

Listing Particulars dated October 13, 2021



The Province of Buenos Aires
(A Province of the Republic of Argentina)

**U.S.\$6,202,149,888 amortizing step-up securities due 2037 (payable in 28 installments, with final coupon of 6.625%)
(Reg S ISIN: XS2385150334 / Common Code: 238515033; 144A ISIN: XS2385150417 / Common Code: 238515041)
(the “New USD 2037 A Bonds”)**

**€236,814,400 amortizing step-up securities due 2037 (payable in 28 installments, with final coupon of 5.125%)
(Reg S ISIN: XS2385150508 / Common Code: 238515050; 144A ISIN: XS2385150680 / Common Code: 238515068)
(the “New Euro 2037 A Bonds”)**

**U.S.\$777,634,375 amortizing step-up securities due 2037 (payable in 19 installments, with final coupon of 5.875%)
(Reg S ISIN: XS2385151738 / Common Code: 238515173; 144A ISIN: XS2385151811 / Common Code: 238515181)
(the “New USD 2037 B Bonds”)**

**€116,325,737 amortizing step-up securities due 2037 (payable in 19 installments, with final coupon of 5.125%)
(Reg S ISIN: XS2385150177 / Common Code: 238515017; 144A ISIN: XS2385150250 / Common Code: 238515025)
(the “New Euro 2037 B Bonds”)**

**U.S.\$153,166,165 amortizing step-up securities due 2037 (payable in 19 installments, with final coupon of 5.250%)
(Reg S ISIN: XS2385150847 / Common Code: 238515084; 144A ISIN: XS2385151068 / Common Code: 238515106)
(the “New USD 2037 C Bonds”)**

**€138,837,134 amortizing step-up securities due 2037 (payable in 19 installments, with final coupon of 4.500%)
(Reg S ISIN: XS2385151142 / Common Code: 238515114; 144A ISIN: XS2385151654 / Common Code: 238515165)
(the “New Euro 2037 C Bonds”)**

The Province of Buenos Aires (Legal Entity Identifier: 549300L6AYROPOTQ4L07) (the “Province”) has issued U.S.\$6,202,149,888 in aggregate principal amount of its New USD 2037 A Bonds, €236,814,400 in aggregate principal amount of its New Euro 2037 A Bonds, U.S.\$777,634,375 in aggregate principal amount of its New USD 2037 B Bonds, €116,325,737 in aggregate principal amount of its New Euro 2037 B Bonds, U.S.\$153,166,165 in aggregate principal amount of its New USD 2037 C Bonds, and €138,837,134 in aggregate principal amount of its New Euro 2037 C Bonds (the “New Bonds”).

The New Bonds have been accepted for clearance and settlement through Euroclear Bank SA/NV as operator of the Euroclear System (“Euroclear”) and Clearstream Banking, société anonyme (“Clearstream”). The New Bonds were issued on September 3, 2021.

Application has been made to have the New Bonds admitted to trading on the Official List of the Luxembourg Stock Exchange and to be listed on the Euro MTF Market operated by the Luxembourg Stock Exchange, which is a multilateral trading facility for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended, (“MiFID II”), and, therefore, not an EU-regulated market. The Bank of New York Mellon SA/NV, Luxembourg Branch, will serve as the Luxembourg Listing Agent.

The Listing Particulars constitute a prospectus for the purpose of Part IV of the Luxembourg Law of 16 July 2019 on Prospectuses for Securities.

The Listing Particulars do not constitute a prospectus within the meaning of Regulation (EU) No 1129/2017 of the European Parliament and of the Council of 14 June 2017 (as amended, the “Prospectus Regulation”). Neither the Luxembourg Financial Supervisory Authority (Commission de Surveillance du Secteur Financier, or “CSSF”), nor any other “competent authority” (as defined in the Prospectus Regulation) has approved the Listing Particulars or reviewed information contained in the Listing Particulars.

The Luxembourg Stock Exchange has only approved the sections herein that relate to the listing of the New Bonds and not the sections that relate to the Exchange Offer. The sections relating to the Exchange Offer are given for informational purposes only. No public offering for the New Bonds has been made in Luxembourg. Holders (as defined in the Prospectus Supplement) of the Eligible Bonds (as defined in the Prospectus Supplement) have validly tendered pursuant to the terms of this Exchange Offer.

The Province is solely responsible for the information given in this Listing Particulars. The Province hereby declares that to the best of

its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Listing Particulars is in accordance with the facts and contains no omission likely to affect its import.

You should read the Listing Particulars along with the invitation memorandum, dated April 24, 2020, as most recently amended and restated on August 6, 2021 (the “Invitation Memorandum”), appended hereto as Annex A, which is considered part of the Listing Particulars. The document contains information you should consider when making your investment decision. The Province has not authorized anyone else to provide you with different information. We are responsible for the information contained in the Listing Particulars. We have not authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you.

Information in the Listing Particulars and the document appended hereto is accurate as of the date on the front of the Listing Particulars.

The Listing Particulars and the document appended hereto will be published on the internet website of the Luxembourg Stock Exchange www.bourse.lu and will be available for download free of charge.

Notices

So long as the notes are listed on the Luxembourg Stock Exchange and the rules of the exchange require, the Province will publish notices on the website of the Luxembourg Stock Exchange (www.bourse.lu). If publication on the website of the Luxembourg Stock Exchange (www.bourse.lu) is not practicable, the Province will give notices in another way consistent with the rules of the Luxembourg Stock Exchange. Any notice so published will be considered given on the date of its first publication.

The date of this Listing Particulars is October 13, 2021.

Annex A



Invitation Memorandum

THE PROVINCE OF BUENOS AIRES
(A Province of the Republic of Argentina)

This amendment No. 1 (“**Amendment No. 1**”) amends and restates in their entirety the terms and conditions of the invitation set forth in the Province of Buenos Aires’ invitation memorandum dated April 24, 2020, as supplemented by supplement no. 1 dated as of May 4, 2020 (the “**Supplement No. 1**”) and each of the press releases issued by the Province of Buenos Aires dated prior to the date hereof extending such invitation (collectively, the “**Press Releases**”) (such invitation, the “**Original Invitation**,” and the Original Invitation as amended and restated pursuant to this Amendment No. 1, the “**Invitation**”), mainly to revise the terms and conditions to conform the Original Invitation in accordance with an agreement reached between the Province of Buenos Aires and certain Holders (as defined herein) on July 20, 2021 and to update the “Background to the Invitation,” “Risk Factors,” “The Province of Buenos Aires,” “The Provincial Economy,” “Public Sector Finances,” “Public Sector Debt” and “Banco Provincia” sections with recent developments.

Attached hereto is the invitation memorandum as amended and restated (the “**invitation memorandum**”).

Eligible Holders that delivered instructions to tender their Eligible Bonds in respect of the Original Invitation prior to the date hereof and do not revoke such instructions prior to the Expiration shall be deemed to have given Instructions (as defined below), including to receive New Bonds (as defined herein) in accordance with the terms and conditions of the Invitation. Eligible Holders of:

- (i) USD 2020 Bonds, 10.875% USD 2021 Bonds, 9.950% USD 2021 Bonds, USD 2023 Bonds, USD 2024 Bonds, USD 2027 Bonds or USD 2028 Bonds (in each case, as defined herein) that had selected to exchange their bonds for U.S. dollar amortizing step-up bonds due 2032 or U.S. dollar amortizing step-up bonds due 2040 will be deemed to have elected to receive New USD 2037 A Bonds (as defined herein) in accordance with the procedures described herein,
- (ii) USD 2035 Bonds (as defined herein) that had selected to exchange their bonds for U.S. dollar amortizing step-up bonds due 2032 or U.S. dollar amortizing step-up bonds due 2040 will be deemed to have elected to receive New USD 2037 B Bonds (as defined herein) in accordance with the procedures described herein,
- (iii) Euro 2020 Bonds or Euro 2023 Bonds (as defined herein) that had selected to exchange their bonds for euro amortizing step-up bonds due 2032 or euro amortizing step-up bonds due 2040 will be deemed to have elected to receive New Euro 2037 A Bonds (as defined herein) in accordance with the procedures described herein,
- (iv) Euro 2035 Bonds (as defined herein) that had selected to exchange their bonds for euro amortizing step-up bonds due 2032 or euro amortizing step-up bonds due 2040 will be deemed to have elected to receive New Euro 2037 B Bonds (as defined herein) in accordance with the procedures described herein,

in each case, unless their Instructions are revoked prior to the Expiration or not accepted by the Province (such acceptance to be granted in the sole discretion of the Province), and subject to the terms and conditions of this invitation memorandum. Eligible Holders that had delivered an instruction pursuant to the Original Invitation that want to make an election for New Bonds different than the one described above will need to revoke their prior instructions and deliver Instructions pursuant to the terms of this invitation memorandum.



Invitation Memorandum

THE PROVINCE OF BUENOS AIRES

(A Province of the Republic of Argentina)

Solicitation of Consents to Certain Amendments to the Eligible Bonds (as defined below) and Invitation to Exchange Eligible Bonds for New Bonds (as defined below)

The Province of Buenos Aires (the “**Province**”) hereby invites Eligible Holders of:

1. any series of bonds issued under the 2006 Indenture (as defined below) listed in the table below (collectively, the “**2006 Indenture Eligible Bonds**”), to consent to the actions proposed in this Invitation, including to authorize and direct the 2006 Indenture Trustee to modify the 2006 Indenture Eligible Bonds by substituting them for (i) New USD 2037 C Bonds (in the case of any 2006 Indenture Eligible Bonds denominated in U.S. dollars), or (ii) New Euro 2037 C Bonds (in the case of any 2006 Indenture Eligible Bonds denominated in euros) and, in conjunction with such consent, thereby submit (i) orders to exchange such 2006 Indenture Eligible Bonds, or (ii) if any Substitution Proposed Modification (as defined herein) affecting the 2006 Indenture Eligible Bonds becomes effective, orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications, for the corresponding amount of New Bonds selected by such Eligible Holder as detailed in the table below, and
2. any series of bonds issued under the 2015 Indenture (as defined below) listed in the table below (collectively, the “**2015 Indenture Eligible Bonds**,” and together with the 2006 Indenture Eligible Bonds, the “**Eligible Bonds**”) to submit orders to exchange their 2015 Indenture Eligible Bonds for the corresponding amount of New Bonds selected by such Eligible Holder as detailed in the table below and in conjunction with such orders to exchange, to consent to the actions related to such Eligible Bonds proposed in this Invitation,

in each case, on the terms and subject to the conditions described in this invitation memorandum.

