequences.

Section 46. — Eviction authorizes the exclusion of a partner, notwithstanding the liability for damages caused. If it is not excluded, he will owe the amount of the property and compensation for damages.

Eviction: replacement of contributed assets.

Section 47. — The partner responsible for eviction may avoid the exclusion if he replaces the asset when it may be replaced by another asset of the same species and quality, notwithstanding the obligation to pay damages.

Eviction: usufruct.

Section 48. — If the partner contributed with the usufruct of an asset, Section 46 will apply in case of eviction.

Loss of contribution of use or enjoyment.

Section 49. — Unless provided to the contrary, if the contribution involves use or enjoyment, the partner shall be responsible for full or partial loss when it was not attributable to the company or any of the partners. Once the company is dissolved, it may demand restitution to the past condition.

Ancillary services. Requirements.

Section 50. — Partners may perform ancillary services.

These services are not part of the capital and:

1) They must derive from the Agreement; it will include content, duration, method, compensation and sanctions in case of default.

If they do not derive from the Agreement, they will be deemed third-party obligations.

2) They must be clearly differentiated from the contributions;

3) They cannot be money;

4) They may only be amended according to the agreed-upon conditions or with the Agreement with the liable parties and the adequate majority required to amend the Agreement.

When they are subjected to limited liability partnership interest, its conveyance requires the Agreement of the majority required to amend the Agreement, unless otherwise provided, and if liabilities were related to shares, they must be nominative, and agreement of the Board of Directors will be required.

Valuation of in-kind contributions.

Section 51. — In-kind contributions shall be valued in the manner set forth in the Agreement or according to market price or appraisal performed by one or more expert witnesses appointed by the registration judge.

Limited liability companies and limited partnerships.

In the case of contributions of limited general partners in limited liability companies and limited partnerships, the history and grounds of valuation shall be included in the Agreement.

In case of company insolvency or bankruptcy, creditors may challenge it within five (5) years after the contribution. The challenge shall not be valid if the valuation was performed at judicial level.

Valuation challenge.

Section 52. — The partner affected by valuation may challenge it in a sole instance within the fifth day after notification and the registration judge shall solve the case in a meeting with the expert witnesses of the case.

Joint stock companies.

Section 53. — In the case of joint stock companies, the valuation may be approved by the comptroller authority. Notwithstanding the provisions of Section 169, it shall be performed;

1) By market value, in the case of assets with current market value;

2) By expert valuation, when the comptroller authority considers that it cannot be replaced by reports of state agencies or official banks.

Contributions shall be allowed when they are made for an amount lower than valuation; however, payment of the difference will be required when it was higher. The contributor shall be entitled to request the reduction of the contribution to the amount derived from the valuation provided that partners representing three quarters (3/4) of non-computed capital of the interested party accept that reduction.

Wrongful misconduct or negligence of the partner or controlling party.

Section 54. — In case of damages caused to the company by wrongful misconduct or negligence of the partners or those parties who are not partners but control the company, they shall be jointly and severally liable for the compensation, and may not claim offset with profits earned in other businesses.

The partner of controlling party that will apply funds or assets of the company to use of business on its own or through a third party shall bring to the company the profits earned, and shall bear losses.

Unenforceability of legal status.

If the activities of a company conceal the attainment beyond the scope of the company purposes, constitute a mere means to break the law, breach the public order or the good faith or the rights of third parties, they shall be attributed to the partners or the controlling shareholders who made that possible, who will in turn be jointly and severally liable for damages caused.

Individual control of partners.

Section 55. — Partners may examine books and corporate records and request the administrator the reports they deem pertinent.

Exclusions.

Unless otherwise provided, the individual control of partners may not be exercised in limited liability companies included in the second paragraph of Section 158.

The same applies to partners of joint stock companies, except for the last paragraph of Section 284.

PART VII

Partners and third parties

Judgments against the company: execution against partners.

Section 56.— Judgment passed against the company shall have res judicata effects against partners in terms of corporate liability and may be invoked against them, after excluding corporate assets, as applicable according to the type of company.

Parts of interest.

Section 57. — Creditors of the partner cannot force the sale of the part of interest, they may only be paid over profits and liquidation quota. The company may not be extended if the particular creditor entitled to garnish is not satisfied.

Quotas and shares.

Subjected to the methods specified, in limited liability companies and joint stock companies, sale of quotas or shares of the debtor may not be ordered.

PART VIII

Administration and Representation

Representation: regime.

Section 58.— The administrator or representative who, pursuant to the Agreement or as provided by law represents the company, it binds the company for all the actions that are not outside the company purpose. This regime is also applied in infraction of plural organization, if it relates to duties related to securities, Agreements among absent parties, adhesion Agreements, or Agreements terminated with forms, except when the third party is aware that the action infringes plural representation.

Internal efficiency of limitations.

These legal powers of administrators or representatives against third parties do not affect the internal validity of contractual resolutions and the liability in case of violation.

Administrator diligence: liability.

Section 59. — Administrators and representatives of the company must act with good faith and the diligence of a good businessman. Those who fail to comply with their obligations are jointly and severally liable for damages derived from its action or omission.

Appointment and removal: registration and publication.

Section 60. — Any appointment or removal of administrators must be recorded in the pertinent books and must be included in the pertinent file of the company. In the case of limited liability companies or joint stock companies, publication is also required. Failure to record such events shall be subjected to Section 12, without the exceptions provided therein.

PART IX

Documents and Bookkeeping

Mechanical means and other means.

Section 61. — The fulfillment of the formalities imposed by sections 73, 162, 213, 238 and 290 of the present Law may be dispensed with, as well as those imposed by sections 320 and subsequent of the Civil and Commercial Code of Argentina to carry the company and accounting books by Digital Registries through digital means in the same way and form as the Digital Registries of the Simplified Shares Companies instituted by Law No. 27,349.

The Journal may be carried with global entries that do not comprise periods greater than ONE (1) month

The accounting system must allow the individualization of the transactions, the corresponding accounts receivable and creditor and their subsequent verification, in accordance with article 321 of the Civil and Commercial Code of Argentina.

The Securities and Exchange Commission of Argentina shall dictate the regulations to be applied to the companies subject to its comptroller.

In the event that Individualization is available, through digital means, accounting and company acts, public records must implement a system in order to verify compliance with the registration tract, in conditions that are established by regulations.

(Section replaced by Section 5 of Decree No. 27/2018 O.G. 01/11/2018. Validity: From the day following its publication in the Official Gazette of Argentina.)

Application.

Section 62. — Companies shall include in their balance sheet the duration of the company. According to the type, they shall comply with the provisions included in Section 67, first paragraph.

Limited liability companies, whose capital reaches the amount set by Section 299, subsection 2) and joint stock companies shall submit annual financial statements pursuant to Sections 63 to 65 and shall comply with Section 66.

Notwithstanding the above, according to Section 33, subsection 1), parent companies shall submit supplementary information such as consolidated financial statements prepared according generally accepted accounting principles and regulations set by the comptroller authority.

Overview.

When the amounts involved are relatively significant, they shall be included in Miscellaneous items for the purposes of an appropriate interpretation. Likewise, if there were entries without specific description, but relative significance, they shall be shown separately.

Adjustment.

Financial statements for complete years or intermediate periods within the same year shall be prepared in constant currency.

Balance Sheet.

Section 63. — The Balance Sheet shall provide the information required below:

1) In Assets:

a) The money held in Cash and Banks, other amounts characterized by similar principles of liquidity, certainty and effectiveness, and foreign currency;

b) Credits derived from corporate activities. Separately, credits with parent companies, subsidiaries or affiliated companies, litigious credits and any other credit will be indicated

When applicable, provisions for bad credit and discounts and bonuses shall be deducted;

c) Inventories, grouped according to the activities of the company, shall distinguish stock from raw material, products under preparation process and finished products, resale products and other items required according to the type of corporate activity;

d) Investments made in public debt securities, shares and debentures, differentiating those listed in the stock exchange, those related to parent companies, subsidiaries or affiliated companies, other interests and any other investment unrelated to company exploitation.

When applicable, the provision for losses or depreciation shall be deducted;

e) Property, Plant and Equipment, including accrued amortization;

f) Intangible assets, with cost, including accrued amortization;

g) Costs and expenses accrued in future years or affecting them, with deduction of accrued amortizations as applicable;

h) Any other item which should be included as an asset due to its nature.

2) In liabilities:

I. a) Debt, with breakdown of commercial, banking, financial debt, debt with parent companies, subsidiaries or affiliated companies, debentures issued by the company; dividends payable and debt to social security and tax collection agencies.

Moreover, other liabilities that may be calculated shall be included;

b) Provisions for contingencies susceptible to occur with obligations of the company;

c) Any other item which may represent a liability to third parties due to its nature;

d) Earnings collected in advance and income for future years;

II. a) Corporate capital, with distinction of ordinary shares, and other types of shares and provisions included in Section 220;

b) Contractual or statutory and voluntary legal reserves, and those from reassessments and issuance premiums;

c) Profits from prior years and if required, to reduce losses;

d) Any other item that should be included in liability accounts and P&L due to its nature;

3) Deposits, endorsements and guarantees, discounted documents all any other similar account;

4) Issuance in general:

a) The information shall be included so as to differentiate and total current liabilities from non-current assets, and current liabilities from non-current liabilities. Current refers to assets and liabilities whose maturity or conversion shall occur within the next twelve (12) months from the balance sheet date, unless provided otherwise due to the circumstances;

b) Rights and duties must be listed, with indication of whether they are documented, with security interests or others;

c) Assets and liabilities denominated in foreign currency shall be listed separately in the pertinent items;

d) Entries shall not compensate each other.

Profit and Loss Statement.

Section 64. — Profit and loss statement for the year shall include:

I. a) The produce of sales or services, grouped by type of activity. The cost of goods or products sold, or services provided shall be deducted from the total in order to obtain the result;

b) Ordinary administration, marketing, financing and other expenses to be included in the year, with special description of the following amounts:

1) Compensation of administrators, directors and receivers;

2) Other professional fees and compensation for services;

3) Salaries and wages and pertinent social contributions;

4) Expenses derived from studies and investigations;

5) Royalties and professional fees for technical services and other similar items;

6) Advertising and publicity expenses;

7) Taxes, rates and contributions, itemizing interests, fines and surcharges;

8) Interests paid or accrued, indicating separately interests from debt with suppliers, banks or financial institutions, parent companies, subsidiaries, affiliated companies and others;

9) Amortizations and provisions.

When some of these items are not recorded, whether in whole or in part, because they are part of the cost of inventories, property, plant and equipment or other items in the assets, they shall be included as information for the Board of Directors or Administrators in the company report;

c) Profits and extraordinary expenses of the year;

d) Profit adjustments and expenses of previous years.

The Profit and Loss Statement shall itemize profits or losses derived from ordinary and extraordinary operations of the company, with the determination of the net profit or loss of the current year, and the addition or subtraction or profit or loss derived from prior years.

Entries shall not compensate each other.

II. The Profit and Loss Statement shall be supplemented with the Statement of Changes in Equity. It shall include the reasons of changes occurred during the year for all the items of the equity.

Supplementary Notes.

Section 65.— If the information was not included in the financial statements described in Sections 63 and 64 or in the notes, some notes and charts shall be included, which shall be a part thereof. The following list is provided as an example.

1) Notes related to:

a) Restricted assets, with a brief explanation of restrictions in place;

b) Mortgaged, pledged and/or encumbered assets, with a reference to the debt they guarantee;

c) Criteria used in the evolution of inventories, describing the method to determine cost or any other value applied;

d) Procedures adopted in case of reevaluation or devaluation of assets, with indication of the effect on the profit and loss of the year;

e) Changes in accounting procedures or preparation of financial statements applied in comparison with the year before, explaining the modification and the effect on the profit and losses of the year;

f) Situations or operations that occurred between the closing date of the fiscal year of the directors' report, which could significantly change the financial situation of the company at the date of the balance sheet and profit and loss statement of the year ended on that date, describing the effect on the situation and the results mentioned;

g) Result of operations with parent companies, subsidiaries or affiliated companies, separately for each company;

h) Contractual restrictions for the distribution of profits;

i) Amount of endorsements of guarantees in favor of third parties, documents discounted and other contingencies, with a brief explanation attached, when necessary;

j) Agreements executed with directors requiring approval, pursuant to Section 271 and the amounts;

k) Outstanding corporate capital, with distinction of ordinary shares, and other types of shares and provisions included in Section 220;

2) Attached charts:

a) Property, Plant and Equipment, with a detail for each main account at the beginning, increase and reduction, and balances at the year end.

The same shall apply to amortizations and depreciations, with indication of the several aliquots used for each kind of asset. The application of increase and reduction of amortizations and depreciations recorded shall be reported as a footnote of the annex;

b) Intangible assets and the corresponding amortizations with similar content to that required in the previous subsection;

c) Investments of securities and interests in other companies, with a detail of: name of the issuing or participating company and characteristics of the security or interests, nominal value, cost of books and quote, main activity and capital of the issuing or participating company. When the contribution or interest was fifty percent (50%) or more of the corporate capital or the capital of the participating company, the financial statements of the company required in this section shall be attached thereto. If the contribution or interest was higher than five percent (5%) and lower than fifty percent (50%) indicated above, the profit and losses and shareholders' equity shall be informed according to the latest balance sheet of the company intended to invest or participate in.

In the case of other investments, content and characteristics will be detailed, with nominal value of cost, books, quote and tax assessment.

d) Provisions and reserves, with a detail for each main account at the beginning, increase and reduction, and balance at the year end. The application of increase and reduction and the reason shall be reported as a footnote;

e) The cost of goods sold or products sold, with a detail of inventories at the beginning of the year, analyzed by large items and the existence of property, plant and equipment at year end. In case of services provided, similar data shall be supplied to that required for the alternative above, with information on the cost of supplying such services;

f) Assets and liabilities in foreign currency shall detail: balance sheet accounts, the amount and type of foreign currency, the current exchange rate or the exchange rate agreed upon at the year end, the amount in Argentine currency, the amount recorded and the difference, if any, indicating the pertinent accounting procedure.

Company Report.

Section 66. — Administrators shall declare within the company's report the condition of the company in different activities it has operated and their opinion on the projection of operations and other aspects deemed necessary to describe the present and future situation of the company. The report shall contain:

1) The reasons for significant variations operated in assets and liabilities;

2) An adequate explanation on the expenses and extraordinary profits, the origin and adjustments of profits and expenses of prior years, when these were significant;

3) The reasons why the constitution of reserves is proposed, with a clear and concise explanation thereof;

4) A detail of causes for payment of dividends or distribution of profits in another manner different than cash;

5) Estimate or orientation on perspective of future operations;

6) Relations with parent companies, subsidiaries or affiliated companies and variations in the respective interest, credit and debt;

7) Items and amounts not included in the Profit and Loss Statement —Section 64, I, b—, because they are part of the cost of assets, in whole or in part.

Copies: Deposit.

Section 67. — Copies of the balance sheet, the Profit and Loss Statement and Statement of Changes in Equity, as well as notes, supplementary information and annexed charts shall remain at the registered office, at the disposal of partners or shareholders, with no less than fifteen (15) days before consideration. When applicable, copies of the Board of Directors or Administrator reports and receiver reports shall also remain at the company.

Within fifteen (15) days after approval, limited liabilities companies whose capital reaches the amount set in Section 299, subsection 2) shall submit to the Public Registry of Commerce a copy of each of these documents. In the case of a joint stock company, a copy shall be submitted to the comptroller authority and the consolidated balance sheet, if required.

Dividends.

Section 68. — Dividends may not be approved or distributed to partners, except for realized and liquid profits derived from a balance sheet prepared pursuant to law and the bylaws and approved by the competent entity, except for the case set forth in Section 224, second paragraph.

Profits distributed against this rule shall be returned, except for the case described in Section 225.

Approval. Challenge.

Section 69. — The right to approve and challenge the financial statements and the adoption of resolutions of any kind shall not be waived and any other agreement otherwise shall be null and void.

Legal Reserve.

Section 70.— Limited liability companies and joint stock companies shall make a reserve no lower than five percent (5%) of realized and liquid profits derived from the P&L Statement of the year, until reaching twenty percent (20%) of the corporate capital.

When this reserve was reduced by any reason, profits may not be distributed until reimbursement.

Other reserves.

Other reserves different than legal reserves may be created, provided that they are reasonable and are the result of a prudent administration. In the case of joint stock companies, creation of reserves shall be adopted pursuant to Section 244, last part, when the amount exceeds capital and legal reserves: in the case of limited liability companies, the majority required to amend the Agreement is necessary.

Profits: prior losses.

Section 71. — Profits may not be distributed until losses from prior years have been satisfied.

When administrators, directors or receivers are paid with a percentage of profits, the meeting may decide to pay even when prior losses have not been satisfied.