For the purpose of this invitation memorandum, “**New Bonds**” refers collectively to the New USD 2037 A Bonds, New Euro 2037 A Bonds, New USD 2037 B Bonds, New Euro 2037 B Bonds, New USD 2037 C Bonds and New Euro 2037 C Bonds (in each case, as defined in “Description of the New Bonds—Specific Terms of Each Series of New Bonds”), “**Tender Order**” shall mean any order by or on behalf of an Eligible Holder to exchange an Eligible Bond (or any entitlement to receive a New Bond under the terms of the Invitation) for a New Bond, “**Consent**” shall mean, with respect to any Eligible Bond, the consent given by or on behalf of an Eligible Holder to the actions proposed in this Invitation, and “**Instructions**” shall mean Tender Orders and Consents delivered with respect to any Eligible Bond by or on behalf of an Eligible Holder in the manner contemplated in this invitation memorandum.

By delivering (and not revoking) valid Consents to the actions proposed in the Invitation, each Eligible Holder of 2006 Indenture Eligible Bonds thereby also submits (i) Tender Orders to exchange such Eligible Bonds, or (ii) if any Substitution Proposed Modification affecting the 2006 Indenture Eligible Bonds becomes effective, Tender Orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications, for the applicable amount of New Bonds selected by such Eligible Holder as detailed in the table below. By delivering (and not revoking) valid Tender Orders, each Eligible Holder of 2015 Indenture Eligible Bonds thereby also Consents to the actions proposed in this Invitation. For the avoidance of doubt, if the Province accepts a Consent pursuant to this Invitation, it will also accept the corresponding Tender Order.

The exchange offers referred to in the preceding paragraphs are collectively referred to as the “**Exchange Offers**.” The proposed modifications referred to in this invitation memorandum, which include the Non-Reserve Matter Modifications (as defined herein) and the Substitution Proposed Modifications, are collectively referred to as the “**Proposed Modifications**.”

2006 Indenture Eligible Bonds	ISIN	Outstanding Amount ⁽¹⁾	New Bonds Consideration ⁽²⁾
4.000% USD MTN Due 2020 (the “ USD 2020 Bonds ”)	Reg S XS0234086196/ 144 A XS0234086436	U.S.\$10,616,576.00	
10.875% USD Bonds Due 2021 (the “ 10.875% USD 2021 Bonds ”)	Reg S XS0584493349/ 144 A XS0584497175	U.S.\$250,050,000.00	U.S.\$100 principal amount of New USD 2037 A Bonds; or New Euro 2037 A Bonds in a principal amount equal to the Euro Equivalent (as defined herein) of U.S.\$100
9.625% USD Bonds Due 2028 (the “ USD 2028 Bonds ”)	Reg S XS0290125391/ 144 A XS0290124154	U.S.\$400,000,000.00	
4.000% EUR MTN Due 2020 (the “ Euro 2020 Bonds ”)	Reg S XS0234085461/ 144 A XS0234085891	€95,376,888.15	€100 principal amount of New Euro 2037 A Bonds; or New USD 2037 A Bonds in a principal amount equal to the Dollar Equivalent (as defined herein) of €100
4.000% USD Bonds Due 2035 (the “ USD 2035 Bonds ”)	Reg S XS0234084738/ 144 A XS0234085032	U.S.\$488,427,963.00	U.S.\$100 principal amount of New USD 2037 B Bonds; or New Euro 2037 B Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100, in each case, reduced by the pro rata share of the Remaining A Bonds (as defined herein) they may receive pursuant to the terms of this Invitation ⁽³⁾
4.000% EUR Bonds Due 2035 (the “ Euro 2035 Bonds ”)	Reg S XS0234082872/ 144 A XS0234084142	€578,248,613.00	€100 principal amount of New Euro 2037 B Bonds; or New USD 2037 B Bonds in a principal amount equal to the Dollar Equivalent of €100, in each case, reduced by the pro rata share of the Remaining A Bonds they may receive pursuant to the terms of this Invitation ⁽³⁾

2015 Indenture Eligible Bonds			
9.950% USD Bonds Due 2021 (the “ 9.950% USD 2021 Bonds ”)	Reg S XS1244682487/ 144 A XS1244682057	U.S.\$899,475,908.00	
6.500% USD Bonds Due 2023 (the “ USD 2023 Bonds ”)	Reg S XS1566193295/ 144 A XS1566193378	U.S.\$750,000,000.00	U.S.\$100 principal amount of New USD 2037 A Bonds; or New Euro 2037 A Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100
9.125% USD Bonds Due 2024 (the “ USD 2024 Bonds ”)	Reg S XS1380274735/ 144 A XS1380327368	U.S.\$1,250,000,000.00	
7.875% USD Bonds Due 2027 (the “ USD 2027 Bonds ”)	Reg S XS1433314314/ 144 A XS1433314587	U.S.\$1,750,000,000.00	
5.375% EUR Bonds Due 2023 (the “ Euro 2023 Bonds ”)	Reg S XS1649634034/ 144 A XS1649634380	€500,000,000.00	€100 principal amount of New Euro 2037 A Bonds; or New USD 2037 A Bonds in a principal amount equal to the Dollar Equivalent of €100;

- (1) Includes Eligible Bonds owned or controlled by the Province or any public sector instrumentality of the Province.
- (2) Principal of New Bonds per U.S.\$100 or €100 principal amount outstanding (after taking into account amortization payments to date) of Eligible Bonds.
- (3) Eligible Holders of USD 2035 Bonds and Euro 2035 Bonds whose Instructions are accepted will receive on the Settlement Date a pro rata share of the Remaining A Bonds, if any, in lieu of the equivalent aggregate principal amount of the New USD 2037 B Bonds or New Euro 2037 B Bonds, as applicable, to which they would otherwise be entitled as set forth in the table above (without taking into account the reduction by the Remaining A Bonds described in the table above). See “Summary of the Invitation—Consideration to be Received Pursuant to Instructions for 2006 Indenture Eligible Bonds.”

Eligible Holders who submit valid and accepted Instructions will receive the Additional Consent Consideration and will not receive any payments in respect of accrued and unpaid interest on their Eligible Bonds tendered and accepted. Holders who did not submit valid Instructions, including Ineligible Holders, or whose Instructions were not accepted, will not be entitled to receive any cash or in-kind payment for any interest accrued and unpaid on any Eligible Bond that is modified and substituted for a New Bond pursuant to the Substitution Proposed Modifications, if those modifications become effective, and will not be entitled to receive any Additional Consent Consideration. See “Terms of the Invitation—Additional Consent Consideration.”

If a Holder does not tender its Eligible Bonds, revokes its Instructions prior to the Expiration, is an Ineligible Holder or its Instructions are not accepted, and the Substitution Proposed Modifications affecting its series of Eligible Bonds become effective, such Holder will receive (i) for each U.S.\$100 principal amount of U.S. dollar-denominated Eligible Bonds (after taking into account amortization payments to date), U.S.\$100 principal amount of New USD 2037 C Bonds, and for each €100 outstanding principal amount of euro-denominated Eligible Bonds (after taking into account amortization payments to date), €100 principal amount of the New Euro 2037 C Bonds.

In addition, if the Non-Reserve Matter Proposed Modifications affecting any series of 2006 Indenture Eligible Bonds become effective, the Province will, among other things, modify the 2006 Indenture Eligible Bonds that remain outstanding following the Settlement Date to allow the Province to (i) amend the place or places of payment, including to select Argentina as the new place of payment of such 2006 Indenture Eligible Bonds and (ii) appoint as paying agent a financial institution or entity which may not be an agent of the trustee. In such event, holders of the 2006 Indenture Eligible Bonds may need to own an account in a local Argentine financial institution to receive payments in U.S. dollars or euros, as applicable. As of the date of this invitation memorandum, in the event that the Province were to select Argentina as the new place of payment under the 2006 Indenture Eligible Bonds modified by the Non-Reserve Matter Modifications, holders of the 2006 Indenture Eligible Bonds that are not individuals may face certain restrictions to transfer outside of Argentina any amounts they receive in foreign currency (U.S. dollars or euros) under the 2006 Indenture Eligible Bonds via a cross-border bank wire transfer. See “Exchange

Regulations—Restrictions to Foreign Exchange Market and other related measures,” and “Risk Factors—Risk of Modification of the Terms and Conditions of the Eligible Bonds.”

A separate Instruction must be submitted in respect of each beneficial owner of Eligible Bonds wishing to participate in the Invitation. If we accept your Instructions and the conditions to the effectiveness of the Invitation are met, including the Minimum Participation Condition (as defined herein), or waived by us, where applicable, you will receive New Bonds in exchange for the Eligible Bonds you tendered, even if the Proposed Modifications of the remaining Eligible Bonds of the series you tendered are not adopted.

The New USD 2037 B Bonds and New Euro 2037 B Bonds will be issued pursuant to the 2006 Indenture (the “**2006 Indenture New Bonds**”) and will be substantially in the form set forth as Annex B and the New USD 2037 A Bonds, New Euro 2037 A Bonds, New USD 2037 C Bonds and New Euro 2037 C Bonds will be issued pursuant to the 2015 Indenture (the “**2015 Indenture New Bonds**”) and will be substantially in the form set forth as Annex C.

The Invitation will expire at 5:00 p.m. (Central European Time (“CET”)) on August 27, 2021 (such time and date, as may be extended or earlier terminated by the Province, the “**Expiration**”).

Holders may revoke their Instructions at any time prior to the Expiration, as described herein. Subject to the satisfaction or waiver (where applicable) of the conditions to the Invitation and Proposed Modifications described herein, including the Minimum Participation Condition, on the Settlement Date (as defined below), we expect to (i) accept all valid Instructions for Eligible Bonds, whether or not the remaining Eligible Bonds of that series are successfully substituted pursuant to the Substitution Proposed Modifications, (ii) give effect to the Proposed Modifications with respect to each and all series of Eligible Bonds for which the Requisite Consents (as defined below) are received and accepted by the Expiration, and (iii) settle the Exchange Offers.

After completion of the Invitation, the Province may in its sole discretion, subject to applicable regulations, propose one or more modifications that are “uniformly applicable” (as defined in this invitation memorandum) and that would affect one or more series of New Bonds and one or more series of 2015 Indenture Eligible Bonds that are not successfully modified and substituted pursuant to the Substitution Proposed Modifications (the “**Subsequent Modification(s)**”). Under the terms of the 2015 Indenture, if the Province proposes modifications on that basis, holders of more than 75% of the aggregate principal amount of any series of New Bonds and any series of 2015 Indenture Eligible Bonds affected by the Subsequent Modifications, taken in the aggregate, may approve the Subsequent Modifications.

With regard to each series of Eligible Bonds, it is a condition to the effectiveness of the relevant Proposed Modifications that we receive and accept valid Consents (which are part of the Instructions) from Holders representing the requisite majorities provided for in the 2006 Indenture or the 2015 Indenture, as applicable (the “**Requisite Consents**”), as described under “Terms of the Invitation—Requisite Consents.”

In accordance with the terms of the Eligible Bonds, and subject to re-designation as described below, we will consider Consents on an aggregated basis for the purpose of determining whether we have received and accepted the Requisite Consents for the Substitution Proposed Modifications, as follows:

- for the Substitution Proposed Modifications affecting the 2006 Indenture Eligible Bonds, the Consents of all series of 2006 Indenture Eligible Bonds will be aggregated; and
- for the Substitution Proposed Modifications affecting the 2015 Indenture Eligible Bonds, the Consents of all series of 2015 Indenture Eligible Bonds and, only to the extent the relevant Substitution Proposed Modification affecting 2006 Indenture Eligible Bonds is adopted with respect to a series of 2006 Indenture Eligible Bonds, the Consents of each such series of 2006 Indenture Eligible Bonds will be aggregated.

In each case, by delivering Instructions, you will consent and authorize us to re-designate at any time (including after the Expiration), the series of Eligible Bonds that will be aggregated for the Substitution Proposed Modifications by excluding one or more series of the initially designated series of Eligible Bonds for the purpose of determining whether the Requisite Consents have been received, which, for the avoidance of doubt, may result in your series of Eligible Bonds being excluded. We will not re-designate the series of Eligible Bonds that will be aggregated for the Substitution Proposed Modifications affecting 2015 Indenture Eligible Bonds without the Consent to the Substitution Proposed Modifications of at least a majority of the Eligible Bonds of each series issued under the 2015 Indenture that will remain aggregated for purposes of determining the Requisite Consents.

To the extent any series of Eligible Bonds is excluded as described above, by delivering Instructions, you will also consent and authorize us to determine whether we have received the Requisite Consents for the Substitution Proposed Modifications affecting any such excluded series on a single series basis. See “Terms of the Invitation—Requisite Consents.”

If we receive and accept the Requisite Consents with respect to the Proposed Modifications to one or more series of Eligible Bonds (on an aggregated basis or single series basis), the other conditions to the effectiveness of the Proposed Modifications are met or waived (where applicable) and we decide to declare the Proposed Modifications effective with respect to any of those series, then those Proposed Modifications will be conclusive and binding on all Holders of those series of Eligible Bonds, whether or not they have consented to the Proposed Modifications, including Holders of those series of Eligible Bonds that are not Eligible Holders (“**Ineligible Holders**”) or whose Tender Orders were not accepted by the Province.

Holders that submitted valid Instructions accepted by the Province will be entitled to receive the New Bonds selected in their Instruction and the Additional Consent Consideration and, if the Substitution Proposed Modifications become effective with regard to one or more series of Eligible Bonds, Holders of Eligible Bonds that did not participate in the Invitation, including Ineligible Holders, or Eligible Holders who participated in the Invitation but whose Instructions were not accepted by the Province, will have their Eligible Bonds substituted as set forth under “Terms of the Invitation—Proposed Modifications.” In this event, the economic terms and other important provisions of the New Bonds that the non-participating Holder and the Eligible Holder who delivered an Instruction that was not accepted will receive in substitution for its Eligible Bonds will differ significantly from the economic terms and other important provisions of its Eligible Bonds prior to the effectiveness of the Substitution Proposed Modifications, such Holder will not receive the Additional Consent Consideration and will no longer have the right to receive the accrued and unpaid interest up to, but excluding, the Settlement Date, on its Eligible Bonds.

By delivering their Instructions, Eligible Holders whose Eligible Bonds are accepted by us agree as of the Settlement Date to (i) waive any and all defaults and events of default, as applicable, that may have occurred or will occur under the Eligible Bonds (prior to the effectiveness of the Proposed Modifications and consummation of the Invitation with respect to such Eligible Bonds) as a result of (A) a default or event of default under any series of Eligible Bonds for which the Requisite Consents are not obtained at or prior to the Expiration, and (B) the entering or issuance of judgments or arbitral awards relating to any series of Eligible Bonds for which the Requisite Consents are not obtained at or prior to the Expiration, and (ii) waive and release the Province from any and all claims such Eligible Holders may have now or in the future in connection with or arising out of any such defaults and events of default, as applicable, and acknowledge and agree that any such defaults and events of default shall be deemed cured upon the effectiveness of the Proposed Modifications and consummation of the Invitation, as described herein. Notwithstanding anything to the contrary herein, the effectiveness of the foregoing waiver (A) with respect to individual Eligible Holders, will not be subject to any conditions, and (B) with respect to a series, will only be contingent upon receiving the Requisite Consents for such series.

The New Bonds will contain provisions, commonly known as “**collective action clauses**,” regarding future modifications to the terms of the New Bonds. Under these provisions, the Province may amend the payment provisions of any series of debt securities issued under the 2006 Indenture or 2015 Indenture, as applicable, and other reserve matters listed in the 2006 Indenture or 2015 Indenture, as applicable, with the consent of less than all of the holders of the New Bonds. The modification provisions in the 2006 Indenture (which will apply to the 2006 Indenture New Bonds) differ from those in the 2015 Indenture (which will apply to the 2015 Indenture New Bonds). See “Description of the New Bonds—General Terms Common to all 2006 Indenture New Bonds—Meetings, Amendments and Waivers,” “Description of the New Bonds—General Terms Common to all 2015 Indenture New Bonds—Meetings, Amendments and Waivers” and “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture.” Furthermore, following the consummation of the Invitation, any failure to pay any interest on, or principal of, or acceleration of, any Eligible Bonds that remain outstanding after the consummation of the Invitation will not become the basis for an event of default or cross-acceleration of the New Bonds.

This Invitation is being made on the terms and subject to the conditions set out in this invitation memorandum.

For the purposes of the Invitation, the term “**Holder**” shall be deemed to include beneficial owners of Eligible Bonds on the books of Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**” and such holders, “**Euroclear Participants**”), beneficial owners of Eligible Bonds on the books of Clearstream Banking, Société Anonyme (“**Clearstream**”, and such holders “**Clearstream Participants**”) and beneficial owners of Eligible Bonds on the books of Caja de Valores S.A. (“**Caja de Valores**”, and such holders “**Caja de Valores Participants**”).

The term “Outstanding” for each series of Eligible Bonds has the meaning ascribed to it in the 2006 Indenture or the 2015 Indenture, as applicable. See “Description of the New Bonds—General Terms Common to all 2006 Indenture New Bonds—Meetings, Amendments and Waivers” and “Description of the New Bonds—General Terms Common to all 2015 Indenture New Bonds—Meetings, Amendments and Waivers.”

THIS INVITATION IS ONLY BEING DIRECTED TO ELIGIBLE HOLDERS.

The New Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any other jurisdiction. Unless they are registered under the Securities Act, the New Bonds may be offered only in transactions that are exempt from registration under the Securities Act. Accordingly, the Invitation is being directed only to Holders of Eligible Bonds that are: (i) “qualified institutional buyers” as defined in Rule 144A under the Securities Act or (ii) (x) outside the United States as defined in Regulation S under the Securities Act, (y) if located within a member state of the European Economic Area (the “EEA”) or the United Kingdom (the “UK”), a “qualified investor” as defined in Regulation (EU) 1129/2017 (as amended, the “Prospectus Regulation”) or the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the “EUWA”) (the “UK Prospectus Regulation”), respectively, and (z) if outside the EEA or the UK, is eligible to receive this offer under the laws of its jurisdiction (each, an “Eligible Holder”). Any Holder who does not certify its status as an Eligible Holder will not be entitled to submit Instructions. All Holders other than Eligible Holders are referred to as “Ineligible Holders.” For further details about the resale restrictions for the New Bonds, see “Jurisdictional Restrictions” and “Transfer Restrictions.”

Special Notice to Investors in the European Economic Area

The Invitation is not being made to any retail investors in any Member State of the EEA and EEA retail investors will not be given the opportunity to state their views on the Proposed Modifications. As a result, no “offer” of New Bonds is being made to retail investors in the EEA. Any Holder who does not deliver Instructions is effectively not consenting to the Proposed Modifications. Therefore, it will be necessary for other (not such retail) investors representing a greater nominal principal amount Outstanding to consent to the Proposed Modifications for the Proposed Modifications to become effective. If the Proposed Modifications become effective with respect to one or more series of Eligible Bonds, then, in accordance with the terms of such Eligible Bonds, such series of Eligible Bonds will be modified, and such modification will affect all Holders, including Ineligible Holders, of those series of Eligible Bonds, regardless of whether they consented or if they were entitled to participate in the Invitation.

This Invitation is only being made to beneficial owners of Eligible Bonds who are within the EEA if they are “qualified investors” as defined in the Prospectus Regulation). For the purposes of the Invitation, “**Eligible Holders**” do not include any beneficial owner located within a Relevant State who is not a “qualified investor” (as defined in the Prospectus Regulation) or any other beneficial owner located in a jurisdiction where the Invitation is not permitted by law. No offer of any kind is being made to Ineligible Holders. For further details about eligible offerees and resale restrictions, see “Jurisdictional Restrictions” and “Transfer Restrictions.”

The New Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the New Bonds or otherwise making them available to retail investors in a Relevant State has been prepared and therefore offering or selling the New Bonds or otherwise making them available to any retail investor in a Relevant State may be unlawful under the PRIIPs Regulation.

Special Notice to Investors in the United Kingdom

The Invitation is not being made to any retail investors in the UK and UK retail investors will not be given the opportunity to state their views on the Proposed Modifications. As a result, no “offer” of New Bonds is being made to retail investors in the UK. Any Holder who does not deliver Instructions is effectively not consenting to the Proposed Modifications. Therefore, it will be necessary for other (not such retail) investors representing a greater nominal principal amount Outstanding to consent to the Proposed Modifications for the Proposed Modifications to become effective. If the Proposed Modifications become effective with respect to one or more series of Eligible Bonds, then, in accordance with the terms of such Eligible Bonds, such series of Eligible Bonds will be modified, and such modification will affect all Holders, including Ineligible Holders, of those series of Eligible Bonds, regardless of whether they consented or if they were entitled to participate in the Invitation.