Liability of administrators and receivers.

Section 72.— The approval of financial statements does not imply the approval of the management of: directors, administrators, managers, partners of supervisory board or receivers; whether or not they have voted in the pertinent decision, nor it implies release of liability.

Records.

Section 73.— Records with the deliberations of the governing bodies shall be included in a special book, with the formalities of accounting books.

Records of the Board of Directors shall be signed by the assistants. The records of the meetings of joint stock companies shall be prepared and signed within five (5) days by the Chairman and the partners appointed thereto.

PART X

Transformation

Concept, legality and effects.

Section 74. — Transformation arises whenever a company changes its type to another. The company does not dissolve, and rights and obligations are not changed.

Prior liability of partners.

Section 75. — Transformation does not modify unlimited joint and several liability of partners, even when it relates to obligations that must be met before the adoption of the new type, unless creditors expressly agree thereto.

Liability for prior obligations.

Section 76.— If partners assume unlimited liability based on the transformation, such liability does not extend to corporate obligations before transformation, unless they expressly consent thereto.

Requirements.

Section 77. — Transformation involves meeting the following requirements:

1) Unanimous agreement of partners, unless otherwise provided for some types of companies;

2) Preparation of a special balance sheet, closed to a date no later than one (1) month after the transformation agreement and left at disposal of partners in the registered office no less than fifteen (15) days before such agreement. The same majorities established for the balance sheet approval are required.

3) Delivery of the document executing transformation by the competent entities of the company transformed and the presence of the new grantors, with record of the partners leaving, the capital they represent, and the formalities of the new company type adopted;

4) Publication for one (1) day in the journal of legal publications for the registered office and its branches. The notice shall contain:

a) Date of the company resolution approving the transformation;

b) Date of the transformation document;

c) Prior company name or denomination and the new name adopted, with clear identity of the new company transformed;

d) Partners leaving or entering the company, and the capital they represent;

e) When transformation affects the information referred to in Section 10, subsection a), items 4 to 10, it must be included in the publication;

5) Registration of the document with copy of the balance sheet signed in the Public Registry of Commerce and other records applicable for the type of company, the nature of goods comprising the equity and liens. These registrations shall be ordered and executed by the Judge or authority in charge of the Public Registry of Commerce, after publicity requirement referred to in item 4) has been met.

Appraisal.

Section 78. — In cases where unanimous consent is not required, partners who have voted against and absent partners have the right to withdraw; this will not affect their liability towards third parties for the obligations assumed until the transformation is recorded in the Public Registry of Commerce.

Such right must be exercised within fifteen (15) days from the agreement reached among the partners, unless the Agreement stipulates a different term and according to the provisions for some specific types of companies.

The reimbursement of the share of the partners who withdraw shall be performed pursuant to the transformation balance sheet.

The company, limited liability partners and administrators guarantee, jointly and severally, to the withdrawing partners the corporate obligations assumed from the exercise of withdrawal until its registration.

Preference of partners.

Section 79. — Unless provided otherwise, transformation does not affect preferences of the partners.

Transformation termination.

Section 80. — Transformation of a company may be canceled as long as it has not been registered.

If the publication was issued, the provisions included in the second paragraph of Section 81 must be followed.

Unanimous agreement of partners is required, unless otherwise provided for some types of companies.

Expiration of the transformation agreement.

Section 81. — The transformation agreement expires if after three (3) months of execution the pertinent document is not registered at the Public Registry of Commerce, unless the term is extended as a result of normal procedures before the authority that intervenes or orders the registration.

If it was published, a new publication must be made in order to inform the cancellation of the transformation.

Administrators are jointly and severally liable for the damages derived from non-compliance of the registration or publication.

PART XI

Merger and Demerger

Concept**.**

Section 82. — A merger is the dissolution without liquidation of two or more companies to unite as a new company, or when one company absorbs one or more companies, which are dissolved without liquidation.

Effects.

The new company or the surviving company acquires the rights and obligations of the dissolved companies, with total transfer of their equity upon registration in the Public Registry of Commerce of the definite agreement of merger and the Agreement or bylaws of the new company, or the capital increase of the merging company.

Requirements.

Section 83. — Merger involves meeting the following requirements:

Prior merger commitment.

1) Prior merger commitment granted by the representatives of the companies shall contain:

a) Explanation of the reasons and purposes of the merger;

b) Special balance sheet of merger of each company, prepared by the administrators, with reports of receivers if required, ended on the same date which cannot be before three (3) months the signature of the commitment, and prepared on equal basis and identical valuation criteria;

c) The relationship of changes of corporate interests, quotas or shares;

d) The project of Agreement or bylaws of the merging company if applicable;

e) Limitations agreed upon by the companies in the respective administration of business and the guarantee established to comply with regular activity in management until the merger is registered;

Corporate resolutions.

2) The approval of prior commitment and the merger of special balance sheets by the participating companies in merger with the requirements necessary to amend the corporate Agreement or bylaws;

For that purpose, copies of the pertinent registered offices of the prior commitment and the receiver report if required shall remain at the disposal of partners of shareholders no less than fifteen (15) days in advance for consideration;

Publication.

3) The publication of a notice for three (3) days in the journal of legal publications of the jurisdiction of each company and in one paper with the highest circulation in the Republic shall contain:

a) Corporate name, registered office and registration information in the Public Registry of Commerce of each company;

b) The capital of the new company or the amount of corporate capital increase of the surviving company;

c) Valuation of assets and liabilities of the companies of the merger, including the corresponding date;

d) Corporate name, type and address agreed upon for the company to be incorporated;

e) The dates of the prior commitment of merger and corporate resolutions approving that decision;

Creditors: opposition.

Within fifteen (15) days since the last publication, creditors with a prior date may oppose to the merger.

Oppositions do not prevent continuation of merger operations; however, the definite agreement may only be issued twenty (20) days after the term has elapsed so that the opposing parties who were interested parties or duly secured by the merging companies may seek judicial seizure;

Merger definite agreement.

4) The merger definite agreement is granted by the representatives of companies once the prior requirements have been met and shall contain:

a) Corporate resolutions approving the merger;

b) List of partners exercising the appraisal right and capital right represented in each company;

c) The list of creditors who were secured after opposition and those who were granted judicial seizure. In both cases, the reason or title, the amount of credit and precautionary measures ordered shall be included, together with a list of non-interested creditors with a summary report of its incidence in balance sheets referred to in subsection 1);

d) Addition of special balance sheets and a consolidated balance sheet of the merging companies;

Registration.

5) Registration of a definite merger agreement at the Public Registry of Commerce.

When companies dissolving by merger are registered in different jurisdictions, fulfillment of Section 98 shall be verified.

Incorporation of the new company.

Section 84. — If a merging company is incorporated, the instrument shall be submitted by the pertinent entities of the merging companies pursuant to the requirements for each type adopted. The administration body of the company created under this procedure involves execution of actions aimed at canceling registration of the dissolved companies, without any publication required.

Inclusion: statutory reform.

In the case of inclusion, compliance with regulations related to the amendment of the Agreement or bylaws shall suffice. The administration body of the surviving company shall be liable for the actions required to cancel registration of dissolved companies, which do not require publication.

Registrations.

Whether in the incorporation of a new company as well as inclusion, registrations related to the nature of assets making up the transferred equity as well as liens shall be ordered by the judge or authority of the Public Registry of Commerce.

The decision of the authority ordering registration, which shall include references, certificate of ownership and entry on register is sufficient to inform the transmission of property.

Administration until execution.

Unless otherwise provided in the prior commitment, the administration and representation of dissolved merging companies from the date of definite agreement shall be in charge of the administrators of the merger or surviving company, with the suspension of the individuals holding those positions in the past, except for the actions specified in Section 87.

Appraisal. Preferences.

Section 85. — Regarding appraisal and preferences, the provisions included in Sections 78 and 79 shall apply.

Revocation.

Section 86.— Prior merger commitment may be terminated by any of the parties if the company approvals have not been obtained within three (3) months. Moreover, company approvals may be revoked before definite agreement has been granted, with precautions equal to those set forth for execution, provided they do not adversely affect companies, partners and third parties.

Termination: due cause.

Section 87. — Any of the interested companies may demand termination of the definite merger agreement with due cause before registration.

The complaint shall be filed in the jurisdiction for the place where the agreement was executed.

Demerger. Concept. Regime.

Section 88. — Demerger occurs when:

I. — A company does not dissolve, but allocates part of its equity to merge with existing companies or to participate with them in the creation of a new company;

II. — A company does not dissolve, but allocates part of its equity in order to create one or more new companies;

III. — A company is dissolved, but without liquidation, to create new companies with all its equity.

Requirements.

Demerger involves meeting the following requirements:

1) Company resolution approving the demerger of the Agreement or bylaws of the demerged company, amendment of the Agreement or bylaws of the resulting company as applicable, and special balance sheet for that purpose, with the requirements necessary to amend the corporate Agreement of the bylaws in case of merger. Withdrawal and preferences are governed by the provisions of Sections 78 and 79.

2) The demerger special balance sheet shall not be before three (3) months of the respective corporate resolution and shall be prepared as a P&L statement;

3) Approving corporate resolution shall include the attribution of the corporate quotas or shares of the demerged company to the partners or shareholders of the resulting company, in proportion to its participation, which will be canceled in case of reduction of capital;

4) The publication of a notice for three (3) days in the journal of legal publications of the registered office of the resulting company in one paper with the highest circulation in the Republic shall contain:

a) Corporate name, registered office and registration information in the Public Registry of Commerce of the demerged company;

b) Valuation of assets and liabilities of the company, including the corresponding date;

c) Valuation of assets and liabilities making up the equity for the new company;

d) Corporate name, type and address of the demerged company;

5) Creditors shall have the right to file an opposition pursuant to the merger regime;

6) After the terms corresponding to the right to appraisal and opposition and creditor attachment, the demerged company incorporation documents and amendment of the resulting company shall be granted, and recordings shall be made pursuant to Section 84.

In case of demerger-merger, the provisions of Sections 83 to 87 shall be applied.

PART XII

Partial Resolution and Dissolution

Contract Grounds.

Section 89.— Partners may include in the security agreement other partial and dissolution grounds not included in this law.

Death of a partner.

Section 90. — In the case of partnerships, limited partnerships, capital intensive industry companies, and joint ventures, the death of a partner causes a partial termination of the Agreement.

In the case of partnerships and limited partnerships, it is against the law to continue operating with its successors. Such Agreement generates obligations without a new

Agreement, but they may condition the incorporation to the transformation of their interest in a partnership.

Exclusion of partners.

Section 91. — Any partner in the companies described in the Section above, in limited liability companies and partnership limited by shares may be excluded with due cause. Any other agreement in contrary is null and void.

Due cause.

There is due cause when the partner incurs in serious breach of obligations. There is also due cause in cases of incapacity, ineligibility, bankruptcy declaration or civil restructuring, except for limited liability companies.

Termination of rights.

Exclusion right terminates if it is not exercised within ninety (90) days after the date of the fact that caused the separation.

Exclusion action.

If the company decides the exclusion, the action shall be exercised by the representative or the person appointed by the remaining partners if the exclusion involves administrators. In both cases, temporary suspension of the rights of the partner to be excluded may be judicially requested.

If the exclusion is exercised individually by one of the partners, it shall be followed with the summons of all partners.

Exclusion: effects.

Section 92. — Exclusion generates the following effects:

1) The excluded partner is entitled to receive a sum of money representing his share interest at the time the exclusion is invoked;

2) If there are pending operations, the partner shares the profits or bears losses;

3) The company may withhold the portion of the excluded partner until the end of ongoing operations at the time of separation;

4) In the case of Section 49, the excluded partner may not demand the contribution if it is vital for the operation of the company and his share will be paid in cash;

5) The excluded partner is responsible to third parties for the corporate obligations until the recording of the modification in the Public Registry of Commerce.

Exclusion from companies with two partners.

Section 93. — In the case of companies with two partners, one of them may be excluded with due cause, with the effects of Section 92; the innocent partner assumes corporate assets and liabilities, notwithstanding the application of Section 94, bis.

(Section replaced by point 2.18 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Dissolution: causes.

Section 94. — The company is dissolved in the following cases:

1) Decision of partners;

2) Expiration of the term it was created;

3) Fulfillment of the condition that subordinated its existence;

4) Achievement of the purpose by which it was created, or in case of subsequent impossibility;

5) Loss of company's capital;

6) Bankruptcy declaration. Dissolution shall be canceled in case of settlement or conversion is available.

7) Merger within the terms of Section 82;

8) Final decision of cancellation of public offer or listing of shares. Dissolution may be rendered null and void by resolution of an extraordinary meeting convened within sixty (60) days, pursuant to Section 244, fourth paragraph;

9) Final resolution of withdrawal of authorization to operate imposed by special laws on the object.

(Section replaced by point 2.19 of the II Annex of the Law No. 26,994 O.G 10/08/2014 Supplement. Validity: 08/01/2015 text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Reduction of the number of partners to one.

Section 94 BIS. — The reduction of the number of partners to one is not a cause for dissolution, imposing the full transformation of the companies into a limited, simple or by shares, and of Capital Intensive Industry, in a one-person company, if in the term of three (3) months another solution it is not decided.

(Section incorporated by point 2.20 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Extension: requirements.

Section 95. — The extension of the term of the company requires unanimous agreement of the partners, unless the parties have agreed otherwise and the provisions for the companies by shares and the companies of limited responsibility.

Such extension must be resolved and the inscription requested before the expiration of the duration of the company.

Renewal.

Pursuant to the requirements of the first paragraph, renewal may be agreed upon while the appointment of the liquidator is not recorded, notwithstanding the liabilities stipulated in Section 99.

Any subsequent renewal agreement must be adopted unanimously, without distinction of types.

Loss of capital.

Section 96. — In case of loss of corporate capital, dissolution will not occur if partners agree upon full or partial reimbursement thereof or increase.

Judicial dissolution: effects.

Section 97. — When dissolution is declared in court, judgment shall be retroactive to the day of the generating cause.

Efficiency with regard to third parties.

Section 98. — The dissolution of the company, regardless of whether it is regularly incorporated, is only enforceable against third parties upon registration, after publication of the case.

Administrators: rights and duties.

Section 99. — After the end of the term of the company, the dissolution agreement or declaration of verification of any of the dissolution causes may only attend to urgent matters and shall adopt the measures necessary to start liquidation.

Liability.

Any operation against these purposes makes them jointly and severally liable against third parties and partners, notwithstanding their liability.

Removal of grounds for dissolution.

Section 100. — The grounds for dissolution may be removed through a decision of the governing body and elimination of the cause that gave rise to it, if there is economic and social viability of the subsistence of the activity of the company. The

resolution must be adopted before the registration is canceled, without prejudice to third parties and the responsibilities assumed.

Rule of interpretation.

In case of doubt about the existence of a causal dissolution, it will be in favor of the subsistence of the society.

(Section replaced by point 2.21 of the II Annex of the Law No. 26,994 O.G.10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

PART XIII

Liquidation

Personality. Applicable Rules.

Section 101. — The company under liquidation keeps its personality for that purpose and is governed by regulations applicable to its type if they are compatible.

Appointment of a liquidator.

Section 102. — The liquidation of the company is performed by the administration body, except for special cases or provided otherwise.

Otherwise, liquidator or liquidators shall be appointed by majority of votes within thirty (30) days after the company entered into liquidation. If liquidators were not appointed or if they did not fill their position, any partner may request the judge the appointment omitted or a new selection.

Registration.

The appointment of the liquidator must be registered in the Public Registry of Commerce.

Removal.

Liquidators may be removed by the same majorities required for their appointments. Any partner, or the receiver may demand judicial removal with due cause.

Liabilities, inventory and balance sheet.

Section 103. — Liquidators are required to prepare an inventory and Shareholders Equity within thirty (30) days after taking over their position. They may extend the term up to one hundred and twenty (120) days with the majority of votes.

Default. Sanction.

Failure to comply with this duty will lead to removal and loss of remuneration right, as well as liability for damages caused.

Regular information.

Section 104. — Liquidators shall inform the partners, at least quarterly, on the status of the liquidation; in the case of limited liability companies, where capital reaches the amount specified in Section 299, subsection 2); in joint stock companies, a report shall be submitted to the audit commission.

Balance Sheet.

If liquidation is extended, annual balance sheets shall be prepared.

Rights.

Section 105. — Liquidators represent the company. They are entitled to execute all the actions required to the obtaining of assets and cancellation of liabilities.

Instructions of partners.

They are subjected to the instructions of partners, provided according to the type of company, under penalty of damages caused in case of breach.

Action.

They shall act by exercising company name, or the name of the company with the addition of the words "under liquidation". In case of breach, they shall be jointly and severally liable for damages.

Due contributions.

Section 106. — When corporate funds were insufficient to pay debt, liquidators shall demand from partners due contributions according to the type of company or the Constituent Act.

Partial division and distribution**.**

Section 107. — If all corporate liabilities were sufficiently secured, partial partition may be performed.

Shareholders representing the tenth portion of the corporate capital in joint stock companies and any partner in the other types may demand those conditions in the partial distribution. In case of controversy with liquidators, the case will be solved in court.

Publicity and effects.

Partial contribution agreement shall be published in the same manner and with the same effects than the reduction of capital.

Obligations and responsibilities.

Section 108. — Obligations and responsibilities of liquidators shall be governed by the provisions set forth for administrators for cases not governed by this Section.

Final Balance Sheet and Distribution.

Section 109.— Once the corporate liabilities have been satisfied, liquidators shall prepare the final balance sheet and the distribution projects: capital shares shall be reimbursed and unless otherwise provided, the surplus shall be distributed proportionately for each member as profits.

Information of the balance sheet and partition plan.

Section 110. — Final balance sheet and the distribution project executed by liquidators shall be informed to partners, who may challenge them within fifteen (15) days. In that case, court action shall be lodged within the following sixty (60) days. All challenges shall be accumulated in a single case.

In limited liability companies whose capital reaches the amount specified in section 299, subsection 2) and in joint stock companies, the final balance sheet and the distributed project executed by receivers shall be subjected to the approval of the meeting. Opposing partners or shareholders or absent partners may judicially challenge these operations within the terms specified in the paragraph above calculated since the approval of the meeting.

Distribution: execution.

Section 111. — Approved final balance sheet and the distribution project shall be added to the company record in the Public Registry of Commerce and shall be executed.

Destination in case of claim.

Amounts not claimed within ninety (90) days after submission of such documents before the Public Registry of Commerce shall be deposited in an official bank at disposal of the holders. If they are not claimed for three (3) years, they shall be given to the school authority of the pertinent jurisdiction.

Cancellation of the registration.

Section 112. — After liquidation, the registration of the bylaws before the Public Registry of Commerce shall be canceled.

Storage of books and papers.

In case of disagreement among partners, the Registry Judge shall decide who will keep the books and other corporate documents.

PART XIV

Judicial intervention

Origin.

Section 113. — When the administrators of the company perform actions, or fail to perform actions endangering the company, a judicial action shall be imposed as precautionary measure following the steps provided herein, apart from the application of specific regulations for different types of companies.

Requirements and evidence.

Section 114.— The petitioner shall prove his capacity as partner, the existence of danger and seriousness, the fact that he did all the actions agreed upon in the bylaws and removal action was performed.

Restrictive criterion.

The judge shall assess the origin of the intervention with restrictive criterion.

Classes.

Section 115. — The intervention may involve appointment of an auditor, one or more co-administrators, or one or more administrators.

Mission. Attributions.

The judge shall define the mission and the attributions assigned pursuant to their duties, which may not exceed those granted to administrators by this law or bylaws. It shall specify the term of intervention, which may only be extended through summary report of necessity.

Injunction Bond.

Section 116. — The petition shall issue the applicable injunction bond, according to the circumstances of the case, the damages it may cause to the company and the costs of the case.

Appeals.

Section 117. — The resolution ordering intervention may only be appealed by clarification remedy.

PART XV

Companies incorporated abroad.

Applicable law.

Section 118. — Companies incorporated abroad are governed by the place of incorporation in terms of existence and form.

Isolated cases.

It is authorized to act and appear in trial in the country.

Regular exercise.

In order to perform regular actions included in the corporate purpose, establish a branch or any other kind of permanent representation, the following shall be required:

1) Provide proof of its existence in accordance with the law of the country of incorporation;

2) Be domiciled in Argentina and fulfill the requisites of registration and publication according to the type of company;

3) Justify the decision of creating the representation and appoint the person in charge.

In case of branches, indicate the amount of capital assigned to the representation, if applicable by special laws.

Unknown type.

Section 119. — Section 118 shall apply to corporations incorporated in another State, of a type not recognized by the laws of the Republic. The judge of the incorporation shall determine the formalities to accomplish in each case, with the most stringent restraint for the criterion provided in this law.

Bookkeeping.

Section 120. — The corporation must have separate bookkeeping in the Republic and submit to the comptroller corresponding to that type of corporation.

Representatives: Liabilities.

Section 121. — The representative of the company incorporated abroad has the same responsibilities as administrators as provided herein and, for companies of non-regulated types, the directors of the corporations.

Summons to trial.

Section 122. — Summons of a company incorporated abroad may be performed in the Republic;

a) If an isolated event takes place, summons will be directed to the representative who took part in the action or Agreement which is the reason of the trial;

b) If there is a branch, location or any other type of representation, summons will be directed to the representative.

Incorporation of a company.

Section 123. — In order to incorporate a corporation in the Republic, previous proof must be submitted before a judge of the registry that it has been incorporated in accordance with the laws of their respective countries in registering its corporate Agreement, reforms and, also documentation of ability, such as its relation to legal representatives, in the Public Registry of Commerce and in the National Registry of Joint Stock Companies, as applicable.

Company with domicile or main purpose in the Republic.

Section 124. — A company established abroad that has its seat of authority in the Republic or whose main purpose is to be accomplished in the company, shall be considered a local company with regards to its assets, compliance with formalities of incorporation, or reform and auditing of performance.

CHAPTER II

COMPANIES IN PARTICULAR

PART I

Partnerships

Characteristics.

Section 125.—Partners are jointly and severally liable for corporate liabilities.

Any agreement in contrary is not enforceable against third parties.

Name.

Section 126. — The name shall contain the words “sociedad colectiva” (partnership) or abbreviation.

If acting under a company name, this will form with the name of one, some or all partners. It will contain the words “y compañía” (and company) and its abbreviation if the names of all the partners are not included in the name.

Amendment.

When corporate name is amended, it will be clarified so as to distinguish the identity of the company without doubt.

Sanction.

Violation of this Section will render the signor responsible with the company for the obligations assumed.

Administration: silence of the Agreement**.**

Section 127. — The Agreement shall govern the administration regime. Otherwise, the partners shall act as administrators equally.

Equal administration.

Section 128. — If administration was in charge of several partners without determination of duties or did not specify that they cannot act individually, it is understood that they may all perform any act of administration equally.

Joint administration.

If it has been stipulated that they cannot act individually, none of them may act individually, even in the event that the co-administrator was incapable of acting, regardless of the application of Section 58.

Removal of the administrator.

Section 129. — The administrator, regardless of whether he was a partner or not, appointed in the bylaws, may be removed by majority decision at any time without cause, unless otherwise provided.

When the Agreement required due cause, the administrator shall keep his position until legal sentence if he denied the existence of due cause, except for provisional termination pursuant to Section XIV of Chapter I. Any member may claim it judicially by claiming due cause. Partners who do not agree with the removal of the administrator whose appointment was an express condition for the incorporation of the company are entitled to appraisal.

Resignation. Liability.

Section 130. — Even though the administrator was a partner, he may resign at any time, unless otherwise provided; however, he shall answer for damages caused if resignation was not in good faith or untimely.

Amendment of the Agreement.

Section 131.— Any amendment of the Agreement, even transfer of his interest to another partner, requires consent of all partners, unless otherwise provided.

Resolutions.

The remaining corporate resolutions shall be adopted by the majority.

Majority: concept.

Section 132. — In this Section, majority refers to absolute majority of capital, except that the Agreement stipulates a different regime.

Acts in competition.

Section 133. — A partner may not, whether on his own account or through third parties, perform actions involving competition with the company, unless expressly and unanimously consented by the co-partners.

Sanction.

Violation of this prohibition authorizes exclusion of the member, reimbursement of benefits obtained and compensation for damages.

PART II

Limited partnerships

Characteristics.

Section 134. — The general partners are liable for corporate obligations like in partnerships, and the limited general partners are liable for the amounts they contribute.

Name.

The name shall contain the words "sociedad en comandita simple" (limited partnership) or abbreviation.

If acting with a name, it will exclusively contain the name(s) of the general partners, pursuant to Section 126.

Contributions of the limited general partner.

Section 135. — The capital of the limited general partner is exclusively composed of the obligations to give.

Administration and Representation.

Section 136. — The administration and representation of the company is exercised by general partners or third parties appointed for such purposes, and the rules on administration of partnerships shall apply.

Sanction.

Violation of this Section and Section 134, second and third paragraphs will render the signor responsible with the company for the obligations assumed.

Prohibitions for the limited general partner. Sanctions.

Section 137. — A limited general partner may not participate in administration; otherwise, he shall assume unlimited joint and several liabilities.

His liability shall extend to the acts he would have not taken part if he had performed regular administrative actions.

He may not be an agent either. Violation of this prohibition shall render the limited general partner liable, as well as for the cases he takes part in, notwithstanding the liability of the company pursuant to the agency.

Permitted actions of the limited general partner.

Section 138. — Actions such as exam, inspection, surveillance, verification, opinion or advice are not included within the provisions of the Section above.

Corporate resolutions.

Section 139. — Sections 131 and 132 shall apply to corporate decisions.

Limited General partners are entitled to vote for the consideration of financial statements and the appointment of the administrator.

Bankruptcy, death, incapacity of the general partner.

Section 140. — Notwithstanding the provisions included in Sections 136 and 137, in the case of bankruptcy, restructuring, death, incapacity or ineligibility of all the general partners, the limited general partner may perform urgent actions requiring the management of corporate businesses while the situation created is resolved, without incurring in the liabilities described in Sections 136 and 137.

Regularization, term, sanction.

The company is dissolved if it does not regularize or transform within three (3) months. If limited general partners do not comply with general provisions, they shall be jointly and severally liable for the obligations assumed.

PART III

Capital Intensive Industry Companies.

Characteristics. Liability of partners.

Section 141. — Limited partners are liable for the P&L of corporate obligations like partners of a partnership, who exclusively supply their industry and answer up to unearned profits.

Company name. Addition.

Section 142. — The name shall contain the words "sociedad de capital e industria" (capital intensive industry company) or abbreviation.

If acting under a company name, it may not contain the name of the industry partner.

Violation of this Section will render the signor responsible with the company for the obligations assumed.

Administration and Representation.

Section 143. — Representation and administration of the company may be performed by any of the partners, according to the provisions included in Section I of this chapter.

Silence on the part of benefits.

Section 144. — The Agreement must specify the part of the industry partner in corporate benefits. If it is not informed, it will be set by the court.

Corporate resolutions.

Section 145. — Section 139 applies to this type of company; for voting purposes, the capital of the industry partner is considered as the equity partner with the smallest contribution.

Death, incapacity, ineligibility of the administrator. Bankruptcy.

Section 140 shall also apply when the industrial partner is not an administrator.

PART IV

Limited Liability Company

1º. Nature and Incorporation

Characteristics.

Section 146. — The capital is divided in partnership units; partners limit their liability to the payment of the capital they subscribe or acquire, notwithstanding the guarantee referred to in Section 150.

Maximum number of partners.

The number of partners shall not exceed fifty.

Name.

Section 147. — The corporate name may include the name of one or more partners and shall contain the designation "sociedad de responsabilidad limitada" (limited liability company), its abbreviation or SRL (LLC).

Breach: sanction**.**

In case of breach, the manager shall be jointly and severally liable for the actions executed under those conditions.

2º. Capital and partnership units.

Division in units. Value.

Section 148—Partnership units shall have the same value, i.e., ten pesos ($10) or multiples.

Full subscription.

Section 149. — Capital must be fully subscribed upon organization of the company.

Money contributions.

Money contributions must be performed at no lower than twenty-five percent (25%) and must be completed within two (2) years. Performance shall be proved upon the registration at the Public Registry of Commerce, with the receipt of deposit issued by an official bank.

In-kind contributions.

In-kind contributions must be fully integrated and the amount shall be proved pursuant to Section 51. If partners perform valuation with a judicial report, the valuation liability imposed by Section 150 does not apply.

Guarantee for contributions.

Section 150.—Partners are jointly and severally liable for the payment of contributions.

Overvaluation of in-kind contributions.

Overvaluation of in-kind contributions upon organization of the company or capital increase shall render the partner jointly and severally liable to third parties pursuant to the term of Section 51, last paragraph.

Transfer of units.

The guarantee of the grantor remains with corporate obligations assumed until the registration. The transferee guarantees the contributions within the terms of first and second paragraph, without distinction between obligations prior or subsequent to the registration date.

The grantor that has not completed payment of units is jointly liable with the grantee for the payment owed. The company may not demand payment without prior judicial demand filed against the delinquent member.

Contrary provisions.

Any contrary provision is not enforceable against third parties.

Supplementary units.

Section 151.— The security agreement may authorize supplementary units of capital, due and payable to the company only, whether in whole or in part, through agreement of the partners representing more than half of the corporate capital.

Payment.

Partners shall be liable for payment of such amounts once the corporate decision has been published and registered.

Proportionality.

They must be proportionate to the number of units held by each owner at the time they agree to make them effective. They shall be included in the balance sheet since the organization.

Assignment of units.

Section 152. — Unless otherwise provided to the contrary, units are freely transferable.

The assignment of units is effective towards the company from the moment the assignor or assignee issue to the management a copy of the title of the assignment or transfer, with signatures authenticated if they are included in a private instrument.

The company or the partner may only exclude the incorporated partner with due cause, pursuant to the provisions of Section 91. In this case, the exception set forth in paragraph 2 shall not apply.

The assignment of units is enforceable to third parties from its registration at the Public Registry of Commerce, which may be required by the company; the assignor or assignee may also request it by submission of the title of transfer and certificate of communication to the management.

Limitations to the transfer of units.

Section 153. — The company Agreement may limit, but not prohibit, the transfer of units.

Clauses requiring majority or unanimous agreement of partners or those granting a preferential right to partners or the company if it acquires units with profits or reserves available or reduces its capital are lawful.

In order to render these clauses valid, the Agreement must establish the procedures applicable to the conformity or the exercise of purchase option; however, the term to inform the decision to the partner proposing the assignment may not exceed thirty (30) days from information to the management of the name of the interested party and price. After the term has elapsed, conformity shall be considered agreed and the preference shall be considered not exercised.

Forced execution.

In forced execution of limited units, the resolution ordering the auction shall be informed to the company with no less than fifteen (15) days in advance from the auction date. If during that term the creditor, debtor and the company do not reach an agreement on the sale of units, an auction shall be performed. However, the judge shall not order it if within ten (10) days the company presents a purchaser, or the partners exercise the purchase option for the same price, with deposit of the amount.

Legal actions.

Section 154. — If at the time of exercising the preemptive rights of partners or the company the price of units is challenged, they shall indicate the amount adjusted to reality. In this case, unless the Agreement provides other rules to solve the controversy, the price shall be determined by an expert report; however, challenging parties shall not be ordered to pay a higher price than the price stated at the proposed assignment, and the assignor shall not be ordered to collect a lower price than the price offered by those exercising the option. The expenses derived from the procedure shall be borne by the party who asked for the most distant price than the price established by legal appraisal.

If the conformity for the assignment of units with limited transfer is denied, the assignor may appear before the judge who, after meeting with the company, shall authorize the assignment if there is no due cause of opposition. This legal decision shall also involve the end of the preferential right of the company and partners who opposed to the units of this assignor.

Incorporation of heirs.

Section 155. — If the Agreement contemplated the incorporation of heirs of the partner, the Agreement shall be mandatory for the heirs and the partners. The incorporation shall be effective after they have proved their capacity, and meanwhile, the administrator of the estate shall act as representative.

In these cases, limitations to the transmission of units shall not be enforceable against assignments of heirs performed within three (3) months after incorporation. However, the company or the partners may exercise their purchase option for the same price within fifteen (15) days after informing the management their intention to assign, which shall be informed to the partners immediately and through valid means.

Co-ownership.

Section 156. — Section 209 shall apply for co-ownership of corporate units.

Real property rights and precautionary measures.

Constitution and cancellation of usufruct, pledge, seizure or any other precautionary measures related to units shall be recorded at the Public Registry of Commerce. The provisions included in Sections 218 and 219 shall apply.

3º. Corporate entities.

Management. Appointment.

Section 157. — Administration and representation of the company shall be performed by one or more managers, whether partners or not, appointed by a specific or non-specific time in the security agreement or later. Deputy partners may be chosen in case of vacancy.

Plural Management.

In case of plural management, the Agreement may determine the duties of each manager in administration or may order joint or collective administration. In case of silence, they may perform any administration act without distinction.

Rights and obligations.

Managers have the same rights, obligations, prohibitions and incompatibilities than the directors of a corporation. They may not, whether on their own account or through third parties, perform actions involving competition with the company, unless expressly and unanimously consented by the partners.

Liability.

Managers shall individually or severally liable for the organization of management and regulations related to the operation set forth in the Agreement. If more than one manager participated in the same facts generating liability, the Judge may specify the portion for each manager to compensate damages, depending on the actions

performed. Provisions related to directors' liabilities are applied in case of plural management.