This Invitation is only being made to beneficial owners of Eligible Bonds who are within the UK if they are “qualified investors” as defined in the UK Prospectus Regulation. For the purposes of the Invitation, “**Eligible Holders**” do not include any beneficial owner located within a Relevant State who is not a “qualified investor” (as defined in the UK Prospectus Regulation) or any other beneficial owner located in a jurisdiction where the Invitation is not permitted by law. No offer of any kind is being made to Ineligible Holders. For further details about eligible offerees and resale restrictions, see “Jurisdictional Restrictions” and “Transfer Restrictions.”

The New Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in the UK Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the New Bonds or otherwise making them available to retail investors in a Relevant State has been prepared and therefore offering or selling the New Bonds or otherwise making them available to any retail investor in a Relevant State may be unlawful under the PRIIPs Regulation.

This Invitation is being made on the terms and subject to the conditions set out in this invitation memorandum.

The Internet address for the offer website (the “**Invitation Website**”) is: <https://sites.dfkingltd.com/PBA>.

The information, tabulation and exchange agent for the Invitation is D.F. King (the “**Information, Tabulation and Exchange Agent**”) which may be reached at the address and telephone number specified on the back cover of this invitation memorandum. The Information, Tabulation and Exchange Agent will operate the Invitation Website and answer questions from Holders regarding the procedures to deliver Instructions.

If you are a beneficial owner of Eligible Bonds through a financial institution or intermediary, you may need to contact your financial institution or intermediary and inform such financial institution or intermediary that you wish to instruct it to deliver Instructions on your behalf in respect of such Eligible Bonds and tender your Eligible Bonds in the Exchange Offers. Financial institutions or intermediaries may impose their own deadlines for instructions to be received from investors in the Eligible Bonds with respect to the Invitation, which may be earlier than the Expiration for the Invitation set out above. Investors holding the Eligible Bonds through financial institutions or intermediaries should therefore contact their financial institutions or intermediaries to ensure timely receipt of your Instruction. If your financial institution or intermediary does not have adequate time to process your instruction, your Instruction will not be given effect.

The Province intends to list each series of New Bonds on the Luxembourg Stock Exchange and the Bolsas y Mercados Argentinos S.A. (the “**ByMA**”) and to have each series of New Bonds admitted for trading on the Euro MTF Market and the Mercado Abierto Electrónico S.A. (the “**MAE**”). See “Terms of the Invitation—Market for the Eligible Bonds and the New Bonds.”

In this invitation memorandum, references to the “Province”, “we,” “our” and “us” are to the Province of Buenos Aires. References to “Holders,” “you” or “your” are to beneficial owners of Eligible Bonds.

This invitation memorandum does not constitute an offer to tender, or the solicitation of an offer to tender, securities in any jurisdiction where such offer or solicitation is unlawful. The distribution of this invitation memorandum in certain jurisdictions may be restricted by law, and persons into whose possession this invitation memorandum comes are requested to inform themselves about and to observe such restrictions, including whether they are Eligible Holders pursuant to the laws of their respective jurisdictions. See “Representations and Acknowledgements of the Beneficial Owners of the Eligible Bonds” and “Jurisdictional Restrictions.”

This invitation memorandum contains important information which should be read carefully before any decision is made with respect to the Invitation. Any Holder that is in any doubt as to the action it should take should seek its own financial advice, including as to any tax consequences, from its legal adviser, accountant or other independent financial adviser.

The Dealer Managers for the Invitation are:

BofA Securities

Citigroup

August 6, 2021

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INTRODUCTION

We are responsible for the information contained in this invitation memorandum. We have not authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. Neither the delivery of this invitation memorandum or the delivery of any Instruction, nor the exchange or substitution of any New Bonds for Eligible Bonds pursuant to the Invitation shall, under any circumstances, create any implication that there has been no change in our condition since the date of this invitation memorandum.

We are furnishing this invitation memorandum to you solely for your use in connection with the Invitation.

The Province is a province of the Republic of Argentina. The Republic of Argentina is a sovereign state. Consequently, it may be difficult for you to obtain or realize upon judgments of courts or arbitral awards in the United States and other jurisdictions against the Province. See “Risk Factors—Risks Factors Relating to the New Bonds—It may be difficult for you to obtain or enforce judgments against the Province.”

This invitation memorandum contains specific information about the terms of the Invitation and the New Bonds. Before you participate in the Invitation, you should read this invitation memorandum. If you do not participate in the Invitation, you may still be subject to the Proposed Modifications as further described in this invitation memorandum. You should base your decision on the information in the invitation memorandum. We do not accept responsibility for any other information.

None of us, the 2006 Indenture Trustee (as defined below), the 2015 Indenture Trustee (each of the 2006 Indenture Trustee and the 2015 Indenture Trustee, a “**Trustee**” and collectively, the “**Trustees**”), the Dealer Managers or the Information, Tabulation and Exchange Agent has expressed any opinion as to whether the terms of the Invitation are fair or made any recommendation that you deliver Instructions or refrain from doing so pursuant to the Invitation or authorized any other person to make any such recommendation. You must make your own decision as to whether to deliver Instructions for any or all Eligible Bonds that you may beneficially own or refrain from doing so.

The Invitation Website can be accessed at <https://sites.dfkingltd.com/PBA>. Access to the Invitation Website will be subject to certain restrictions in compliance with exemptions from regulatory approval being relied on by the Province in such jurisdictions. See “Transfer Restrictions” and “Jurisdictional Restrictions.” Information on the Invitation Website is not incorporated by reference in this invitation memorandum.

Questions and requests for assistance in connection with the procedures to deliver Instructions may be directed to the Information, Tabulation and Exchange Agent, the contact details for which are on the back cover of this invitation memorandum.

Unless otherwise noted, capitalized terms used in this invitation memorandum have the meanings given in “Certain Defined Terms.”

Currency of Presentation and Exchange Rates

Unless otherwise specified, references in this invitation memorandum to “dollars,” “U.S. dollars,” “USD” and “U.S.\$” are to the currency of the United States of America, references to “euros” and “EUR” are to the currency of the European Union, references to “CHF” are to Swiss francs, references to “JPY” are to Japanese Yen and references to “pesos” and “ARS” are to Argentine pesos.

The Province publishes most of its economic indicators and other statistics in pesos.

The following table sets forth the annual high, low, average and period-end “reference” exchange rates for the year 2020 and for each month beginning in January and ending in July for the year 2021, expressed in pesos per U.S. dollar and not adjusted for inflation. There can be no assurance that the peso will not depreciate or appreciate in the future. The Federal Reserve Bank of New York does not report a noon buying rate for pesos.

	Exchange rates ⁽¹⁾			
	High	Low	Average ⁽²⁾	Period End
2015	13.763	8.554	9.269	13.005
2016	16.039	13.069	14.779	15.850
2017	18.830	15.174	16.567	18.774
2018	40.897	18.416	28.094	37.808
2019	60.003	37.035	48.242	59.895
2020	84.145	59.815	70.594	84.145
2021				
January	87.298	84.703	85.971	87.298
February	89.825	87.605	88.675	89.825
March	91.985	90.085	91.066	91.985
April	93.555	92.237	92.864	93.555
May	94.685	93.675	94.105	94.685
June	95.727	94.735	95.254	95.727
July	96.685	95.767	96.238	96.685

(1) Central Bank reference exchange rates (Communication A 3500 of Central Bank).

(2) Average of daily closing quotes.

Source: Central Bank.

Currency conversions, including conversions of pesos into U.S. dollars, are included for the convenience of the reader only and should not be construed as a representation that the amounts in question have been, could have been or could be converted into any particular denomination, at any particular rate or at all.

As of July 30, 2021, the peso dollar reference exchange rate was ARS 96.685 per USD 1.00 (Communication A 3500 of Central Bank).

Exchange Regulations

Restrictions to the Foreign Exchange Market and other related measures

In September 2019, the Federal Government issued Decree No. 609/2019 establishing extraordinary and transitory rules related to exports of goods and services, transfers outside Argentina and access to the exchange market, delegating the power to regulate these matters to the Central Bank. Consequently, the Central Bank reinstated regulations on foreign currency transactions, requiring financial institutions to obtain prior approval of the Central Bank before transferring foreign currency outside Argentina and accessing to the exchange market for certain specific purposes. In other cases, access to the foreign exchange market was not subject to prior Central Bank approval to the extent the particular requirements established in its regulations were met. After the presidential elections held on October 27, 2019, the Central Bank tightened the foreign exchange regulations imposed in September 2019 (subsequently amended and restated) and introduced new regulations on individual and legal persons’ access to the foreign exchange market, including, among others, monthly limits of U.S.\$200 on purchases of foreign currency by resident individuals.

Pursuant to foreign exchange regulations in place as of the date of this invitation memorandum, the proceeds of foreign financial indebtedness disbursed after September 1, 2019 must be repatriated and settled in the foreign exchange market for pesos for the debtor to access such market for payments of principal and interest (with

certain limited exceptions). Access to the foreign exchange market for repayment of foreign financial indebtedness and certain other transactions is also conditioned on the debtor's compliance with the External Assets and Liabilities Reporting Regime.

Exporters of goods must repatriate and settle for pesos through the foreign exchange market the proceeds of exports that cleared customs as of September 2, 2019 (subject to limited exceptions). Any amounts collected in foreign currency in connection with insurance claims related to exported goods must also be repatriated and settled in pesos through the foreign exchange market, up to the amount of the insured exported goods. Exporters of services must repatriate and settle through the foreign exchange market the proceeds of exports of services within five business days following the earlier of the receipt of such proceeds by the exporter in Argentina or abroad, or the crediting of such amounts to any foreign account of the exporter.

Residents are authorized to access the foreign exchange market for the payment of imports of goods to non-Argentines subject to certain requirements (which, among others, vary depending on whether these relate to imports of goods with or without customs clearance at the time the payment is made). Residents may access the foreign exchange market for the payment of services provided by non-residents (provided they are unrelated entities) if the relevant transaction has been reported in accordance with the External Assets and Liabilities Reporting Regime, if applicable. Prior authorization by the Central Bank is required for residents to access the foreign exchange market for the pre-payment of debt originated in services provided by non-residents.

In December 2019, Law No. 27,541 (*Ley de Solidaridad Social y Reactivación Productiva en el Marco de la Emergencia Pública* or the "Solidarity Law") introduced a special tax on a number of transactions such as the purchase of foreign currency, the purchase of services abroad through travel or tourism agencies, and the purchase of land, air or water passenger transport services to destinations outside the country, among others, for a period of five fiscal years, commencing on the date of the enactment of the law.