Revocation.

Revocation may not be limited, except when appointment was an express condition for company organization. In this case, Section 129, second part, shall be applied, and partners in disagreement shall be entitled to appraisal.

Optional audit.

Section 158. — An auditing commission or monitoring entity may be formed, which shall be governed by the Agreement provisions.

Mandatory audit.

Auditing commission or monitoring entity are mandatory for companies reaching the amount set by Section 299, subsection 2).

Supplementary regulations.

Regulations for corporations shall apply for optional and mandatory audit. The rights and duties of these entities may not be less stringent than those set for such company, if it is mandatory.

Corporate resolutions.

Section 159. — The Agreement shall contemplate deliberation and reaching corporate agreements. Otherwise, corporate resolutions adopted by the vote of partners informed to the management through any procedure guaranteeing authenticity shall be valid, if such information is provided within ten (10) days after serving simultaneous consultation through valid means, or derived from written statements with the vote of all partners

Meetings.

In the case of companies whose capital reaches the amount set in Section 299, subsection 2), partners in a meeting shall decide on the financial statements of the year, to be considered within the four (4) months after year end.

This meeting shall be governed by the rules of corporations, replacing the call by a notice served personally or by any other valid means.

Address of partners.

All communications or calls served to partners shall be sent to the address specified in the organization agreement, unless otherwise provided to the management.

Majority.

Section 160. — The Agreement shall set forth the rules to be applied to resolutions related to amendment. The majority shall represent more than half of the corporate capital.

Unless otherwise provided in the agreement, the vote of three quarters (3/4) of the corporate capital is required.

If only one partner represented the majority, the vote of another partner shall also be required.

Transformation, merger, demerger, extension, reconduction, transfer of address abroad, fundamental change of object and all agreements increasing corporate liabilities or liability of partners acting against such decisions shall derive in right to withdraw pursuant to the provisions of Section 245.

Absent partners of those who voted against the capital increase are entitled to acquire units in proportion to their corporate interest. Otherwise, other partners may acquire units and also, new partners may be incorporated.

Corporate resolutions not related to amendment of the Agreement, appointment and revocation of managers or receivers shall be adopted by the majority of the capital present at the meeting or participating in the decision, unless the Agreement provides a higher majority.

Vote: calculation, limitations.

Section 161. — Each unit grants the right to one vote only, and personal limitations to be applied to shareholders of the corporation in Section 248 shall govern.

Records.

Section 162. — Corporate decisions not adopted in a meeting shall also be included in the book required by Section 73 with records to be prepared and signed by managers within the fifth day after the end of the agreement.

The record of the meeting shall include the answers provided by partners and the meaning for the purposes of calculation of votes. The documents including the answers shall be kept for three (3) years.

PART V

Corporations

1º. Nature and Incorporation

Characteristics.

Section 163. — The capital is represented by shares and partners limit their responsibility to the payment of shares subscribed.

Name.

Section 164. — The company name may include the name of one or more individuals of visible existence and must contain the expression 'Sociedad Anónima' (Corporation), its abbreviation or the acronym in Spanish S.A. In the case of a one-person company, it must contain the expression 'Sociedad Anónima Unipersonal ', its abbreviation or the acronym in Spanish S.A.U.

(Section replaced by point 2.22 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Breach: sanction.

In case of omission of the wording above, the representatives of the corporation shall be jointly and severally liable for the actions performed under these conditions.

Incorporation and method.

Section 165. — The corporation is incorporated by public record, in a single act or by public execution.

Incorporation by single act. Requirements.

Section 166. — If incorporated by a single act, the Sections of incorporation shall contain the requirements of Section 11 and the following Sections:

Capital.

1) Regarding the corporate capital, nature, kind, issuance methods and other characteristics of shares, and if applicable, regime of increase;

Subscription and payment of capital.

2) Subscription of capital, amount and method of payment and, if applicable, term to pay the balance owed may not exceed two (2) years.

Appointment of directors and receivers.

3) Appointment of the partners of the administration and audit entities, and the term of positions.

All the signors of the security agreement are deemed founders.

Administrative proceeding.

Section 167. — The security agreement shall be submitted to the comptroller authority in order to verify compliance of legal and tax requirements.

Registration Judge. Rights.

Once incorporation has been prepared, the record shall go to the Registration Judge, who shall order to registration if appropriate.

Regulations.

If the bylaws include a set of regulations, they will be registered following the same steps.

Authorized for incorporation.

In absence of special agents appointed to perform the procedures required for the incorporation of the company, the statutory representatives are deemed to be authorized for such purposes.

Incorporation by public issuance. Program. Approval.

Section 168. — In the case of incorporation by public issuance, promoters shall draft a foundational program through public or private instrument, which shall be subjected to the approval of the comptroller authority. It shall be approved when legal and regulatory conditions are fulfilled. It shall be published within fifteen (15) calendar days; in case of delay, the resource of Section 169 shall apply.

Registration.

Once the program has been approved, it must be registered before the Public Registry of Commerce within fifteen (15) days. Failure to register the program shall derive in cancellation of the administrative authorization.

Promoters.

All the signors of the program are deemed promoters.

Recourse against administrative decisions.

Section 169— Administrative decisions contained in Section 167, as well as decisions issued by public issuance may be appealed before the Court of Appeals hearing remedies against Registration Judge. The appeal shall be filed with the pertinent grounds within five days after notice of the administrative resolution, and proceedings shall be solved within five (5) days.

Content of the program.

Section 170. — The foundational program shall contain:

1) Name, age, marital status, nationality, profession, ID number of promoters;

2) Basis of Bylaws;

3) Nature of actions: amounts of the scheduled issuances, conditions of the share subscription Agreement, and advance payments to be made;

4) Determination of the bank with which the promoters shall execute a contact in order to assume the duties granted as representative of future subscribers.

For these purposes, the bank shall be in charge of preparation of the pertinent documents, the reception of subscriptions, and advance payment in cash, the first of which may not be lower than twenty-five percent (25%) of the nominal value of the subscribed shares.

Contributions in-kind shall be identified accurately. If an inventory is required to determine contributions, it shall be deposited in the bank. In all cases, the definite value must derive from adequate application of Section 53.

5) Advantages or eventual benefits of promoters.

Signatures of the executors shall be authenticated by notary public or any other competent officer.

Subscription term.

Section 171. — Subscription term shall not exceed three (3) months calculated from the registration referred to in Section 168.

Subscription Agreement.

Section 172— Subscription Agreement shall be prepared in two copies by the bank and shall contain the program that the subscriber declares to know and accept, which he shall sign, and also:

1) Name, age, marital status, nationality, profession, address, ID number of the subscriber;

2) Number of shares subscribed;

3) Advanced payment of cash performed in that act. In case of non-money contributions, the history referred to in Section 170, subsection 4 shall be established;

4) Receipts of registration to the program;

5) Call of the incorporation meeting, which shall be performed within a term that shall not exceed two (2) months after maturity date of the subscription period, and the agenda.

The second copy of the Agreement with receipt of payment performed, as applicable, shall be delivered to the interested party by the bank.

Subscription failure: Reimbursement.

Section 173. — If the subscription is not covered within the specified term, Agreements shall terminate by operation of law, and the bank shall immediately reimburse the interested parties the amounts delivered, without any discount.

Subscriptions in Excess.

Section 174. — When subscriptions exceed the amount specified, the incorporation meeting shall decide pro rata reduction or shall increase capital up to the amount of subscriptions.

Promoter liability.

Section 175. — Promoters shall comply with all the procedures and actions required to incorporate the company, up to the incorporation meeting, pursuant to the procedure set in the following Sections.

Exercise of actions.

Only the bank representing the subscribers may act for the fulfillment of these obligations. Subscribers shall only exercise individual action regarding special matters related to their Agreements.

Subsidiary application of rules on debentures.

Provided that it is compatible with its nature and purpose, the regulations related to debentures shall be applied to the relationships among promoters, intervening bank and subscribers.

Incorporation meeting held.

Section 176— The incorporation meeting shall be held before the intervening bank and shall be presided over an officer with comptroller authority, and shall be constituted with half plus one of the subscribed shares.

Call failure.

If call fails, the incorporation of the company shall be deemed terminated and the amounts shall be reimbursed according to Section 173, notwithstanding the actions of Section 175.

Voting. Majority.

Section 177. — Each subscribed is entitled to as many votes as shares subscribed in the amount specified.

Decisions shall be adopted by the majority of subscribers present representing no less than a third of the capital subscribed with voting rights, without diverse stipulation.

Subscribing promoters.

Section 178. — Promoters may be subscribers. The intervening bank may represent subscribers.

Incorporation meeting: agenda.

Section 179. — The meeting shall decide whether if the company is incorporated, and if it is incorporated, the following items shall be part of the agenda:

1) Management of promoters;

2) Bylaws;

3) Provisional valuation of non-money contributions, if any. Contributors have no voting rights in this decision;

4) Appointment of directors or receivers or monitoring entity as applicable;

5) Determination of the term to pay the balance of money contributions;

6) Any other issue that the bank considers relevant to issue in the agenda;

7) Appointment of two subscribers or representatives in order to approve and sign, together with the President and agents of the bank, in the record of the meeting that will be prepared by the comptroller entity.

Promoters who were also subscribers may not vote for item 1.

Agreement, publication and registration.

Section 180. — Once the record has been drafted, agreement, publication and registration shall follow pursuant to the provisions contained in Sections 10 and 167.

Contribution deposits and delivery of documents.

Once the record has been drafted, the bank shall deposit the funds earned in an official bank and shall deliver the Board of Directors the documents related to contributions.

Documents of the incorporation period.

Section 181. — Promoters shall deliver the Board of Directors the documents related to the incorporation of the company and all other actions executed during organization.

The Board of Directors shall demand fulfillment of this obligation and shall return the documents related to actions not ratified at the meeting.

Promoter liability.

Section 182. — In subsequent incorporation, promoters are jointly and severally liable for the obligations entered into to incorporate the company, including expenses and fees charged by the intervening bank.

Liability of the company.

After registration, the company shall assume the liabilities lawfully assumed by the promoters and shall reimburse for expenses incurred if their management has been approved in the incorporation meeting or if expenses have been required for incorporation.

Subscriber liability.

In no event shall subscribers be liable for the above-mentioned liabilities.

Actions performed during the foundation period. Liabilities.

Section 183. — Directors are only entitled to bind the company for actions required for incorporation and actions related to the corporate purpose whose execution during the foundation period had been expressly authorized in the incorporation action. Directors, founders and the company in formation are jointly and severally responsible for these actions while the company is not incorporated.

Regarding the other actions performed before registration, the persons performing actions and the directors and founders who had agreed to such actions shall be liable and severally responsible.

Assumption of obligations by the company. Effects.

Section 184. — After registration of the security agreement, the actions required for incorporation and those actions performed with express authorization of the incorporation instrument shall be deemed originally fulfilled by the company. Promoters, founders and directors are released of the obligations derived from these actions towards third parties.

The Board of Directors may decide, within three (3) months after registration, the assumption by the company of the obligations derived from the other actions performed before registration, with information provided to the regular meeting. If the meeting disapproved the action, directors shall be responsible for damages, and Section 274 shall be applied. The assumption of these obligations by the company does not release the individuals who assumed those obligations, or the directors or founders who consented thereto.

Benefits of promoters and founders.

Section 185. — Promoters and founders are not allowed to enjoy any benefit in detriment of corporate capital. Any other agreement in contrary is null and void.

Retribution may involve participation of up to ten percent (10%) of profits, for no more than ten years of distribution.

2º. Capital

Total subscription. Minimum capital.

Section 186. — The capital to be fully subscribed at the time of execution of the security agreement. It may not be lower than ONE HUNDRED THOUSAND PESOS (ARS 100,000). This amount may be updated by the Executive Branch, as required. *(Capital amount replaced by Section 1 of Decree No.1331/2012 O.G. 08/07/2012.Validity: At sixty (60) days of its publication in the Official Gazette)*

Terminology.

In this section, "corporate capital" and "subscribed capital" are used interchangeably.

Subscription Agreement.

In cases of capital increase with subscription, the Agreement shall be issued in two copies and contain:

1) Name, age, marital status, nationality, profession, address and ID number of the subscriber or information of individualization and registration or authorization in case of legal persons;

2) Number, nominal amount, kind and characteristics of subscribed shares;

3) Price of each share and total subscribed; methods and conditions of payment; *in one-person companies, capital must be fully integrated; (Subsection replaced by point 2.23 of Annex II of Law No. 26.994 O.G. 10/08/2014 Supplement Validity: 08/01/2015, text according to Section 1 of Law No. 27,077 O.G. 12/19/2014)*

4) Contributions in-kind shall be identified accurately. If an inventory is required to determine contributions, it shall be deposited in the corporate office to be consulted by shareholders. In all cases, the definite value must derive from adequate application of Section 53.

Minimum payment in cash.

Section 187. — Payment in cash may not be lower than twenty-five percent (25%) of the subscription: fulfillment shall be justified with registration of the certificate of deposit in an official bank, and afterwards, it shall be completed.

In one-person companies, capital must be fully integrated.

Non-money contributions.

Non-money contributions must be provided in full. They may only involve obligations to give, and fulfillment shall be justified at the time of conformity provided under Section 167.

(Section replaced by point 2.24 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Capital increase.

Section 188. — Bylaws may contain the capital increase of the company up to five times. It shall be decided at a meeting without requirement of new administrative agreement. Notwithstanding the provisions contained in Section 202, the meeting may delegate to the Board the time of issuance, form and terms of payment. The resolution of the meeting shall be published and registered.

In the case of Corporations authorized to perform public offer of shares, the meeting may increase the capital without limits or amendment of the bylaws. The Board of Directors may perform issuance with delegation of the meeting, at once or in more times, within two (2) years as from the execution date.

Capitalization of reserves and other situations.

Section 189. — The proportion of each shareholder for capitalization of reserves and other special funds included in the balance sheet, payment of dividends with shares in similar procedures where integrated shares are delivered must be respected.

Prior subscription of previous subscriptions.

Section 190. — New shares may only be issued when previous shares have been subscribed.

Capital increase. Insufficient subscription.

Section 191. — Even when capital increase is not fully subscribed within the term set in issuance conditions, subscribers and the company shall not be released from the obligations assumed, unless otherwise provided in the issuance conditions.

Late payment: exercise of rights.

Section 192. — Late payment occurs pursuant to Section 37 and automatically suspends the exercise of the rights inherent to outstanding shares.

Late payment. Sanctions.

Section 193. — Bylaws may dictate that subscription rights for cases of late payment of shares be sold in public auction or through a broker in case of listed shares. The subscriber who fails to subscribe shares in due time shall bear auction costs and late interests, notwithstanding of his liability for damages.

Bylaws may also dictate termination of rights; in this case, sanction will be applied after intimation to integrate within a term no longer than thirty (30) days, with loss of amounts paid. Notwithstanding of the above, the company may opt for the fulfillment of the subscription Agreement.

Subscription rights.

Section 194. — Ordinary shares, whether for simple or plural vote, grant their holder subscription rights for new shares of the same kind in proportion to the shares held by the shareholder, except for the case of Section 216, last paragraph; they also grant

them the right to purchase additional shares in the company proportionately each time.

When proportionality is not kept among the different kinds of shares pursuant to Section 250, the holders shall be considered holders of the same class in order to exercise preemptive rights.

Offer to shareholders.

The company shall offer shares to holders through notices for three (3) days in the journal of legal publications and also in one paper with the highest circulation in the Republic when it comes to companies included in Section 299.

Term of exercise.

Shareholders may not exercise their purchase option within thirty (30) days after publication if bylaws do not specify a longer term.

In case of companies performing public offer, the extraordinary meeting may reduce this term for no less than ten days, whether for shares as well as debentures convertible into shares. *(Incorporated by Section 1º of Law No. 24,435 Official Gazette 01/17/1995)*

Debentures convertible into shares.

Shareholders shall also have subscription rights to debentures convertible into shares.

Limitation. Extension.

The rights recognized by this Section may not be suppressed or conditioned, except for the provisions included in Section 197 and may not be extended by the statute or resolution of the meeting ordering the issuance of preferred shares.

Legal action of the affected shareholder.

Section 195. — The shareholder prevented by the company to exercise his subscription right may demand before court to cancel the subscriptions he may have been entitled to.

Compensation.

If cancellation does not apply because shares were delivered, the affected shareholder may be entitled compensation to be paid jointly by the company and directors for the damages caused. In no event shall compensation be lower than three times the nominal value of shares he may have been able to subscribe pursuant to Section 194, calculated in constant currency from issuance.

Term for execution.

Section 196. — The actions of the Section above may be performed within six (6) months from the maturity date of the term of subscription.

Owners.

Actions may be filed by the affected shareholders or any of the directors or receivers.

Limitation to preemptive rights. Conditions.

Section 197. — The extraordinary meeting, with the majorities of the last paragraph of Section 244, may solve in particular and exceptional cases, if required by the company interests, the limitation or suspension of the preemptive rights for new shares, pursuant to the following conditions:

1) Consideration must be included in the agenda;

2) They must be shares to be paid in species or to pay pre-existing liabilities.

Capital increase: Public offer.

Section 198. — Capital increase may be performed by public offer of shares.

Nullity sanction.

Section 199. — Shares issued in violation of the public offer regime are null and void.

Unenforceability of rights.

Securities or certificates issued, and rights derived thereof are not enforceable against the company, partners and third parties.

Nullity action. Exercise.

Section 200. — Directors, partners of the supervisory board and receivers are jointly and severally liable for damages caused by the company and shareholders for the issuance performed in violation of the public offer regime.

The issuer may demand nullity of subscription and damages to be paid jointly and severally by the company, directors, partners of the supervisory board and receivers.

Information.

Section 201. — The company shall inform the comptroller authority and the Public Registry of Commerce on the capital increase by subscription in order to proceed to registration.

Below par issuance. Prohibition. Issuance with a premium.

Section 202. — The issuance of shares below par, except for the provision of Law No. 19,060.

It may be issued with a premium that will be determined at the extraordinary meeting, keeping the equality in each issuance. In companies authorized for public offer of

shares, the decision shall be adopted by ordinary meeting that may delegate in the Board of Directors the right to determine the premium, within applicable limits.

The balance of the premium, after discount of issuance expenses, make up a special reserve. It may be distributed according to the requirements of Sections 203 and 204.

Voluntary reduction of capital.

Section 203. — Voluntary reduction of capital may be decided in an extraordinary meeting with receiver report, if any.

Execution requirements.

Section 204. — Resolution on the reduction grants shareholders the right governed in Section 83, "subsection 2", and shall be registered after publication required by such Section.

This provision shall not apply for amortization of integrated shares and performed with free reserves or profit.

Reduction for losses: requirement.

Section 205. — The extraordinary meeting may solve the reduction of capital based on losses of the company in order to balance capital and equity.

Mandatory reduction.

Section 206. — Reduction is mandatory when losses deplete reserves and 50% of capital.

*(**Infoleg Notice**: By Section 1° of Decree No. 540/2005 Official Gazette 06/01/2005 the application of this section was suspended until December 10, 2005 by Decree No. 1269/2002. Previous extensions: Decree No. 1293/2003 O.G. 23/12/2003.)*

3º. Shares

Equal Value.

Section 207. — Shares shall always have an equal value, expressed in Argentina currency.

Different kinds.

The bylaws may include different classes with different rights; and within each class, they shall confer the same rights. Any other provision in contrary is null and void.

Form of securities.

Section 208. — Securities may represent one or more shares and they may be bearer or nominative; in the latter case, they may be endorsable or non-endorsable.

Global certificates.

Companies authorized for public offer may issue global certificates of fully paid-up shares, pursuant to the requirements of Section 211 and 212, for its registration in collective deposit regimes. For such purposes, they shall be considered definite, negotiable and divisible.

Listed securities.

Companies shall issue titles representing shares in the numbers and proportions set by the regulations of the Stock Exchange where they are listed.

Provisional certificates.

While shares are not fully paid up, only nominative provisional certificates may be issued.

Once payment has been completed, interested parties may require registration of book-entry shares in the accounts or the delivery of definite securities that shall be bearer securities unless bylaws provide otherwise.

Until this delivery is accomplished, the provisional certificate shall be considered definite, negotiable and divisible.

Book-entry shares.

Bylaws may authorize representation of all shares or some classes of shares with titles. In that case, they must be registered in accounts of the issuing company with the names of the holders in a book-entry share registry governed by Section 213 as applicable, commercial or investment banks or authorized Securities Depository.

The capacity as shareholder is presumed by the certificates of the accounts opened in the book-entry share registry. In all cases, the company is responsible towards the shareholders for errors or irregular situations in the accounts, notwithstanding the liability of the bank of Securities Depository towards the company, as applicable.

The company, the bank or the Securities Depository shall give the shareholder a certificate evidencing the account opened and all movements recorded thereto. All shareholders are also entitled to receive a certificate with the balance of their account.

Indivisibility. Joint Ownership. Representative.

Section 209. — Shares are indivisible.

In case of joint ownership, the rules of joint ownership shall apply. The company may request unification of representation in order to exercise rights and perform corporate liabilities.

Assignment: guarantee of successive assignors. Effects of payment made by the assignor.

Section 210. — The assignor that has failed to pay up the shares is jointly and severally liable for payments owed by assignees. The assignor who makes any payment shall be co-owner of the shares assigned proportionally to payment.

Formalities. Essential mentions.

Section 211. — Corporate bylaws shall contain the formalities of shares and provisional certificates.

The following information is essential:

1) Name of the company, address, date and place of incorporation, duration and registration;

2) Corporate capital;

3) Number, nominal value and kind of shares representing the title and rights involved;

4) In provisional certificates, the registration of payments made.

Variations of the information above, except for those related to capital, shall be included in the securities.

Number.

Section 212. — Securities and shares they represent shall be ordered in correlation.

Signature: replacement.

They shall be signed by no less than a director and receiver. The comptroller entity may authorize replacement by a printed copy guaranteeing authenticity of securities; moreover, the company shall register a fax on file.

Coupons.

Coupons may be bearer, even in nominative shares. This provision also applies to certificates.

Share registry book.

Section 213.— A share registry book shall be kept with the formalities of the commercial books, to be freely consulted by shareholders, which shall contain:

1) Kinds of shares, rights and liabilities;

2) Condition of payment, including issuer’s name;

3) If they are bearer shares, the number; if they are nominative, the successive transfers detailing dates and information of purchasers;

4) Real property rights of nominative shares;

5) Conversion of securities, with the information provided;

6) Any other information derived from legal situation of shares and amendments.

Transfer.

Section 214. — Shares may be freely transferred. The bylaws may limit transfer of nominative or book-entry shares, without involving prohibition of transfer.

Limitation shall be registered in the book or registrations in the account, certificates and statements.

Nominative and book-entry shares. Transfer.

Section 215. — Transfer of nominative or book-entry shares and real property rights must be informed in writing to the issuing company or entity in charge of the registry and they must be registered in the pertinent book or account. It is enforceable against the company and third parties since registration.

For book-entry shares, the issuing company or entity in charge of registration shall inform the holder of the account to perform a debit for share transfer, within ten (10) days after registration, at the domicile of incorporation. For companies subjected to public offer, the comptroller authority may regulate other means of information to partners.

Endorsable shares are transferred through a continuous chain of endorsements and the endorsee shall request registration in order to exercise rights.

Ordinary Shares: voting rights. Incompatibility.

Section 216. — Each ordinary share gives one voting right. The bylaws may generate classes recognizing up to five votes per ordinary share. Voting privileges is not compatible with differential voting rights.

No preferred shares may be issued after the company has been authorized to make public offer of shares.

Preferred Shares: voting rights.

Section 217. — Shares with differential voting rights may also be deprived from voting rights, except for the issues included in fourth paragraph of Section 244, notwithstanding the right to attend meetings with voting rights.

They will also have voting rights while they have not received the benefits of their preference.

They will also have voting rights if they are listed but they were suspended or removed for any reason, while the situation persists.

Usufruct of shares. Beneficial interest.

Section 218. — The member holds bare ownership.

The beneficial owner is entitled to earn the profits obtained during the usufruct. This right does not include profits held in reserve or capitalized; however, it comprises profits for shares delivered by capitalization.

Successive beneficial owners.

Dividends shall be collected by the holder of title upon payment; if there were beneficial owners, they shall be distributed pro rata depending on the duration of rights.

Rights of the bare ownership.

The exercise of the other rights derived from the capacity as partner, even the distribution of results of the liquidation lies on bare ownership, unless otherwise provided and legal usufruct.

Outstanding shares.

When shares were not fully paid-up, the beneficial owner must make his pertinent payments in order to keep his rights, notwithstanding the right of repetition of the bare ownership.

Common pledge. Seizure.

Section 219.— In case of pledge or seizure, rights are vested in the owner of shares.

Creditor liability.

In those situations, the holder of real property rights or seizure is entitled to facilitate the exercise of rights of the owner through deposit of shares or any other procedure to guarantee their rights. The owner shall pay related costs.

Purchase of rights by the company.

Section 220.— The company may purchase the shares it issued, only under the following conditions:

1) Cancellation them after having reached an agreement on reduction of capital;

2) Exceptionally, with realized and liquid profits or free reserves, when they were fully paid-up and to avoid serious damage, which shall be justified in the following ordinary meeting;

3) Payment of credits of a facility purchased or a company acquired.

Acquired, non-canceled shares. Sale.

Section 221. — The Board of Directors shall convey the shares purchased pursuant to items 2 and 3 above within one (1) year, unless extended at the meeting. The subscription right included in Section 194 shall apply.

Suspension of rights.

Rights related to these shares shall be suspended until conveyance; they shall not be calculated for determination of quorum or majority.

Shares as guarantee; prohibition.

Section 222. — The company cannot receive shares as guarantee.

Amortization of shares.

Section 223. — Bylaws may authorize total or partial amortization of paid-up shares, with realized and liquid profits, and the following conditions:

1) Prior decision of the meeting establishing fair price and ensuring equality of shareholders;

2) When subjected to draw, it will be performed before the comptroller authority or notary public of registry office, result will be published, and it will be registered;

3) If shares are partially subjected to amortization, it shall be recorded in titles or in book-entry share accounts. In case of full amortization, they shall be canceled, and replaced by dividend certificates or registrations in the account with the same effect.

Distribution of dividends. Payment of interests.

Section 224. — Distribution of dividends or payment of interests to shareholders shall only be lawful if they derive from realized and liquid profits from a regularly prepared and approved balance sheet.

Anticipated dividends.

No interests, provisional or anticipated dividends, or dividends derived from special balance sheet are allowed, except for the companies included in Section 299.

In all these cases directors, partners of the supervisory board and receivers are jointly and severally liable for such payments and distributions.

Reimbursement of dividends.

Section 225. — Dividends received in good faith are not reimbursable.

Securities: principles.

Section 226. — Regulations related to securities are applied provided that they are not amended by this law.

4º. Bonds

Characteristics. Regulations.

Section 227. — Corporations may issue dividend certificates and profit-sharing bonds, which shall be regulated in the bylaws pursuant to the provisions of this Title, subjected to nullity action.

Dividend certificates.

Section 228. — Dividend certificates are issued under the name of the holders of fully amortized shares. They grant profit-sharing rights and, in case of dissolution, rights on the proceeds of liquidation, after reimbursement of the nominal value of non-amortized shares. They shall also enjoy the rights expressly recognized by the bylaws.

Profit-sharing bonds.

Section 229. — Profit-sharing bonds may be issued for services other than capital contribution. They only entitle the holder to receive profits for the year.

Profit-sharing bonds for the staff.

Section 230. — Profit-sharing bonds may also be granted to the staff of the company. Profits to be divided shall be computed as expenses.

They are non-transferable and elapse upon termination of the labor relationship, for any reason.

Payment term.

Section 231. — Profits are paid together with dividends.

Amendments of the issuance conditions.

Section 232. — Amendments of the conditions of bonds require the agreement of the absolute majority of the holders of bonds for the respective class, expressed in a meeting called by the company for such purposes. The call shall be performed according to the regular procedure set forth in Section 237.

No agreement shall be required for modification of the number of bonds in cases provided in Sections 228 and 230.

5º. Shareholders meetings

Competence.

Section 233. — Meetings have exclusive competence to hear the issues included in Sections 234 and 235.

Meeting venue.

They shall meet in the office or the place within the jurisdiction of the corporate address.

Mandatory decisions. Fulfillment.

Resolutions adopted pursuant to this law and the bylaws are mandatory for all the shareholders, except for the provisions of Section 245, and they must be fulfilled by the Board of Directors.

Ordinary meeting.

Section 234. — The ordinary meeting must consider and solve the following issues:

1) Balance sheet, P&L statement, distribution of profits, company report and receiver report, and perform any other action related to management of the company pursuant to law or bylaws or decided by the Board of Directors, the supervisory board or receivers;

2) Appointment and removal of directors and receivers, partners of the supervisory board and determination of compensation;

3) Liability of directors, receivers and supervisory board;

4) Capital increase pursuant to Section 188.

In order to consider items 1) and 2), it shall be called within four (4) months after the year end.

Extraordinary meeting.

Section 235. — The extraordinary meeting shall cover all matters other than jurisdiction of the regular meeting, the amendment of the statute and in particular:

1) Increase of capital, except for the terms of Section 188. The Board may only be delegated the time of issuance, method and terms of payment;

2) Reduction and repayment of capital;

3) Redemption, reimbursement and amortization of shares;

4) Merger, conversion and dissolution of the company, appointment, removal and remuneration of the liquidators, division; consideration of bills and other matters related to their management in the corporate settlement, whose approval must be final;

5) Limitation or suspension of the preemptive right for the subscription of new shares under Section 197;

6) Issuance of debentures and their conversion into shares;

7) Issuance of bonds.

Call: Opportunity. Term.

Section 236. — Ordinary and extraordinary meetings shall be convened by the Board or receiver in the cases provided by law, or if either deems necessary or when required by shareholders representing at least five percent (5%) of the capital, where the statutes do not set a lower representation.

In the latter case, the application shall indicate the issues addressed and the board or the liquidator shall call the meeting to be held not later than forty (40) days of receipt.

If the board of the receiver fail to do so, the call may be made by the comptroller or judicial authority.

Call.

Section 237.— The meetings shall be convened by publication for five (5) days, with ten (10) days in advance, at least not more than thirty (30), in the journal of legal publications. In addition, for companies referred to in Section 299, in one of the largest daily circulation of the Republic. They should mention the nature of the meeting, date, time and place of meeting, agenda, and special precautions required by statute for the attendance of shareholders.

Meeting on second call.

The meeting on second call for having failed the first will be held within thirty (30) days, and publications will be for three (3) days, with eight (8) days in advance at minimum. Bylaws may authorize both calls simultaneously, except for companies that make public offering of its shares, in which this right is limited to the regular meeting.

In the case of simultaneous calls, if the meeting was convened for the same day, it shall be at an interval of no less than one (1) hour of the time set for the first.

Unanimous meeting.

The meeting may be held without publication of the call when they are held by shareholders representing the entire issued share capital, and the decision taken unanimously by the shares entitled to vote.

Deposit of shares.

SECTION 238. — To attend meetings, shareholders must deposit their shares in the company or a certificate of deposit or evidence of book-entry share accounts, created for that purpose by a bank, cash or other securities authorized institution, for record in the attendance book of the meetings, with no less than three (3) business days before

the date set. The company will deliver the proof of receipt required, which will be used for admission to the meeting.

Communication of assistance.

Holders of registered or book-entry shares whose registration is held by the company are exempted from the obligation to deposit shares or provide certificates or records, but they must serve notice to be included in the attendance book in the same term.

Attendance book.

Shareholders or proxies attending the meeting shall sign the attendance book which will record their addresses, identity and number of shares entitled to vote.

Certificates.

Shares will be available after the meeting, except in the event of termination of the deposit. A person who is not a shareholder but invokes the rights conferred by a certificate or evidence as such will be liable for damages incurred to the issuing company, partners and third parties; the compensation will not be lower than the real value of shares relied upon at the meeting. The bank or licensed institution shall be liable for the existence of shares before the issuing entity, partners or third parties, to the extent of the damage actually incurred.

When certificates of deposit or records of book-entry shares do not specify the number and title, where appropriate, the authority of the Comptroller may, upon petition of any shareholder, require verification of the existence of the shares to the custodian or institution responsible for keeping the registration.

Acting by proxy.

Section 239. — Shareholders may be represented at the meetings. Directors, receivers, partners of the supervisory board, managers, and other employees of the company may not be proxies.

The mandate may be awarded in a private document, with the certified signature in court, before an attorney or at a bank, unless otherwise provided in the bylaws.

Roles of receiver directors and managers.

Section 240. — Directors, receivers and general managers have the right and obligation to attend all the meetings and shall have a voice. They shall vote only to the extent applicable thereto as shareholders, within the limitations set forth in this Section.

Any other clause in contrary is null and void.

Ineligibility to vote.

Section 241. — Directors, receivers, partners of the supervisory board and general managers cannot vote in decisions related to the approval of their management

actions. Moreover, they cannot vote on the resolutions pertaining to their liability or removal for cause.

Chair of the meetings.

Section 242. — Meetings will be chaired by the chairman or his deputy, unless otherwise provided in bylaws, and in his absence, by the person appointed at the meeting.