On May 12, 2020, the *Comisión Nacional de Valores* (National Securities Commission, or "CNV") required mutual funds in pesos to invest at least 75% of their assets in financial instruments or securities issued in Argentina and exclusively denominated in pesos. In addition, the CNV introduced certain limits to the amount of foreign currency-denominated assets that may be held by open-ended mutual funds.

In addition, throughout 2020, the CNV issued several resolutions establishing certain limits and holding periods for securities sale and transfer transactions. As of the date of this invitation memorandum, to consummate securities sale transactions with settlement in foreign currency in the local market and to sell securities with settlement in foreign currency previously transferred into Argentina from foreign depositories in the local market, there is a mandatory minimum holding period of two business days. Moreover, for transactions involving a sale of securities with settlement in foreign currency in a foreign jurisdiction or transfers of securities acquired through settlement in pesos to foreign depositories, the minimum holding period is two business days.

On May 28 and June 11, 2020, the Central Bank introduced further foreign exchange regulations. In particular, the Central Bank's prior approval is currently required to access the foreign exchange market to remit funds outside of Argentina for (i) the acquisition and import of goods; (ii) other acquisitions of foreign currency by Argentine residents for certain purposes, such as the payment of principal and interest on foreign indebtedness, the payment of residents' foreign currency indebtedness to trusts set up in Argentina to guarantee the payment of services, the payment of publicly registered debt securities in Argentina denominated in foreign currency, the payment of residents' foreign currency obligations, among others; and (iii) the payment of premiums, establishment of guarantees and settlement of interest rate hedge agreements for obligations outside Argentina validly declared by residents, among others; unless the requesting person files an affidavit stating that, as of the date of the access to the foreign exchange market, (A) (i) all of its holdings of foreign currency in Argentina are held in bank accounts and (ii) it does not hold available "liquid external assets" (e.g., holdings of foreign currency in cash, gold, balances in foreign bank accounts and other investments in foreign currency of immediately available funds, but excluding funds deposited in accounts abroad that constitute reserve funds or guarantees in connection with foreign financial indebtedness or derivatives transactions) in excess of USD 100,000; provided that the following liquid external assets can be deducted from such amount (x) funds used to make payments for which access to the foreign exchange market would be granted or transferred on behalf of a resident to the account of a local entity authorized to operate on the foreign exchange market, (y) proceeds from exports of goods and services, export financings or the sale of non-financial non-produced assets that will be settled in the foreign exchange market within the applicable five-day

period, and (z) proceeds from foreign borrowings not exceeding debt service of principal and interest in the following 120 calendar days; (B) the requesting person undertakes, no later than 5 business days since the date of access to the foreign exchange market, to settle through the foreign exchange market any foreign-currency denominated funds received from the collection of (i) loans granted to third parties after May 28, 2020, (ii) term deposits funded after May 28, 2020, and (iii) sale of any kind of asset purchased after May 28, 2020.

Furthermore, until December 31, 2021, Central Bank authorization is required to access the foreign exchange market to make principal payments under cross-border financial indebtedness entered into with related parties.

Additionally, until December 31, 2021, access to the foreign exchange market for payments of imports of goods or the prepayment of principal under indebtedness arising from imports of goods, is subject to the Central Bank's prior approval, except in limited cases specified in Central Bank regulations.

The extent to which importers are able to access the foreign exchange market was increased to 50% of the amounts that such importers, as of October 2, 2020, had transferred from abroad and settled in the foreign exchange market in pesos as advances or pre-financing of exports for at least 180 days. For transactions settled as of March 19, 2021, importers are also able to access the foreign exchange market for an amount equal to the amount that such importers had transferred from abroad, provided that 50% of such amount is used to pay imports of capital goods and/or goods that qualify as necessary inputs for the production of exportable goods. For these latter transactions, the importing entity must present an affidavit from the client confirming these conditions.

On June 25, 2020, the Central Bank announced that access to the foreign exchange market would be granted for additional transactions (including the purchase of critical medicines, COVID-19 detection kits, goods shipped after July 1, 2020, supplies for the local production of medicines, import payments corresponding to indebtedness incurred prior to the relevant Central Bank regulation in amounts that do not exceed the limit provided for in such regulation by more than USD 1 million or USD 3 million in the case of imports of medicines and other goods related to medical care or supplies necessary for their local production).

In addition, access to the foreign exchange market is subject to the submission of an affidavit (i) certifying that as of such date and during the last 90-day period the person acquiring foreign currency has not sold any securities for foreign currency or transferred securities to a clearinghouse abroad, and (ii) including an undertaking by such person not to conduct any such operations for a 90-day period after the date of such access.

On September 15, 2020, the Central Bank, in coordination with other governmental agencies, took measures to:

- Promote an efficient allocation of foreign currency: In order to prioritize the allocation of foreign currency to the recovery of economic growth and employment, the *Administración Federal de Ingresos Públicos* ("AFIP") established a mechanism for the anticipated collection of income and personal property taxes through the payment of a 35% rate over the acquisition of foreign currency and credit and debit card purchases in foreign currency.
- Prevent operations by non-residents that are disruptive to the local financial market. The Central Bank has implemented a strategy of financial normalization, which implies the elimination of the possibility for non-resident financial agents to carry out securities settlement operations against foreign currency in Argentina, with the purpose of regulating the outflow of foreign currency through the local capital market. In addition, to prevent possible circumvention of its regulations, on September 15, 2020, the Central Bank announced certain measures to limit the local settlement of certain securities transactions carried out entirely abroad.
- Promote the development of the Argentinian capital market. On September 15, 2020, the CNV announced a series of measures to favor the processing of financial transactions in the local market, such as adjusting the minimum holding period that must be respected by transfers of securities from abroad for their settlement in local currency.
- Guidelines and bases for restructuring private sector financial debt in foreign currency. The Central Bank established certain provisions requiring the refinancing, and the filing with the Central Bank of a

refinancing plan, of a portion of principal maturities of liabilities in foreign currency, initially scheduled to be paid until March 31, 2020, and subsequently extended to require the refinancing, and the presentation of the refinancing plan in connection therewith, of principal payments due on or before December 31, 2021. The Province is not subject to this requirement.

- Prioritization of small and medium-sized enterprises for the pre-financing of exports. On September 15, 2020, the Central Bank announced measures to reduce the participation of large companies in financing lines for the pre-financing of exports. The initiative aims to ensure that large companies with access to international credit markets take advantage of the conditions generated by the restructuring of Argentina's sovereign debt, freeing up financing margins for small and medium-size export companies. Under these measures, financial entities require the Central Bank's prior authorization to disburse new financing in foreign currency to clients that fall within the definition of "large exporting companies." A company is considered a "large exporting company" if: (i) the total amount of its exports of goods and services for the prior 12 months represents at least 75% of its total sales and (ii) it holds a total amount of financing in the financial system, in pesos and/or foreign currency, that exceeds the equivalent of ARS 1.5 billion.

On October 1, 2020, the Central Bank announced that it would allow foreign currency collections from the export of goods and services to be applied to:

- payments of principal and interest on financial indebtedness with foreign creditors to the extent that the average duration of each financial instrument, considering principal and interest service payments due under such instrument, is of at least one year; and
- repatriation of direct investments by non-residents in companies that do not control local financial entities, as long as such repatriation occurs after the completion and implementation of the relevant investment project, and at least one year after the foreign currency enters the exchange market.

As of the date of this invitation memorandum (i) individuals (both resident and non-resident) are allowed to freely transfer abroad foreign currency, exclusively from accounts of their ownership to accounts of their ownership, and (ii) except for certain particular exceptions, entities, corporations and other non-individuals are not allowed to transfer foreign currency out of Argentina by means of cross-border bank wire transfers. However, subject to compliance with the requirements of applicable Central Bank and CNV regulations such entities are allowed to use other legal means that have the effect of transferring foreign currency outside of Argentina.

On October 19, 2020, the Central Bank announced that non-residents would be able to sell securities in Argentina with settlement in foreign currencies.

On February 4, 2021, the Central Bank announced that financial entities would be allowed to grant residents access to the foreign exchange market to cancel abroad services of principal and interest with respect to the issuance of debt instruments registered outside Argentina on or after February 5, 2021, if they were partially subscribed in Argentina in a foreign currency, as long as the following conditions are met:

- the debtor demonstrates that it had registered exports prior to the issuance of the debt instruments, or that the funds were used to meet obligations abroad, or, if neither of these two conditions is met, that the issuance had the prior approval of the Central Bank;
- the average duration of the debt instruments is at least five years;
- the first principal payment is not due within three years from the date of issuance;
- the portion subscribed in Argentina does not exceed 25% of the total subscription; and
- as of the access date, all funds subscribed abroad and in Argentina have been liquidated in the foreign exchange market.

On April 8, 2021, the Central Bank, announced that it would allow the application of foreign currency collections from the export of goods originating from projects under the Investment Promotion Regime for Exports (Decree No. 234/21) to the following operations:

- payments of principal and interest on indebtedness derived from the import of goods and services;
- payments of principal and interest on financial indebtedness payable outside of Argentina;
- payments of due profits and dividends corresponding to closed, audited balance sheets; and
- repatriation of direct investments by non-residents in companies that are not controlling shareholders of local financial entities.

The amount collected may not exceed (i) 20% of the foreign currency corresponding to the export permit to which collections are applied, and (ii) in a calendar year, 25% of the gross amount of foreign currency settled through the foreign exchange market for financing the project that generated the exports.

On April 27, 2021, the Central Bank issued Communication A 7272, updating Communication A 6844, which grouped together into a single body of rules most regulations concerning foreign exchange matters.

On July 10, 2021, the Central Bank established that financial entities must request an affidavit from companies that access the foreign exchange market. A company's affidavit must declare that for the 90 days preceding and following the affidavit, the company has neither arranged nor will arrange (i) sales of securities in Argentina with settlement in foreign currency or (ii) exchanges of securities for other foreign assets or transfers thereof to foreign depository entities. The affidavit must also include information on the human or legal persons that exercise a relationship of direct control over said company.

In addition, on July 8, 2021, the CNV reduced the mandatory term to hold securities from 3 to 2 days for dollar purchases settled through a local asset, and implemented a mandatory holding term of 2 days for the purchase of swaps for Blue Chip securities denominated in U.S. dollars. Moreover, the new weekly purchase limit was set at USD 50,000 for both local-law governed bonds and foreign-law governed bonds.

Since the reinstatement of foreign exchange controls in September 2019, an unofficial U.S. Dollar trading market has further developed in which the peso-U.S. Dollar exchange rate differs substantially from the official peso-U.S. Dollar exchange rate. We cannot predict how the current foreign exchange restrictions will evolve or assure that our ability to make payments of our public debt denominated in U.S. Dollars will not be affected thereby.

For further information regarding the full scope of current foreign exchange restrictions and control regulations, Holders should seek advice from their legal advisors and refer to the applicable foreign exchange rules.

PRESERVATION OF DEFENSES

Nothing in this invitation memorandum, or in any communication from the Province relating to the Invitation or otherwise, constitutes an acknowledgment or admission of the existence of any claim or any liability of the Province to pay that claim or an acknowledgment that any ability to bring proceedings in any jurisdiction in respect of such claim or any limitation period relating thereto has been revived or reinstated, or an express or implied promise to pay any such claim (or part thereof). All defenses available to the Province relating to any applicable statute of limitations or otherwise are expressly preserved for all purposes. This invitation memorandum may not be relied upon as evidence of the Province's agreement that a claim exists, or of the Province's willingness, ability or obligation to pay any claim. Any attribution of any value to any claim will not be considered an acknowledgment of the existence or validity of that claim and any consideration given by or on behalf of the Province to the proponent of that claim will be consideration only for the agreement by the proponent of that claim to cease all actions or proceedings in respect of that claim and to irrevocably assign and transfer to the Province all rights, if any, with respect to such claim and to undertake to complete any and all formalities or requirements necessary to ensure that if such claim existed neither the proponent nor any successor or assignee of the proponent (other than the Province) is able to evidence or allege such claim to remain in existence or to be a liability of the Province.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Province is making the Invitation in reliance on exemptions from the registration requirements of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering. The New Bonds have not been recommended by any U.S. or non-U.S. securities authorities, and these authorities have not determined that this invitation memorandum is accurate or complete. Any representation to the contrary is a criminal offence.

CERTAIN LEGAL RESTRICTIONS

The distribution of this invitation memorandum and the transactions contemplated by this invitation memorandum are restricted by law in certain jurisdictions. If this invitation memorandum comes into your possession, you are required by the Province to inform yourself of and to observe all of these restrictions, including whether they are Eligible Holders pursuant to the laws of their respective jurisdictions. This invitation memorandum does not constitute, and may not be used in connection with, an offer or solicitation in any jurisdiction where offers or solicitations are not permitted by law. Holders should carefully review the restrictions and limitations applicable in certain jurisdictions and the manner in which this invitation memorandum will be made available in such jurisdictions, as set forth under “Transfer Restrictions” and “Jurisdictional Restrictions.”

If a jurisdiction requires that the Invitation be made by a licensed broker or dealer and any Dealer Manager or any affiliate of any Dealer Manager is a licensed broker or dealer in that jurisdiction, the Invitation shall be deemed to be made by such Dealer Manager or such affiliate on behalf of the Province in that jurisdiction.

CERTAIN DEFINED TERMS

Certain Defined Terms

All references in this invitation memorandum to:

- The “**Province**,” “**we**,” “**our**” and “**us**” are to the Province of Buenos Aires, the issuer;
- “**Banco Provincia**” are to *Banco de la Provincia de Buenos Aires*, the Bank of the Province of Buenos Aires;
- The “**Central Bank**” are to the *Banco Central de la República Argentina*, the Central Bank of the Republic of Argentina;
- “**INDEC**” are to the *Instituto Nacional de Estadística y Censos*, the National Institute of Statistics and Censuses;
- “**ANSeS**” are to the *Administración Nacional de la Seguridad Social*, the National Social Security Administration;
- “**City of Buenos Aires**” are to the Ciudad Autónoma de Buenos Aires, the Autonomous City of Buenos Aires;
- “**Argentina**” are to the Republic of Argentina; and
- The “**federal government**” are to the non-financial sector of the central government of Argentina, excluding the Central Bank.

The terms set forth below have the following meanings for purposes of this invitation memorandum:

- “**BADLAR**” is the weighted average interest rate paid by private banks in Argentina for deposits in Argentine pesos on amounts greater than ARS 1.0 million for periods of 30-35 days.
- “**Boden**” were bonds that the federal government began to issue in 2002, originally to compensate individuals and financial institutions affected by emergency measures adopted by the federal government during the 2001 economic crisis. Subsequently, other *Bodens* were issued by the federal government and were not related to the compensation of those affected by the 2001 crisis and related emergency measures. Currently, there are no *Bodens* outstanding.
- “**Bogar**” are bonds issued by the federally administered *Fondo Fiduciario para el Desarrollo Provincial* (Trust Fund for Provincial Development) in order to restructure debt obligations of Argentina’s provinces, including the Province. The Province’s debt obligations in respect of *Bogar* bonds were consolidated with other provincial debts under the *Programa Federal de Desendeudamiento de las Provincias Argentinas* (Argentine Provincial Indebtedness Federal Refinancing Program).
- “**CER**,” or *Coeficiente de Estabilización de Referencia*, is a unit of account adopted on February 3, 2002, the value in pesos of which is indexed to consumer price index (the “CPI”). The nominal amount of a CER-based financial instrument is converted to a CER-adjusted amount, and interest on the financial instrument is calculated on the CER-adjusted balance.
- The “**Conurbano Bonaerense**” is an industrialized and heavily populated urban area surrounding the City of Buenos Aires. The scope and coverage of this area are defined by federal government agencies to represent a diverse demographic sample of Argentina’s urban population based upon various socio-economic variables, which are used in the development and implementation of national public policies. The area consists of several municipalities of the Province that surround the City of Buenos

Aires and does not include the City of Buenos Aires. Approximately 64.1% of the Province's population resides within the *Conurbano Bonaerense*.

- “**ENRE**” refers to the *Ente Nacional Regulador de la Electricidad* (The National Electricity Regulatory Authority), which is an independent body in charge of regulating the electrical activity and controlling that the companies of that sector (generators, transporters and distributors Edenor and Edesur) comply with the obligations established in the regulatory framework and in the concession contracts.
- “**ENARGAS**” refers to the Ente Nacional Regulador de Gas (National Gas Regulator), which is a decentralized agency created by Law No. 24,076, with the purpose of regulating, supervising and resolving the controversies arising in connection with the public gas service. “Eurobonds” are bonds issued by the Province in the international capital markets since 1995, including securities issued under the Province's USD 3.2 billion Euro Medium-Term Note program (EMTN Program) established in 1998.
- “**Exchange Bonds**” are the three series of bonds—Step-Up Long Term Par Bonds due 2035, Step-Up Medium Term Par Bonds due 2020, and Discount Bonds due 2017—issued by the Province pursuant to the restructuring exchange offer launched in November 2005 to holders of its then-outstanding Eurobonds. Approximately 93.7% of the principal amount of the then-outstanding Eurobonds were tendered and cancelled pursuant to the exchange offer, which expired in December 2005. The exchange offer closed in January 2006. Subsequently, the Province issued additional amounts of Step-Up Long Term Par Bonds in order to cancel a portion of the remaining outstanding Eurobonds, increasing the percentage of then-outstanding cancelled Eurobonds to 97.6%.
- “**Exports**” are calculated based upon statistics reported to Argentina's customs agency upon departure of goods originated in the Province on a free-on-board (FOB) basis.
- “**External Assets and Liabilities Reporting Regime**” means Central Bank Communication “A” 6401 on *Relevamiento de Activos y Pasivos Externos*.
- “**Federal Tax Co-Participation Law**” means Law No. 23,548.
- The “**Greater Buenos Aires**” is a regional area within the Province, which includes the *Conurbano Bonaerense* and seven municipalities that surround the *Conurbano Bonaerense*. This definition is used for statistical purposes to refer to the largest urban area of the Province.
- “**Gross Domestic Product**,” or “**GDP**,” is a measure of the total value of final products and services produced in Argentina or the Province, as the case may be, in a specific year.
- The “**inflation rate**,” or “**rate of inflation**,” provides an aggregate measure of the rate of change in the prices of goods and services in the economy. The inflation rate is generally measured by the rate of change in the CPI between two periods unless otherwise specified. The annual percentage rate of change in the CPI as of a particular date is calculated by comparing the index as of that date against the index as of the date 12 months prior. The CPI in Argentina is calculated by INDEC. Following the state of administrative emergency on the national statistical system and INDEC (described below), in September 2016 INDEC stated that it continued to have reservations with respect to statistical series between January 2007 and December 2015, except for any information that was restated in the relevant 2016 reports. Where appropriate, we will present information on alternative measures of CPI inflation calculated by the INDEC, the CPI calculated by the government of the City of Buenos Aires (the “**City of Buenos Aires CPI**”) and the CPI calculated by the Province of San Luis (the “**Province of San Luis CPI**”), the last two based on a weighted basket of consumer goods and services that reflects the pattern of consumption of households that reside in those jurisdictions. All references in this invitation memorandum to CPI are to the Former INDEC CPI (as defined below), the 2016 CPI (as defined below), the National CPI (as defined below), the City of Buenos Aires CPI or the Province of San Luis CPI, as indicated therein.

- On January 8, 2016, the federal government issued Decree No. 55/16 declaring a state of administrative emergency on the national statistical system and on the official agency in charge of the system, the INDEC, until December 31, 2016. As a result of the emergency declaration, INDEC suspended the release of statistical data pending reorganization of its technical and administrative structure to recover its ability to produce reliable statistical information. As a result of this administrative emergency on the national statistical system, the INDEC discontinued the publication of the CPI based on the existing methodology (the “**Former INDEC CPI**”) and, during the first six months of this reorganization period, INDEC published official CPI figures produced by the City of Buenos Aires and the Province of San Luis for reference. On June 15, 2016, the INDEC started publishing the inflation rate based on a survey conducted in the Greater Buenos Aires metropolitan area (the “**Former 2016 CPI**”). On July 11, 2017, the INDEC started to publish a national CPI (the “**National CPI**”). The National CPI is based on a survey conducted by INDEC and several provincial statistical offices in 39 urban areas encompassing each of the Republic’s provinces. Results are not reported by the provinces, but on a national level and for six statistical regions: the Greater Buenos Aires metropolitan area (which is the CPI that resumed publication in June 2016), the Cuyo region, the Northeast region, the Northwest region, the Central (Pampeana) Region and the Southern (Patagonia) region.
- “**Mercosur**” refers to the *Mercado Común del Sur*, which is a regional trade agreement among Argentina, Brazil, Paraguay, Uruguay and Venezuela. Venezuela’s membership has been suspended since December 2016 and Bolivia is in process of accession.
- The “**primary balance**” refers to the difference between the Province’s current and capital expenditures and current and capital revenues. The primary balance excludes interest expenses and borrowings and repayments of the Province’s debt.
- The “**underemployment rate**” represents the percentage of the Province’s labor force that has worked fewer than 35 hours during the week preceding the date of measurement and seeks to work more than that amount. The “**labor force**” refers to the sum of the population of the five main urban areas of the Province (Greater Buenos Aires, Bahía Blanca-Cerri, Greater La Plata, Mar del Plata and San Nicolás-Villa Constitución) that has worked a minimum of one hour with compensation or 15 hours without compensation during the week preceding the date of measurement plus the population that is unemployed but actively seeking employment.
- The “**unemployment rate**” represents the percentage of the Province’s labor force that has not worked a minimum of one hour with compensation or 15 hours without compensation during the week preceding the date of measurement and is actively seeking employment.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All annual information presented in this invitation memorandum is based upon January 1 to December 31 periods, unless otherwise indicated. Totals in some tables in this invitation memorandum may differ from the sum of the individual items in those tables due to rounding.