Assembly convened by court or by the comptroller entity.

When the meeting was convened by the Judge or the comptroller entity, it will be chaired by the appointed official.

Ordinary meeting. Quorum.

Section 243. — The constitution of the ordinary meeting on first call requires the presence of shareholders representing a majority of the shares entitled to vote.

Second call.

In the second call, the meeting shall be deemed constituted irrespective of the numbers of such shares present.

Majority.

In both cases, decisions shall be adopted by absolute majority of votes present that may be issued in the respective decision, unless the bylaws require more votes.

Extraordinary meeting. Quorum.

Section 244. — The extraordinary meeting meets in first call with the presence of the shareholder representing sixty percent (60%) of the shares entitled to vote, unless the bylaws require more votes.

Second call.

The second call requires the attendance of shareholders representing thirty percent (30%) of the shares entitled to vote, unless the bylaws have established a higher or lower quorum.

Majority.

In both cases, decisions shall be adopted by absolute majority of votes present that may be issued in the respective decision, unless the bylaws require more votes.

Special cases.

When the meeting deals with transformation, extension or renewal, except for companies with public offer or listing of shares, of the early dissolution of the company, the transfer of residence abroad, the fundamental change of object and partial or total reintegration of capital, whether in first or second call, the resolutions adopted by the vote of the majority of shares entitled to vote shall prevail, without application of plurality of vote. This provision shall apply to decisions of merger and demerger, except for the surviving company that will be governed by the rules on capital increase.

Appraisal right.

Section 245. — The shareholders that do not agree with the changes included in the last paragraph of the preceding Section, except in the case of early dissolution and the shareholders of the surviving company in a merger and demerger, may leave the company and be reimbursed for their shares. They may also leave the company in case of capital increase that falls within the extraordinary meeting and involving payment for the shareholder buyout or public offering of stock prices and continuation of the company in the context of Section 94, subsection 9).

Limitation by public bid.

In companies making public offerings of shares or authorized to be listed, shareholders may not exercise the appraisal right in case of merger and demerger if the shares they must receive as a consequence were admitted for public offer or listing, as applicable. They may exercise this option if the registration under those regimes had been withdrawn or denied.

Owners.

Notwithstanding the provisions of Section 244 for the determination of the majority, the appraisal right may only be exercised by shareholders present who voted against the decision within five days and those who were absent and prove their capacity as shareholders at the meeting may do so within fifteen (15) days of the closure. In the cases referred to above, the period will be counted from the moment the company informs the denial or appraisal for three (3) days in the journal of legal publications and in one paper with the highest circulation in the Republic.

Expiration.

The appraisal right and emerging shares lapse if the resolution that created them is revoked in a meeting held within sixty (60) days from the expiration of the term for exercise by the absent parties. In this case, grantors shall re-acquire the exercise of their rights; and patrimonial rights shall act retroactively to the moment the appraisal was informed.

Determination of value.

Shares shall be reimbursed for the value resulting from the recent assessment carried out or to be made in compliance with laws or regulations. The amount must be paid within one year after the closure of the meeting that caused the appraisal, except in cases of voluntary retirement, withdrawal or refusal of the tender offer or quotation or

continuation of the company in the context of Section 94, paragraph 9), which must be paid within sixty (60) days from the end of the meeting or from the publication of the withdrawal, the denial or the approval of voluntary retirement.

The value of the debt is adjusted to the actual payment date.

Nullity.

The provision that excludes the right to withdraw or adversely affects the conditions of use is null and void.

Agenda: Effects.

Section 246. — All decisions on other issues than those included in the agenda are null and void, except for:

1) If all partners representing the whole capital are present and the decision is adopted unanimously by shares entitled to vote;

2) The exceptions expressly authorized in this Title;

3) The appointment of partners that will sign the record.

Adjournment.

Section 247.— The meeting may adjourn once in order to continue within the next thirty (30) days. Only the shareholders that comply with the provision included in Section 238 may attend the meeting. A record shall be prepared for each meeting.

Shareholder with interests contrary to the company.

Section 248. — A shareholder or his representative in a particular transaction has an interest contrary to the company, whether for himself or a third party, must refrain from voting agreements related thereto.

Otherwise, he shall be liable for damages when he would have not reached the majority required for a valid decision without his vote.

Record: Content.

Section 249. — The record prepared pursuant to Section 73 should summarize the statements made during the deliberation, voting methods and results with full expression of decisions.

Copies of the record.

Any shareholder may request a signed copy of the record at his expense.

Special meetings.

Section 250. — When the meeting has to adopt resolutions affecting the rights of one class of shares, requiring consent or ratification of this kind, a special meeting shall be called, which shall be governed by the rules of the regular meeting.

Challenge of the decision adopted at the meeting. Owners.

Section 251. — Any decision of the meeting adopted in violation of the law, the bylaws or the regulations may be challenged with nullity by the shareholders who have not voted favorably in the respective decision and absent partners evidencing their capacity as shareholders at the date of decision. Shareholders who voted favorably may challenge if their vote is voidable on vice of will.

In may only be challenged by directors, receivers, partners of the supervisory board or the comptroller entity.

Promotion of the action.

The action shall be brought against the company, before the court of its domicile, within three (3) months from the closing of the meeting.

Preventive suspension of execution.

Section 252. — The court may suspend the enforcement of the contested decision at the request of the parties if there were serious grounds, and no injury for third parties, after a sufficient guarantee to compensate for any damage that the decision would cause to society.

Conduct of the proceedings. Joinder.

Section 253. — Unless the case of preventive measure referred to in the Section above, the trial shall only continue after the expiration of the term of Section 251. Where there is a plurality of actions, they must accrue, and the Board of Directors shall be required to report the existence of other cases.

Representation.

When the action was attempted by the majority of the directors or partners of the supervisory board, the shareholders who voted favorably shall appoint an ad hoc representative by majority, in a special meeting called for such purposes under Section 250. If no such majority is reached, the representatives shall be appointed among them by the judge.

Liability of shareholders.

Section 254. — Shareholders who vote in favor of the resolutions declared null and void answer jointly and severally for the consequences thereof, without prejudice to the liability of the directors, receivers and partners of the supervisory board.

Revocation of the agreement in question.

A subsequent meeting may revoke the agreement at issue. This resolution shall take effect since then and shall not proceed since the commencement or continuation of the dispute process. The responsibility for the effects caused or direct consequences shall remain.

6º. Administration and Representation

Board of Directors. Composition, appointment.

Section 255. — Administration shall be in charge of a Board of Directors made up of one or more directors appointed by the shareholders meeting or the supervisory board, if necessary. In corporations of Section 299, except for those provided for in subsection (7), the board of directors shall be composed of at least three directors.

If the shareholders meeting is empowered to determine the number of directors, the bylaws shall specify the minimum and maximum allowed.

(Section replaced by Section 1 of the Law No. 27,290 O.G. 11/18/2016)

Conditions.

Section 256. — The director is reelected, and his appointment revoked only at the meeting, even in the case of Section 281, subsection d). It is not required to be a shareholder.

The bylaws shall define the guarantee to be provided.

The bylaws may not withdraw or limit the removal of his position.

Address of directors.

The absolute majority of directors must have a real address within the Republic.

All directors must constitute a special address in the Republic, where they shall be validly served all notices in relation to the exercise of their duties, including those related to the action for damages.

Duration.

Section 257. — The bylaws shall specify the term of office, which may not exceed three years except for the terms of Section 281, subsection d).

However, the director shall serve until he is replaced.

Silence of the bylaws.

In case of silence of the bylaws, it is understood that the term provided is the maximum authorized term.

Replacement of directors.

Section 258. — The bylaws may provide for the election of deputies to address the absence of the directors for any reason. This provision is mandatory for companies without auditing commission.

In case of vacancy, the receivers shall appoint the substitute until the next meeting if the bylaws do not provide other form of appointment.

Resignation of directors.

Section 259. — The Board of Directors shall accept the resignation of the director in the first meeting after the filing provided that its operation did not affect regular operation and was not wrongful or untimely, and shall be included in the relevant record. Otherwise, the resigning member should continue in office until the next meeting is held.

Operation.

Section 260. — The bylaws must regulate the establishment and operation of the Board of Directors. Quorum may not be lower than the absolute majority of its partners.

Compensation.

Section 261. — Bylaws may determine the compensation to be earned by the Board of Directors and the supervisory board; otherwise, it shall be decided at the meeting or the supervisory board, as appropriate.

The maximum amount of compensation that may be earned by the partners of the Board of Directors and the supervisory board as applicable, including salaries and other compensations for performing permanent technical and administrative functions may not exceed twenty-five percent (25%) of profits.

The maximum amount will be limited to five percent (5%) when no dividends are distributed to shareholders, and it shall be increased proportionately to distribution, until the limit is reached upon sharing the total of profits. For the purposes of application of this provision, the reduction of dividends resulting from deducting the compensation of the Board of Directors and the Supervisory Board may not be taken into consideration.

When the exercise of special commissions or technical administrative functions by one or more directors, as opposed to the reduction or the non-existence of profits impose the need to exceed preset limits, such compensations may only be effective if they were expressly agreed upon at the meeting of shareholders, which must include the question as one of the items on the agenda.

Election by category.

Section 262. — When there are different classes of shares, the bylaws may provide for the election of one or more directors for each class, and it shall define the method of appointment.

Removal.

Removal shall be carried out by the shareholders meeting of the class, except for the cases provided in Sections 264 and 276.

Election by accumulation of votes.

Section 263. — The shareholders are entitled to choose up to one third (1/3) of the vacancies to be filled in the Board of Directors with the cumulative voting system.

Bylaws cannot repeal this right nor regulate it in order to affect its exercise, excluding the provision included in Section 262.

The Board of Directors may not be renewed partially or in stages if it prevents the exercise of cumulative voting.

Procedure.

The procedure will be as follows:

1) One or more shareholders who wish to vote cumulatively shall notify it to the company no less than three (3) business days before the meeting, identifying the shares exercising such right and, if they were bearer, by deposit of securities or certificate or proof of the bank or authorized entity. Once these requirements have been fulfilled even by one shareholder, they will be all entitled to vote with this system;

2) The company shall inform the shareholders upon request of the notices received. Notwithstanding the foregoing, the chairman of the meeting shall inform the shareholders present that they are all entitled to vote cumulatively, whether or not they have served notice;

3) Before voting, the number of votes for each shareholder present shall be informed in public and in detail;

4) Each shareholder voting cumulatively shall have a number of votes equal to the one resulting from multiplying the normal number of votes by the number of directors to be appointed. They may distribute them or accumulate them in a number of candidates no exceeding one third of the vacancies to be filled;

5) Shareholders voting through the ordinary or plural system and those voting cumulatively shall compete for the election of one third of the vacancies to be filled; the remaining two thirds (2/3) will be chosen by the ordinary or plural voting system.

Shareholders who do not vote cumulatively will vote for all the vacancies to be filled, giving all the candidates the total of votes of their part according with shares entitled to vote;

6) No shareholder may vote —by dividing his shares— partly cumulative and partly ordinary or plural;

7) All shareholders may change the procedure or voting system before voting, even those who notified their intention to vote cumulatively and followed the procedures for such purpose;

8) The result of the vote shall be counted per person. Only the candidates voted by the ordinary or plural system shall be considered elected if they meet the absolute majority of votes present; and the candidates voted cumulatively who obtain the highest number of votes, surpassing those obtained by the ordinary system, to complete the third part of vacancies;

9) In case of a tie between two or more candidates voted for the same system, there will be a new vote in which only the shareholders voting through such system will participate. In case of a tie between candidates voted cumulatively, no shareholders —inside the system— who had already voted for their candidates will vote again.

Prohibitions and incompatibilities to be a director.

Section 264. — The position of director or manager may not be filled by:

1) People who cannot trade;

2) An individual in bankruptcy proceeding due to willful misconduct or fraud, up to ten (10) years after rehabilitation, individuals in ordinary bankruptcy or reorganization proceedings, up to five (5) years after rehabilitation; directors and administrators of a company whose behavior is qualified guilty or fraudulent, up to ten (10) years after rehabilitation.

3) Convicted individuals with disqualification to hold public office; individuals convicted for robbery, theft, embezzlement, bribery, issuing bad checks and crimes against public faith; individuals convicted of crimes related to incorporation, operation and liquidation of companies. In all cases, up to ten (10) years after serving sentence;

4) Government officials whose performance is related to the object of the company, up to two (2) years after leaving office.

Removal of the disqualified individual.

Section 265. — The Board of Directors, or the receiver, on its own initiative or at the request of any shareholder, may call an ordinary meeting to remove the director or manager included in Section 264, to be held within forty (40) days of request. If removal is denied, any shareholder, director or receiver may file a legal claim.

Personal nature of the position.

Section 266. — The position of director is personal and non-transferable.

Directors may not vote by mail; however, in case of absence they may authorize another director to vote on their behalf, if there was quorum. The degree of responsibility will be equal to the directors present.

Board of Directors: Meetings: call.

Section 267. — The Board of Directors shall convene at least once every three (3) months, unless the bylaws required a higher number of meetings, notwithstanding the meetings that may be held at the request of any director. In the latter case, it will be called by the chairman to meet within the fifth day after reception of the request. Otherwise, any of the directors may make the call.

The call shall include the issues to be discussed at the meeting.

Representation of the company.

Section 268. — The company will be represented by the chairman. The bylaws may authorize the action of one or more directors. In both cases, they shall be subjected to Section 58.

Board of Directors: Executive Committee.

Section 269. — The bylaws may determine the organization of an executive committee made up of directors solely in charge of the ordinary business. The Board of Directors shall monitor the actions of the executive committee and shall perform other legal and statutory rights as applicable.

Liability.

This organization does not change the obligations and liabilities of directors.

Managers.

Section 270. — The Board of Directors may appoint general or special managers, directors or not, freely terminated, to perform the executive duties of the administration. They answer before the company and third parties for the performance of their duties in the same extension and manner as directors. Their appointment does not exclude the liability of directors.

Prohibition to execute contracts with the company.

Section 271. — The director may execute contracts with the company within its object and provided that market conditions are met.

Contracts which do not meet the requirements of the paragraph above may only be executed after the approval of the Board of Directors or Agreement of the auditing

commission if quorum was not met. Those operations must be informed at the meeting.

If the contracts executed were not approved, the directors or the auditing committee as applicable shall be jointly and severally liable for damages caused to the company.

Contracts executed against the provisions of paragraph two and which were not ratified at the meeting are null and void, notwithstanding the liabilities included in paragraph three.

Contrary Interest.

Section 272. — When the director's interest was contrary to the company interest, he shall inform it to the Board of Directors and receivers and shall refrain from taking part in the deliberation. Otherwise, he shall be subjected to the liability provisions set forth in Section 59.

Competing activities.

Section 273. — The director may not participate on his own or through third parties in activities in competence with the company, unless express authorization of the company. Otherwise, he shall be subjected to the liability provisions set forth in Section 59.

Adverse performance of a position.

Section 274. — Directors are jointly and severally liable towards the company, the shareholders and third parties for the adverse performance of their position, according to the criteria set forth in Section 59, as well as violation of law, the bylaws or regulations or any other damage caused with willful misconduct, abuse of power or serious negligence.

Notwithstanding the provisions in the paragraph above, liability shall be determined on the individual performance when duties were assigned individually according to the provisions of the bylaws, regulations or the decision of the meeting. The decision of the meeting and the appointment of persons to perform such duties shall be recorded at the Public Registry of Commerce as a requirement of the application of the provision in this paragraph.

Disclaimer.

If the director who participated in deliberations or resolutions or was aware of a certain situation informs his disagreement in writing and serves notice to the receiver before his liability is reported to the Board of Directors, the receiver, the meeting, the competent authority or legal action is exercised, he shall be released from responsibility.

Termination of liability.

Section 275. — The liability of directors and managers in relation to the company terminates with the approval of management, express resignation or transaction, decided in a meeting, if that liability does not violate the law, the bylaws or regulation or if there is no opposition of at least five percent (5%) of corporate capital. The termination does not apply in case of forced liquidation or reorganization.

Corporate liability action. Conditions. Effects, exercise.

Section 276. — Corporate liability action against directors is vested on the company, after resolution at the shareholders' meeting. It may be adopted even though it is not included in the agenda, if it is direct consequence of resolution of the matter included therein. Resolution shall derive in removal of the director(s) affected and shall require replacement.

This action may also be exercised by shareholders who have filed the opposition included in Section 275.

Liability action: rights of the shareholder.

Section 277. — If the action included in the first paragraph of Section 276 was not filed within three (3) months as from the date of agreement, any shareholder may file it, notwithstanding the responsibility derived from failure to comply with the order.

Liability action. Bankruptcy.

Section 278.— In case of bankruptcy of the company, the liability action may be filed by the representative of the reorganization or it may be filed by the creditors individually.

Individual liability action.

Section 279. — Shareholders and third parties may file individual actions against directors.

7º. Supervisory Board

Regulations.

Section 280. — The bylaws may organize a Supervisory Board, made up of three to fifteen shareholders appointed at the meeting pursuant to Sections 262 or 263, who may be re-elected and freely revocable. When the bylaws provide for a Supervisory Board, Sections 262 and 263 shall not apply to the election of directors if they have to be appointed by such entity.

Applicable Rules.

They shall be subjected to Sections 234, subsection 2.); 241; 257; 258; first paragraph; 259; 260; 261; 264; 265; 266; 267; 272; 273; 274; 275; 276; 277; 278; 279; 286 and 305. They shall also be subjected to Section 60. When these provisions refer to the director or the Board of Directors, it shall mean advisor or Supervisory Board.

Organization.

Section 281. — The bylaws shall regulate the organization and operation of the Supervisory Board.

Rights and Duties.

The Supervisory Board is entitled to:

a) Monitor the management of the Board of Directors. It may examine the corporate accounting, corporate property, perform cash count, whether directly or through expert witnesses appointed thereto, collect reports on the contracts executed or under preparation, even though they do not exceed the rights of the Board of Directors. The Board of Directors shall submit a written report on the corporate management at least quarterly;

b) It shall call a meeting when it deems it convenient or shareholders require it according to Section 236;

c) Notwithstanding the application of Section 58, the bylaws may dictate that certain kinds of acts or contracts may not be executed without its approval. If it is denied, the Board of Directors may subject it to the decision of the meeting;

d) The appointment of the partners of the Board of Directors pursuant to the bylaws, notwithstanding the termination performed at the meeting. In this case, compensation shall be a fixed amount and the position may extend to five (5) years;

e) Submit to the meeting its observations on the report of the Board of Directors and financial statements subjected to consideration;

f) Appoint one or more commissions to investigate or analyze issues or reports of shareholders or to monitor the execution of its decisions;

g) The remaining functions and powers granted by this law to receivers.

Section 282. — Advisors in disagreement in a number equal to or higher than one third (1/3) may call the shareholders meeting to acknowledge and decide the issue on disagreement.

Section 283. — When the bylaws dictate the organization of the supervisory board, it may disregard the auditing committee set forth in Sections 284 and subsequent Sections. In that case, the auditing committee shall be replaced by the annual audit, contracted by the supervisory board, and the financial statements report shall be analyzed at the meeting, notwithstanding other measures that the board may adopt.

8º. Private Audit.

Appointment of receivers.

Section 284. — It is vested in one or more receivers appointed by the shareholder's meeting. An equal number of deputies shall be appointed.

When the company was included within the provisions of Section 299 —except in the cases provided for in subsections 2 and 7) — the auditing committee shall have an uneven number.

In all cases, each share shall grant only one vote for the appointment and removal of receivers, notwithstanding the application of Section 288.

Any other clause in contrary is null and void.

Exclusion.

Companies not included in any of the cases referred to in Section 299 may exclude the auditing committee if it is included in the bylaws. In that case, the partners have the supervisory right conferred by Section 55. When the amount set at the meeting is exceeded due to a capital increase, a receiver must be appointed without amendment of the bylaws.

Requirements.

Section 285. — In order to be a receiver, the candidate must:

1) Be a lawyer or CPA, with valid degree, or company with limited liability incorporated exclusively by these professionals;

2) Have real domicile in the country.

(Section replaced by point 2.25 of the II Annex of the Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

Incapacities and incompatibilities.

Section 286. — The following candidates may not be receivers:

1) Those who are not authorized to be directors, pursuant to Section 264;

2) Directors, managers and employees of the same company or a parent company or subsidiary;

3) Spouses, relatives with lineal consanguinity, collateral relatives up to fourth degree, inclusive, and related individuals within the second degree of directors and general managers.

Term.

Section 287. — The Bylaws may dictate the term whereby they have been appointed for the position, which may not exceed three years. However, they shall remain in that position until their replacement. They may be reelected.

Revocation.

The appointment may only be revoked by the shareholders' meeting, which may be called without a cause provided that there is no opposition of five percent (5%) of the corporate capital.

Any other clause that goes against the provisions of this Section is null and void.

Appointment by classes.

Section 288. — If there were several kinds of shares, the bylaws may authorize the appointment of one or more principal and alternate receivers for each class and the bylaws shall regulate their appointment.

Removal shall be carried out by the shareholders meeting of the class, except for the cases provided in Sections 286 and 296.

Election through cumulative voting.

Section 289.— Shareholders may exercise the right awarded by Section 263 within the conditions set therein.

Collegiate Auditing Committee.

Section 290. — When the Auditing Committee was plural, it shall act as a collegiate body, and shall be called "Supervisory Committee". The bylaws shall regulate organization and operation. It shall have a Minutes Book. The receiver in disagreement shall have the rights, powers and duties dictated by Section 294.

Vacancy: Replacement.

Section 291. — In case of vacancy, whether temporary or definite, or in case of disqualification for the position, the receiver shall be replaced by the pertinent alternate.

If the alternate could not fill the position, the Board of Directors shall immediately call an ordinary meeting or class meeting as applicable, in order to appoint a new trustee until the end of the period.

In case of breach during the performance of the position, the receiver shall immediately terminate and inform the Board of Directors within ten (10) days.

Compensation.

Section 292. — The receiver earns a compensation. If compensation was not determined by the bylaws, it shall be decided at the meeting.

Delegation.

Section 293. — The position of receiver is personal and non-transferable.

Rights and Duties.

Section 294. — Notwithstanding all the rights and duties of a receiver included in this law and those conferred by the bylaws, the receiver shall:

1) Supervise the administration of the company, and thus shall examine books and documents if he deems it convenient at least once every three (3) months;

2) Verify with the same method and frequency the available assets and securities, as well as liabilities and payments; it may also request preparation of trial balances;

3) Have voice, but not vote, in meetings of the Board of Directors, the executive committee and the meetings, where he must be always called;

4) Control incorporation and continuation of guarantee of directors and perform the measures required to remedy any irregular situation;

5) Submit to the ordinary meeting a written report based on the economic and financial situation of the company, with an opinion in the report, inventory, balance sheet and P&L Statement;

6) Provide the shareholders representing no less than two percent (2%) of capital whenever they require, information on the issues within their scope;

7) Call an extraordinary meeting, when deemed necessary, and an ordinary or special meetings, when the Board of Directors failed to do it;

8) Include the items deemed adequate in the agenda of the meeting;

9) Monitor that corporate bodies comply with law, bylaws, regulations and decisions adopted at meetings;

10) Supervise the liquidation of the company;

11) Investigate the reports made in writing by shareholders representing no less than two percent (2%) of capital, include them in a written report for the meeting and mention the considerations and propositions as applicable. Call a meeting immediately to solve the case when the situation under investigation is not adequately covered by the Board of Directors and the trustee deems it adequate to act urgently.

Extension of functions to prior years.

Section 295. — The rights of information and administrative investigation of the receiver include financial statements before their appointment.

Liability.

Section 296. — Receivers are jointly and severally liable for the breach of duties set forth by law, bylaws and regulations, whose responsibility shall be decided at the meeting. If the meeting decides that the receiver is liable, the receiver shall be removed.

Joint and several liability.

Section 297. — Directors are also jointly and severally liable for their actions and omissions when the damage would not have been existed if they had acted pursuant to the provisions of law, bylaws, regulations or decisions adopted at the meeting.

Application of other provisions.

Section 298. — The provisions included in Sections 271 to 279 shall apply for receivers.

9º. Supervision of the state

Permanent supervision of the state.

Section 299. — Apart from the control performed upon incorporation, corporations are subjected to the supervision of the comptroller authority of their domicile, during the operation, dissolution and liquidation, in any of the following cases:

1) Perform public offer of shares or debentures;

2º) Have a corporate capital higher than FIVE HUNDRED PESOS (500). This amount may be updated by the Executive Branch, as required. *(Infoleg Notice: By Section 1° of Provision No. 6/2006 of the Under-secretariat of Registry Affairs, O.G. 05/17/2006, is set at PESOS TEN MILLION ($ 10,000,000.-) the amount referred to in this subsection.*3) Be of mixed economy or be included in Section VI;

4) Perform operations of capitalization, savings, or require money or securities in any other manner with promise of future services or benefits;

5) Operate licenses or public services;

6) It is a parent company or subsidiary of another company subjected to supervision, pursuant to one of the subsections above.

7 °) In the case of One-person Companies (Subsection incorporated by point 2.26 of Annex II to the Law No. 26,994 O.G. 10/08/2014 Supplement.) Validity: 08/01/2015, text according to Section.1 of the Law No. 27,077 O.G. 12/19/2014)

Limited supervision of the state.

Section 300. — Supervision performed by the comptroller authority of corporations not included in Section 299 shall be limited to the security agreement, amendments and capital variations, for the purposes of Sections 53 and 167.

Limited supervision of the state: extension.

Section 301. — The comptroller authority may exercise supervision duties in corporations not included in Section 299 in any of the following cases:

1) When requested by shareholders representing ten percent (10%) of capital subscribed or as required by any receiver. In this case, it shall be limited to the facts in support of the documents issued.

2) When deemed necessary, according to the resolutions, to protect public interest.

Sanctions.

Section 302. — In case of violation of the law, the comptroller authority, the bylaws or regulations may impose the following sanctions:

1) Warning;

2) Warning with publication;

3) Fines to the company, directors and receivers.

The latter may not be higher than PESOS ONE HUNDRED THOUSAND (100,000) as a whole and per each infringement and shall be graduated depending on the seriousness of the infringement and the capital of the company. When they are imposed to directors and receivers, the company shall not be responsible for those sanctions. *(Maximum amount of the fine amended by Section 1º of the Resolution No. 177/2015 of the Ministry of Justice and Human rights, Official Gazette, 02/13/2015).*

The Executive Branch, through the Ministry of Justice, is empowered to perform bi-annual updates of the amounts of fines, based on the variation registered in the Wholesale Price Index, general level, prepared by the Central Statistics Office.

Powers of the comptroller authority to request specific measures.

Section 303. — The comptroller authority is empowered to request the competent judge of commercial affairs of the domicile of the company:

1) Suspension of the resolution of its bodies if they are contrary to law, the bylaws or regulations;

2) Intervention of administration in cases of the subsection above when a public offer of shares or debentures is performed, or when capitalization, savings operations or any other operation requires money or securities issued to the public with the promise to get services or future benefits and in the case described in Section 301, subsection 2.

The intervention shall be aimed at solving the issues and if that was not possible, order dissolution and liquidation;

3) Dissolution and liquidation is included in subsections 3, 4, 5, 8 and 9 of Section 94 and liquidation in subsection 2 of such Section.

Special supervision.

Section 304. — The supervision procedures defined herein does not prevent other types of supervision procedures set forth by special laws.

Liability of directors and receivers in case of concealment.

Section 305. — Directors and receivers shall be jointly and severally liable if they are aware of any of the circumstances included in Section 299 and fail to inform to the comptroller authority.

If they conceal or try to avoid supervision of the comptroller authority, the responsible individuals shall be subjected to the sanctions prescribed in subsection 3 of Section 302.

Resources.

Section 306. — The resolutions of the comptroller authority may be appealed before a court of appeals competent to hear commercial disputes.

Term of appeal.

Section 307. — The appeal shall be filed before the comptroller authority within five (5) days after notification of the resolution. It shall be solved pursuant to Section 169.

Appeals against summons and publication sanctions and fine shall be granted with suspensive effect.

PART VI

Corporations with majority interest of the state

Characteristics: Requirements.

Section 308. — This Section comprises all corporations incorporated when the National Government, provinces, municipalities, state agencies with legal authorization or corporations under this regime own, whether individually or jointly, the shares

representing at least fifty-one percent (51%) of the corporate capital, sufficient to prevail in ordinary and extraordinary meetings.

Subsequent inclusion.

Section 309. — This Section shall also include corporations that comply with the requirements set forth in the Section above after the Sections of organization are executed, provided that it is determined in a meeting called especially for such purpose, and there is no express opposition from any shareholder.

Incompatibility.

Section 310. — Prohibitions and incompatibilities set forth in Section 264 shall apply, except for subsection 4.

When the right included in Section 311 is exercised by minority, officers of the public administration may not be directors, receivers or members of the Supervisory Board for private capital.

Compensation.

Section 311. — The provisions included in paragraphs two and subsequent paragraphs of Section 261 do not apply to compensation of the Board of Directors and the Supervisory Board.

Directors and receivers representing minority.

The bylaws may provide for the appointment of one or more directors or receivers in representation of the minority. When private capital shares reach twenty percent (20%) of the corporate capital, they shall have proportional representation in the Board of Directors and shall elect at least one of the receivers. They shall not be subjected to Section 263.

Amendments to the regime.

Section 312. — Amendments to the corporation regime set forth in this Section shall not be applied when the conditions of Section 308 are altered.

Majority situation. Loss.

Section 313. — *(Section repealed by Section 293 of Law No. 24,522 Official Gazette, 08/09/1995)*

Liquidation.

Section 314. — *(Section repealed by Section 293 of Law No. 24,522 Official Gazette, 08/09/1995)*

PART VII

Partnership limited by shares

Characteristics. Limited liability capital: representation.

Section 315. — The partners are liable for corporate obligations like in partnerships, and the partners are liable for the amounts they contribute. Only the contribution of the partners is represented with shares.

Applicable Rules.

Section 316. — Unless otherwise provided in this Section, they are subjected to the regulations of corporations.

Name.

Section 317. — The name shall contain the words "sociedad en comandita por acciones" (partnership limited by shares) or the abbreviation S.C.A. In case of omission of the wording above, the representatives of the company shall be jointly and severally liable together with the company for the actions performed under these conditions.

If it operates with a name, it is governed by Section 126.

Administration.

Section 318. — The administration may be a sole proprietorship and shall be exercised by a general partner or a third party, who shall hold their position during the time included in the bylaws without the limitations of Section 257.

Removal of the administrator.

Section 319. — The removal of the administrator shall be governed by Section 129; however, the limited general partner may request it in court, with due cause, when it represents less than five percent (5%) of the capital.

The general partner removed from the administration shall be entitled to leave the company or become a limited general partner.

No administrators.

Section 320. — When the administration may not operate, it must be reorganized within three (3) months.

Provisional administrator.

The receiver shall appoint for this period a provisional administrator to comply with ordinary affairs of the administration, who shall act with third parties, with indication of their capacity. Under these conditions, the provisional administrator is not responsible for the actions of the general partner.

Meeting: participants.

Section 321. — The meeting is composed of the partners of both categories. The parties of interest for general partners shall be divided in fractions of the same amount than shares for the purposes of quorum and vote. Any other lower amount shall not be computed for these effects.

Prohibitions to the administrators.

Section 322. — The administrator has voice but cannot vote, and any other provision in contrary is null and void in the following issues:

1) Election and removal of the receiver;

2) Approval of the administrator or receiver management, or deliberation on their responsibility;

3) The removal set forth in Section 319.

Assignment of the corporate interest of the general partners.

Section 323. — The assignment of the corporate interest of the general partner requires the agreement of the meeting pursuant to Section 244.

Supplementary regulations.

Section 324. — Notwithstanding the provisions of Sections 315 and 316, the regulations of Section II are also applied to this Section.

PART VIII

Debentures

Companies authorized to issue debentures.

Section 325. — Corporations, including those included in Part VI and partnership limited by shares may, if authorized by the bylaws, borrow money to private or public entities with the issuance of debentures.

(Section replaced by Section 45 of Law No. 23,576 Official Gazette, 7/27/1988)

Classes. Convertibility.

Section 326. — Debentures shall have floating, common or special guarantee.

The issuance whose privilege is not limited to fixed real assets will be considered fully performed with floating guarantee.

Foreign currency.

They may be convertible into shares pursuant to the issuance program and may be issued in foreign currency.

Floating guarantee.

Section 327. — The issuance of debentures with floating guarantee affects all its rights, real and personal property, whether present or future or a part thereof, of the issuing company, and grants all the privileges related to pledge, mortgage or antichresis, as the case may be.

It is not subjected to the provisions governing real property rights. The guarantee is constituted with the statement contained in the issuance contract and the performance of the proceeding and pertinent registrations of the law.

Enforceability of floating guarantee.

Section 328. — Floating guarantee is enforceable if the company:

1. Does not pay interests or amortizations of the loan on the agreed-upon terms;

2. Loses the fourth (1/4) portion or more of the assets at the date of the debenture issuance contract;

3. Enters into voluntary, forced dissolution or bankruptcy;

4. Terminates its business.

Effects on administration.

Section 329. — The company shall keep the use and administration of assets as if they were not subjected to a lien, as long as the cases specified in the Section above do not take place.