Unless otherwise stated, prices and figures are stated in current values of the currency presented.

Certain statistical information included in this invitation memorandum is preliminary in nature and reflects the most recent reliable data readily available to the Province as of the date of this invitation memorandum.

Information in this invitation memorandum that is identified as being derived from a publication of Argentina, the Province or one of their respective agencies or instrumentalities relies on the authority of such publication as a public official document of Argentina or the Province, as the case may be. The Province has not independently verified the information in this invitation memorandum that is identified as being derived from a publication of Argentina and makes no representation as to its accuracy or completeness. All other information and statements set forth herein relating to the Province are included as public official statements made on the authority of the Province.

SUMMARY OF INFORMATION REGARDING THE PROVINCE

This summary highlights selected economic and financial information about the Province and the Republic of Argentina. It is not complete and may not contain all of the information you should consider before submitting Instructions. You should carefully read the entire invitation memorandum, including "Risk Factors," before participating in the Invitation by submitting any Instructions.

Selected Economic Information (in billions of pesos unless otherwise indicated)

	2016	2017	2018	2019	2020
PROVINCIAL ECONOMY					
Real GDP (in billions of 2004 pesos)	254.06	259.95	249.67	243.91	N/A
Rate of change in Real GDP from prior year	(1.99)%	2.32%	(3.95)%	(2.3)%	N/A
Provincial GDP as a % of Federal GDP	35.96%	35.79%	35.30%	35.19%	N/A
Inflation (as measured by INDEC CPI)	N/A	24.80%	47.60%	53.80%	36.10%
Inflation (as measured by San Luis CPI)	31.40%	24.30%	50.00%	57.60%	41.80%
Inflation (as measured by CABA CPI)	41.00%	26.10%	45.46%	50.60%	30.50%
NATIONAL ECONOMY					
Real GDP (in billions of 2004 pesos)	706.48	726.39	707.38	693.05	624.47
Rate of change from prior year (2004 pesos)	(2.1)%	2.8%	(2.6)%	(2.0)%	(9.9)%
Unemployment rate ⁽¹⁾	7.6%	7.2%	9.1%	8.9%	11.0%
PROVINCIAL PUBLIC SECTOR FINANCES					
Total Revenues	394.10	529.39	687.21	987.75	1343.64
Total Expenditures	425.15	551.69	709.49	1023.73	1393.91
Primary Fiscal Balance ⁽²⁾	(15.09)	(1.33)	19.21	41.16	(8.07)
Financial Balance ⁽³⁾	(31.05)	(22.31)	(22.28)	(35.98)	(50.27)
PROVINCIAL PUBLIC SECTOR DEBT					
Peso-denominated debt ⁽⁴⁾	66.38	64.22	93.83	106.38	128.60
Foreign-currency-denominated debt ⁽⁵⁾	129.91	190.31	380.59	547.20	771.22
Total debt ⁽⁵⁾	196.29	254.53	474.42	653.58	899.82
Total debt (in billions of USD) ⁽⁵⁾	12.35	13.65	12.58	10.91	10.69
Debt as a % of nominal GDP ⁽⁵⁾	6.9%	7.0%	9.4%	8.6%	9.4
Debt as a % of total revenues ⁽⁵⁾	49.8%	48.1%	69.0%	66.2%	67.0%

(1) Unemployed population as a percentage of the labor force. The unemployed population does not include the underemployed population.

(2) Excluding interest payments.

(3) Represents the primary fiscal balance minus interest payments.

(4) Includes debt denominated in CER-adjusted pesos.

(5) Excluding past due interest payments.

N/A Not available.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province; Federal Ministry of Treasury and Finance and INDEC.

THE PROVINCE

General

The Province is the largest of Argentina's 23 provinces in terms of geographic size and population, with an area of 304,907 square kilometers and a population of approximately 17.71 million inhabitants. It is located in the central-eastern part of the country, in a region known as the "Pampas." The capital of the Province is the city of La Plata.

The executive branch consists of a Governor and a Vice Governor, who are elected by popular vote for a period of four years, and a number of ministries, secretariats and other provincial governmental agencies.

The legislative branch consists of the provincial Senate and the House of Deputies. The judicial branch consists of trial courts, courts of appeals and the Provincial Supreme Court, which have jurisdiction over civil, commercial, administrative, labor, family and criminal matters within the Province. In addition, the provincial constitution provides for the existence of certain provincial agencies that do not fall under any of the three branches of government.

Each of the Province's 135 municipalities has its own government, responsible for providing basic local services. Pursuant to provincial law, the Province's municipalities are entitled to receive a percentage of the taxes collected by the Province and the federal government. In addition, several municipalities are entitled to collect certain provincial taxes.

The current President of Argentina, Alberto Fernández, and the Governor of the Province, Axel Kicillof, took office in December 10, 2019. Both of them belong to the *Frente de Todos* political coalition.

President Fernández and Governor Kicillof assumed power amidst an acute economic recession that began in the third quarter of 2018 and deepened during 2019, resulting in a significant decrease in international reserves, a significant loss in the value of the peso vis-à-vis the U.S. dollar, and higher inflation, unemployment, poverty and extreme poverty rates. See "The Provincial Economy—Factors Affecting the Argentine Economy in 2018 and 2019" and "The Argentine Economy since December 2019" in Annex A hereto, as supplemented by "Recently Published Information and Events—The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19."

Against this and economic backdrop, in December 2019, the Fernández administration enacted the Solidarity Law, declaring a state of public emergency, in force initially until December 31, 2020 and later extended until December 2021, addressing diverse economic, financial, fiscal, administrative, pensions, tariff, energy, health and social matters. See "The Provincial Economy—The Argentine Economy since December 2019" in Annex A hereto, as supplemented by "Recently Published Information and Events—The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19." In addition, on December 23, 2019, the Province published Law No. 15,165, which Decree No. 1176/20 extended until December 2021, declaring a state of social, economic, productive and energy emergency, related to the provision of services and the execution of contracts by the provincial public sector. Additionally, the Executive Power was authorized to take the necessary steps and actions to ensure the sustainability of the public debt, as well as suspending the increases, as of January 1, 2020, in the tariffs of transportation and distribution of electricity under provincial and/or municipal jurisdiction, for a term of 180 days, renewable as long as the state of energy emergency is maintained and to begin an integral renegotiation together with the *Organismo de Control de Energía Eléctrica de la Provincia de Buenos Aires* (Electricity Control Entity of Buenos Aires or "OCEBA") and the *Ministerio de Infraestructura y Servicios Públicos* (Infrastructure and Public Services Ministry) of such tariffs with the relevant utilities companies.

The economic recession intensified in March 2020 and has continued throughout 2020 and year-to-date 2021, due to the COVID-19 pandemic. Argentina has adopted several measures in response to the COVID-19 outbreak aimed at preventing mass contagion and overcrowding of Argentine health service facilities, as well as measures designated to limit the effects of the COVID-19 outbreak on the economy. Among other measures, Argentina has extended the state of sanitary emergency until December 31, 2021, tightened rules relating to the closure of the Argentine borders, increased economic assistance to various sectors of Argentine society and established various general prevention measures. See "The Provincial Economy—Measures Implemented by the

Federal Government to Address the Outbreak of COVID-19” in Annex A hereto, as supplemented by “Recently Published Information and Events—The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19.”

The next elections for President of Argentina and for Governor of the Province will take place in October 2023.

The Provincial Economy

The Province has a well-diversified economy. The Province’s most significant economic sectors are (i) manufacturing, (ii) real estate and business activities, (iii) retail and wholesale commerce, (iv) transport, storage and communications, (v) education, social and health services, (vi) construction, and (vii) agriculture, livestock, hunting and forestry. Historically, the Province’s manufacturing sector has been the single largest contributor to the provincial GDP.

The provincial economy accounts for approximately 36% of the Argentine economy and its economic cycle is closely tied to that of Argentina.

As a result of the measures adopted by INDEC in 2016 to remediate its methodology for calculating GDP, the Province adapted its own GDP calculation in line with INDEC’s methodology. In addition, the Province changed the base year for calculating GDP from 1993 to 2004, which is the same base year used by INDEC. See “The Provincial Economy—Federal Gross Domestic Product” in Annex A as supplemented by “Recently Published Information and Events—The Provincial Economy— Federal Gross Domestic Product.”

Pursuant to the new methodology, the real provincial GDP grew 2.1% in 2017 as compared to 2016, mainly driven by a 4.4% increase in the manufacturing sector. In 2018, the real provincial GDP decreased by 4.0% as compared to the previous year, mainly due to a decrease of 12.7% in the agricultural sector and a decrease of 7.1% in the manufacturing sector. In 2019, real provincial GDP contracted by 1.5% due to a 7.1% decrease in the secondary production sector and a 1.8% decrease in the services sector, which was only partially offset by a 22.4% growth in the primary production sector.

During the first, second, third and fourth quarters of 2020, the quarterly economic activity indicators developed by the Province, which track quarterly variations in economic activity to anticipate changes in the annual GDP at constant prices, decreased by 5.5%, 19.2%, 8.7% and 2.1%, respectively, and increased by 4.5% in the first quarter of 2021, in each case compared to the same periods in the prior year.

Public Sector Finances

In 2019, the Province’s primary balance increased by 115.2% compared to the same period in 2018. The Province’s primary balance amounted to a ARS 41.3 billion surplus compared to a ARS 19.2 billion surplus in 2018. In 2019, the Province recorded a financial deficit of ARS 36.0 billion, compared to a financial deficit of ARS 22.3 billion in 2018.

In 2020, the Province’s primary balance recorded a ARS 8.1 billion deficit compared to a ARS 41.3 billion surplus in 2019. In 2020, the Province recorded a financial deficit of ARS 50.3 billion, compared to a financial deficit of ARS 36.0 billion in 2019.