These rights may be excluded or limited regarding specific goods in the issuance contract. In this case, the limitation or exclusion must be registered in the pertinent record.

Use of assets.

Section 330. — The company constituting a floating guarantee may not sell or assign all its assets or a part thereof if it prevented the continuation of business; it may not

be subjected to merger or demerger with another company without authorization or the debenture holders meeting.

Issuance of other debentures.

Section 331. — Once debentures with floating guarantee have been issued, no other debentures with a priority or *pari passu* over those debentures may be issued without prior consent of the debenture holders meeting.

Common guarantee.

Section 332. — Debentures with common guarantee shall collect their credits *pari passu* with unsecured creditors, notwithstanding other provisions contained in this Section.

Special guarantee.

Section 333. — The issuance of debentures with special guarantee affects payment of specific goods of the company susceptible to be mortgaged.

The special guarantee must be specified in the issuance record with all the applicable requirements needed to create a mortgage and it will be included in the pertinent record. All the provisions related to mortgages shall be applied; however, the guarantee may be created for a term no longer than forty (40) years. The registration made in the pertinent record is effective for the same term.

Convertible debentures.

Section 334. — When debentures are convertible into shares:

1) Shareholders, regardless of the class or category, shall enjoy preemptive rights for the proportion of the shares held, with the right to purchase additional shares;

2) In case of below par issuance, conversion may not be performed in detriment of the integrity of the corporate capital;

3) While conversion is pending, the following actions are not allowed: amortize or reduce capital, increase it by incorporation of new reserves or profits, or amend the profit distribution section in the bylaws.

Securities with the same value.

Section 335. — Debentures must have equal value and may represent more than one liability.

Form.

They may be issuer to the bearer or nominative; whether endorsable or not. Transfer of nominative securities and real property rights related thereto must be notified to the company in writing or must be recorded in a share registry book that shall be kept by

the debtor company. It is enforceable against the company and third parties since notice. In the case of endorsable securities, the last endorsement will be informed.

Content.

Section 336. — The securities must contain:

1) Name and address of the company and registration information at the Public Registry of Commerce;

2) The series number and order of each security and the nominal value;

3) The amount of issuance;

4) Nature of the guarantee, and whether they are convertible into shares;

5) Name of the trust entities;

6) Issuance date and registration information at the Public Registry of Commerce;

7) Interest agreed upon, term and place of payment, and amortization method and term.

Coupons.

They may contain coupons to collect interests or to exercise other rights related thereof. Coupons shall be bearer.

Series issuance.

Section 337. — The issuance can be divided into series. Rights shall be equal within each series.

New series may not be issued if the preceding series is not completely subscribed.

Any debenture holder may request nullity of any issuance made against the provisions of this Section.

The provisions related to shares shall apply provided that they are not incompatible with their nature.

Trust Agreement.

Section 338. — The company that decides to issue debentures has to execute an agreement with a bank whereby it performs:

1) The management of subscriptions;

2) The control of payments and deposit, when applicable;

3) Representation required for future debenture holders; and

4) Joint defense of rights and interests during the term of debt until full cancellation, according to the provisions of this Section.

Form and content of the trust Agreement.

Section 339. — The contract to be issued by public instrument shall be recorded at the Public Registry of Commerce and shall contain:

1) Name and address of the issuing company and registration information at the Public Registry of Commerce;

2) The amount of capital subscribed or paid up at the date of contract;

3) Amount of issuance, nature of the guarantee, type of interest, place of payment and other general conditions of the debt, as well as rights and liabilities of subscribers;

4) The name of the trustee bank, the acceptance of such bank and the statement:

a) If it has examined the accounting records of the last two years; debts with privileges that the company acknowledges; the amount of debentures issued, characteristics and amortizations made;

b) In case of public offer, as the case may be, within the method set forth in Section 172 and subsequent Sections;

5) Compensation to pay to the trustee, which would be paid by the issuing entity.

When public subscription is performed, the contract shall be subjected to the comptroller authority according to the provisions of Section 168.

Public offering: prospectus.

Section 340.. — If the debt will be part of a public offer, the company shall prepare a prospectus that shall contain:

1) Specifications of Section 336 and registration of the trust Agreement at the Public Registry of Commerce;

2) The activity of the company and its evolution;

3) Names of directors and receivers;

4) P&L of the last two years, if seniority is not lower, and the transcription of the special balance sheet at the date of authorization of the issuance.

Liability.

Directors, receivers and trustees are severally liable for the accuracy of the information contained in the prospectus.

Trustees: capacity.

Section 341. — The requirement of a banking institution to serve as trustee only applies for the period of issuance and subscription. The debenture holder meeting may subsequently appoint any person not affected by the prohibitions of the Section below.

Incapacities and incompatibilities.

Section 342. — The following individuals may not be trustees: directors, members of the Supervisory Board, receivers or employees of the issuing company, or those who cannot be directors, members of the Supervisory Board or receivers of corporations.

The same applies to shareholders holding at least the twentieth portion of the corporate capital.

Issuance to consolidate liabilities.

Section 343. — When the issuance is performed to consolidate corporate debt, the trustee shall authorize the delivery of securities after evidencing the operation performed.

Rights of the trustee as representative.

Section 344. — As legal representative of the debenture holders, the trustee has all the rights and duties of general agents, as well as the special duties contained in subsections 1 and 3 of Section 1884 of the Civil Code.

Powers of the trustee to the debtor company.

Section 345. — In the cases of debentures with common or floating guarantee, the trustee shall always have the following rights:

1) Review documents and accounting records of the debtor company;

2) Attend meetings of the Board of Directors and assemblies with voice, but without voting rights;

3) Request suspension of the Board of Directors;

a) When interests or amortization of the loan have not been paid after thirty (30) days after maturity date of the agreed upon terms;

b) When the debtor company has lost a fourth (1/4) of the assets on the date of the issuance contract;

c) In case of forced termination or bankruptcy of the company.

In the case of debentures issued with special guarantees, the trustee rights are limited to execute the guarantee in case of late payment of interests or amortization.

Suspension of the Board of Directors.

Section 346. — In the cases of subsection 3 of the Section above, the judge, at the request of the trustee and without any other proceeding, shall order the suspension of the Board of Directors and appoint trustees as a replacement, who shall receive the administration and corporate assets under inventory.

Administration or liquidation of the debtor by trustee.

Section 347. — The trustee may continue with the ordinary business of the debtor company without court intervention and with the widest administration rights, even those related to dispose of personal or real property or perform liquidation of the company pursuant to the resolution of the debenture holder meeting convened for such purposes.

Floating guarantee: powers of the trustee in case of liquidation

Section 348. — If debentures are issues with floating guarantee, after liquidation, the trustee shall sell the goods securing the guarantee and shall distribute the production among debenture holders after payment of credits with the highest privilege.

Once the debt on capital and interests has been paid, the remaining goods shall be delivered to the debtor company. If no person was duly authorized to receive such goods, the Judge shall appoint a person at the request to the trustee.

Powers in case of administration.

If continuation of business was decided, the funds available shall be used to pay outstanding credits, interests and amortization of debentures. After regularization of services of debentures, the administration shall restore them to the appropriate persons.

Common guarantee: powers of the trustee in case of liquidation

Section 349. — If debentures were issued with common guarantee and there are other creditors, once the liquidation has ended, the trustee shall dispose it judicially as reorganization, according to the provisions of the bankruptcy law.

The receiver and liquidator must be appointed, and they may act through a representative.

Nullity action.

Section 350. — The suspended Board of Directors may lodge an action within ten (10) days after notice in order to prove the accuracy of the grounds alleged by the trustee.

Once the action has been lodged, liquidation may not be terminated until final sentence is imposed; meanwhile, the trustee shall only perform conservation and ordinary administration actions of the goods of the debtor company.

Bankruptcy of the company.

Section 351— If the company issuing debentures with floating or common guarantee was declared in bankruptcy, the trustee shall act as assistant liquidator thereof.

End of term by dissolution of the debtor.

Section 352. — In case of dissolution of the debtor company, and before the maturity dates of the agreed upon terms for payment of debentures, they shall be due and payable from the date dissolution was declared and may be demanded for immediate reimbursement, together with payment of interests owed.

Removal of trustee.

Section 353. — The trustee may be removed without due cause by decision of the debenture holder meeting. They may also be removed by court order, with due reason, at the request of a debenture holder.

Rules governing the operation and decisions of the meeting.

Section 354.— The debenture holder meeting is presided over a trustee and shall be governed by the regulations of the regular meeting of the corporation in terms of incorporation, operation and majorities.

Competence.

The meeting may remove, accept resignations, appoint trustees and other affairs that they are empowered to decide upon according to the provisions in this Section.

Calls.

It shall be called by the comptroller authority or the Judge, at the request of any of the trustees or a number of holders representing at least five percent (5%) of the debentures owed.

Changes of issuance.

The meeting may accept amendments of the conditions of the debt, with the majorities required for extraordinary meetings in corporations.

The main conditions of issuance may not be altered, except with unanimous consent.

Obligation to deliberate.

Section 355. — The decisions adopted at the debenture holder's meeting are mandatory for absent or dissident partners.

Challenge.

Any debenture holder or trustee may challenge the agreements that were not adopted according to law or contract, with the application of the provisions contained in Sections 251 to 254.

Competence.

The challenge shall be informed to the competent Judge to hear cases in the address of the company.

Reduction of capital.

Section 356. — The company that has issued debentures may only reduce corporate capital in proportion to the debentures reimbursed, except for cases of forced reduction.

Prohibition.

Section 357. — The issuing company may not receive their own debentures in guarantee.

Liability of directors.

Section 358. — The directors of the company are jointly and severally liable for the damages that the violation to the provisions of this Sections cause to debenture holders.

Liability of trustees.

Section 359. — The trustee is not personally liable, except for willful misconduct or serious negligence in the performance of their duties.

Issuance abroad.

Section 360. — Companies incorporated abroad issuing debentures with floating guarantee on goods located within the Republic shall register in the pertinent records, before the issuance, the contract or act related to the issuance of debentures or containing the number of debentures to be issued, as well as the guarantees granted. Otherwise, they shall not be valid in the Republic.

All issuances of debentures with guarantee, by a company incorporated abroad, not limited to the goods susceptible of mortgage are considered an issuance with floating guarantee. If the guarantee was special, it shall also be registered in the registry office of the property affected.

Registrations referred to in this Section shall be performed at the request of the company, the trustee or any debenture holder.

The companies that comply with the provisions above are not subjected to the provisions of Section 7, Law No. 11,719.

PART IX

Unincorporated companies or undisclosed partnerships

Characteristics.

(Sections from 361 to 366 included – Repealed by section 3 paragraph b) of Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

CHAPTER III

BUSINESS PARTNERSHIP AGREEMENTS

(Chapter- Sections from 367 to 383 included – Repealed by section 3 paragraph b) of Law No. 26,994 O.G. 10/08/2014 Supplement. Validity: 08/01/2015, text according to Section 1 of the Law No. 27,077 O.G. 12/19/2014)

CHAPTER IV

APPLICATION OF TEMPORARY PROVISIONS

Incorporation to the Commercial Code.

Section 384. — The provisions of this law are part of the Commercial Code.

Repealed Provisions.

Section 385. — The following are repealed: Sections 41 and 282 to 449 of the Commercial Code; Laws No. 3,528; 4,157; 5,125; 6,788; 8875; 11,645; Section 200 of Law No. 11,719; Law No. 17,318; Decree No. 852 dated October 14, 1955; Decree No. 5,567/56; Decree No. 3,329/63; Section 7 and 8 of Law No. 19,060 as well as other legal provisions opposing to the provisions contained herein.

Validity.

Section 386. — The law shall be effective from one hundred and eighty (180) days from publication. However, the companies organized before may adjust to its provisions. The rules contained herein apply by operation of law to regular companies organized as of the effective date, with no need to amend contracts or bylaws or registration and publicity set forth herein. However, the provision above does not apply to regulations which expressly subject their application to the provisions of the contract. In that case, the pertinent contractual provisions shall prevail.

From July 1, 1973, public registries of commerce shall not accept amendments of contracts or bylaws of companies organized before the effective date herein if they contained provisions against this law.

Application rules.

Notwithstanding the provisions contained in the paragraphs above:

a) Sections 62 and 65 shall apply to fiscal years starting from the effective date of this Law;

b) Sections 66 and 71 and 261 shall apply to fiscal years ending from the effective date of this Law;

c) Sections 251 to 254 shall apply to meetings held from the effective date of this Law;

d) In the case of companies organized after the effective date of this Law, Sections 255, 264, 284, 285 and 286 shall apply to number, capacities and incompatibilities of directors and receivers, from the first ordinary meeting held after such date;

e) Sections 325 to 360 shall apply to debentures issued from the effective date of this Law;

f) Meeting of partners and meetings held after the effective date of this Law shall comply with the regulations contained herein;

g) Companies in the situation contemplated in Section 369, second paragraph of the Commercial Code at the effective date of this Law may, by decision of the meeting, reduce the terms of Section 206 provided that dissolution had not been recorded at the Public Registry of Commerce;

h) Corporations and partnership limited by shares being part of non-stock companies shall dispose of quotas or partnership units within ten (10) years from the effective date of this Law; otherwise, they shall be subjected to the regime of non-regularly organized companies;

i) Companies organized abroad which at the effective date of this Law regularly perform in the country actions included in their corporate purpose shall comply with the provisions contained in Sections 118 to 120 within six (6) months after such date;

j) Contributors of capital of corporations incorporated before the effective date of this Law, who must contribute cash, shall contribute those amounts until reaching twenty-five percent (25%) of the subscription, within six (6) months from that date;

k) Joint stock companies incorporated at the effective date of this law, whose authorized capital was higher than the subscribed capital may issue the difference, subjected to the provisions of this Law, within one (1) year as from such date. After the term has elapsed, the capital shall be limited to the amount actually issued, to be used as a basis to calculate the increase set forth in Section 188;

1) Shares issued at the effective date of this Law may be replaced or exchanged, according to the provisions contained in Section 211 within three (3) years from that date;

m) Directors of corporations incorporated at the effective date of this Law, that had delivered to the company shares of the same entity as guarantee for the good performance of its actions shall substitute such guarantee by other guarantee equal to the nominal value of the securities under guarantee;

n) In joint stock companies, unless otherwise provided in the bylaws, in Section 216, first paragraph, final part, it is presumed that equity preference prevails over the voting privilege, and the Supervisory Committee of companies included in Section 299 is composed of three receivers;

o) Until the enactment of the laws provided in Section 371 regulating the records mentioned herein, the provisions of Sections 8 and 9 shall not apply. Notwithstanding the above, joint stock companies may submit to the administrative comptroller authority the applicable documents pursuant to the provisions governing the operation of such authority.

Tax exemption.

Actions and documents required to comply with the provisions contained in this Section are exempt from all taxes, fees and duties.

Partnership limited by shares: Remedies.

Section 387. — Partnerships limited by shares incorporated without individualization of limited general partners may remedy the vice within six (6) months after the effective date of this Law, through deed confirming the incorporation, which shall be executed by all the current partners and registered at the Public Registry of Commerce. Confirmation shall not affect the rights of third parties.

Registry Offices: regime.

Section 388.— The registry offices named in this Law shall be governed by the applicable regulations enacted.

Application.

Section 389.— The provisions contained in this Law shall be applied to mixed economy companies provided that they do not contradict Decree No. 15,349/46 (Law No. 12,962).

Regulatory Background

- Section 186, corporate capital amount replaced by Sect. 1º of Decree No. 57/90 Official Gazette 15-Jan-90;

- Section 299, subsection 2, corporate capital amount replaced by Sect. 1º of Decree No. 95/89 of the Secretary of Justice, Official Gazette, 22-Dec-89;

- Section 206, application suspended by Section 49 of Law No. 23,697 Official Gazette, 25-Sept-1989 for 180 days as from the effective date;

- Section 94, subsection 5, application suspended by Section 49 of Law No. 23,697 Official Gazette, 25-Sept-1989 for 180 days as from the effective date;

- Section 299, subsection 2, corporate capital amount replaced by Sect. 1º of Decree No. 302/87 of the Secretary of Justice, Official Gazette, 9-Jan-1987;

- Section 186, corporate capital amount replaced by Sect. 1º of Decree No. 1940/85 Official Gazette 10-Oct-1985;

- Section 299, subsection 2, corporate capital amount replaced by Sect. 1º of Decree No. 1871/85 of the Ministry of Education and Justice, Official Gazette, 02-Aug.-1985;

- Section 302, subsection 3, corporate capital amount replaced by Sect. 1º of Decree No. 197/85 of the Secretary of Justice, Official Gazette, 17-July-1985;

- Section 299, subsection 2, corporate capital amount replaced by Sect. 1º of Decree No. 1330/84 Official Gazette 02-May-84.