Main Sources of Revenues.

In 2020, 68.1% of the Province’s total revenues were derived from taxes, either federal or provincial. Provincial taxes represented 34.7% of total revenues, while federal tax transfers represented 33.3% of such revenues.

Federal Tax Transfers.

Currently, revenue transfers between the federal government and the provinces take place under the Federal Tax Co Participation Law (as defined below) and several other special revenue-distribution arrangements.

Under the current tax co-participation regime, the federal government is required to transfer to a federal co-participation fund 100.0% of income tax revenues, 89.0% of value-added tax revenues and 100.0% of revenues from the presumptive minimum income tax and the revenues from excise tax and other minor taxes.

Of the total annual co-participable revenues, ARS 549.6 million is transferred to the *Fondo Compensador de Desequilibrios Fiscales Provinciales* (Provincial Tax Imbalance Fund). After discounting for the amounts transferred to the Provincial Tax Imbalance Fund, the annual co-participable revenues are distributed as follows:

- 42.3% of these funds are transferred to the federal government for its own needs and for transfers to the City of Buenos Aires (1.4%) and the Province of Tierra del Fuego, Antarctica and the South Atlantic Islands (0.70%);
- 1.0% of these funds are retained in the *Fondo de Aportes del Tesoro Nacional* (National Treasury Contribution Fund) as a special reserve for emergency situations and financial difficulties of the provinces; and
- the remaining 56.7% of these funds are allocated to the provinces to be shared according to percentages set forth in the Federal Tax Co-Participation Law. The Province is entitled to 21.7% of the funds allocated to the provinces and is required to transfer 16.14% of that amount to the municipalities. After transfers to the municipalities, the Province's use of the remaining federal tax co-participation payments is discretionary.

Federal tax transfers amounted to 32.2% and 33.3% of the Province's total revenues in 2019 and 2020, respectively.

Provincial Revenues.

The main source of provincial revenues is the collection of provincial taxes. In 2020, 51.0% of total tax revenues (total federal and provincial tax revenues, excluding other federal and provincial sources of income) were provincial tax revenues, and 34.7% of total revenues were provincial tax revenues. The main taxes are gross revenue tax, real estate tax, automobile tax and stamp tax.

The Province also derives non-tax revenues from various provincial sources, including transfers of net profits or surpluses from provincial entities such as the *Instituto Provincial de Loteria y Casinos* (Institute of Lotteries and Casinos) and the *Fideicomiso de Recuperación Crediticia* (Loan Recovery Committee), fees collected by the provincial judicial system, interest on loans granted to municipalities or other provincial agencies and enterprises, and proceeds from the lease of provincial land.

Composition of Expenditures

The Province's expenditures are allocated mainly to education, health programs, social programs, municipalities, investments in public infrastructure and services, police, courts, prisons and general provincial administration. Combined spending on education, health programs, social programs, investments in public infrastructure and services, police, courts and prisons and general provincial administration accounted for approximately 95% of the Province's total expenditures (excluding debt interest) in 2020.

Provincial spending can be broken down in capital and current expenditures. Current expenditures consist of costs of personnel, goods and services and current transfers, which include net transfers to municipalities under the provincial tax co-participation regime and to unconsolidated provincial agencies and enterprises. Capital expenditures include capital investment, loans and capital contributions to provincial enterprises and loans and transfers to municipalities for public works.

In 2020, the Province's total expenditures increased by 36.2%, to ARS 1,393.9 billion from 1,023.7 billion in 2019, mainly due to a 34.8% increase in personnel expenditures, to ARS 584.6 billion in 2020 from ARS 433.6 billion in 2019; a 56.4% increase in goods and services expenditures, to ARS 67.9 billion in 2020 from ARS 43.6 billion in 2019; and a 57.0% increase in current transfers, to ARS 366.4 billion in 2020 from ARS 233.4 billion in 2019, mainly due to increased tax revenues, which will result in an increase in transfers to municipalities.

Personnel expenditures, which consist mainly of wages and other benefits paid to employees of the public provincial administration, are the largest component of the Province's total expenditures, representing approximately 41.9% of total expenditures in 2020.

Public Sector Debt

The Province satisfies its financing needs from a wide variety of sources depending on the provincial and federal economies and the domestic and international financial markets.

The Province's total indebtedness amounted to ARS 196.29 billion (USD 12.35 billion), ARS 254.53 billion (USD 13.65 billion), ARS 474.42 billion (USD 12.58 billion), ARS 653.58 billion (USD 10.91 billion) and ARS 899.82 billion (USD 10.69 billion) as of December 31, 2016, 2017, 2018, 2019 and 2020, respectively.

As of December 31, 2020, the federal government held 3.9% of the Province's total indebtedness, while 88.3% was held by local and international bondholders, 6.4% corresponded to multilateral credit agencies and the remaining 1.3% was held by bilateral credit agencies and other creditors. As of December 31, 2020, 13.1% of the Province's total indebtedness was denominated in pesos, with the remaining 71.2%, 13.9%, 0.6% and 1.2% denominated in U.S. dollars, euros, other currencies and CER adjusted pesos, respectively. Also, as of December 31, 2020, 97.3% of the Province's debt stock was medium-term and long-term and 69.3% was fixed-rate.

The increase in the Province's indebtedness when measured in pesos during 2020 was mainly due to:

- the exchange rate depreciation of the ARS against the USD, EUR, JPY and CHF for an aggregate amount of ARS 228.5 billion, which accounted for 80.68% of the total gross increase;
- the Province's issuance of ARS 36.1 billion of indebtedness, which accounted for 12.74% of the total gross increase, consisting mainly of the issuance of Treasury Bills for ARS 24.7 billion, the Province's issuance of 2020 Supplier Bonds for ARS 8.5 billion, the Province's issuance, in July 2020, of Bonds of the Province of Buenos Aires due July 23, 2024 for ARS 2.0 billion;
- multilateral credit agencies' disbursements totaling ARS 13.5 billion, which accounted for 4.77% of the total gross increase;
- interest capitalization totaling ARS 2.6 billion, which accounted for 0.93% of the total gross increase; and
- the impact of inflation on the debt denominated in ARS and adjusted by CER, which accounted for 0.87% of the total gross increase.

The increase was partially offset by the following decreases:

- amortization of debt issued in the local capital market amounting to ARS 15.8 billion, which accounted for 42.9% of the total gross decrease. This amount includes (i) ARS 10.7 billion in Treasury Bills amortization, (ii) ARS 2.9 billion in amortization payments under PBA Notes due February 28, 2020 and PBA Notes due April 30, 2020, (iii) ARS 2.3 billion in amortization payments under the ARS 2023 Bonds and (iv) ARS 0.04 billion in repayments of other debts;
- amortization of debt issued in the international capital markets amounting to ARS 15.1 billion, which accounted for 41.0% of the total gross decrease (see "—Debt Denominated in Foreign Currencies—Eligible Bonds" below and in Annex A hereto, as supplemented by "Recently Published Information and Events—The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19");
- amortization payments under multilateral agency credit lines for ARS 5.8 billion, which accounted for 15.8% of the total gross decrease; and
- amortization payments under debt owed to the federal government for ARS 0.1 billion.

On May 15, 2020, after the Province failed to timely make payments under certain Eligible Bonds, Standard and Poor's downgraded the global scale issuer credit rating of the Province from CC to SD, where it remains as of the date of this invitation memorandum. The Province has not made payments under the Eligible Bonds since it launched the Invitation on April 24, 2020, which resulted in a rating of the Eligible Bonds at D.

Banco Provincia

As of February 28, 2021, Banco Provincia was the fourth largest bank in Argentina in terms of total assets, and the second largest bank in terms of total deposits. As of December 31, 2020, Banco Provincia had total assets of ARS 927.8 billion and total deposits of ARS 770.2 billion. As of December 31, 2019, Banco Provincia had total assets of ARS 551.1 billion and total deposits of ARS 451.4 billion. The Province is the sole owner of Banco Provincia.

Banco Provincia is an *entidad autárquica* (self-administered public institution) governed by a board of directors appointed by the Governor of the Province with the approval of the provincial Senate. Banco Provincia acts as the financial agent of the Province and collects provincial taxes and duties on the Province's behalf. The Province guarantees all deposits and other liabilities of Banco Provincia. However, creditors of Banco Provincia who seek to enforce the guarantee must exhaust all legal remedies against Banco Provincia before requesting payment from the Province under the guarantee.

Although Banco Provincia is exempt from compliance with Argentine financial and banking regulations, it voluntarily adheres to the regulatory framework of the Argentine financial sector and therefore is regulated by Law No. 21,526, as amended, and by the banking regulations and rules adopted by the Central Bank, including minimum capital, solvency and liquidity requirements and the supervisory powers of the Central Bank. Because of its special status as a provincial self-administered public institution, Banco Provincia is not subject to any federal income or other tax liability.

As of December 31, 2020, Banco Provincia's exposure to the public sector totaled approximately ARS 83.2 billion, accounting for approximately 9.0% of its total assets at that date. This significant public sector exposure was primarily due to financing provided to the national and provincial government in accordance with Banco Provincia's charter and Central Bank regulations.

In preparing the financial statements as of December 31, 2020, Banco Provincia adopted IAS 29 - Financial Reporting in Hyperinflationary Economies ("**IAS 29**"), as mandated by the Central Bank through Communication "A" 6651 and changed the method applied to the calculation of the impairment of financial assets according to Communication "A" 6778 issued by the Central Bank, which established the adoption of the IFRS 9 as adjusted by the Central Bank (as defined below). See "Banco Provincia— Significant Changes in Accounting Policies."

SUMMARY TIME SCHEDULE FOR THE INVITATION

The following summarizes the anticipated time schedule for the Invitation, assuming, among other things, that we do not extend the Expiration or terminate the Invitation early. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this invitation memorandum. All references are to Central European Time (CET) unless otherwise noted.

<u>Date</u>	<u>Action</u>
April 24, 2020.....	<p><i>Commencement of the Invitation</i></p> <p>On this date we distributed the invitation memorandum dated April 24, 2020 describing the terms of the Invitation prior to the August 6, 2021 amendment and restatement.</p>
August 6, 2021	<p><i>Distribution of amended and restated invitation memorandum.</i></p> <p>On this date we distributed the amended and restated invitation memorandum dated August 6, 2021 describing the terms of the Invitation, as amended on such date.</p>
April 24, 2020 – August 27, 2021	<p><i>Invitation Period (unless extended or earlier terminated)</i></p> <p>The Invitation is open during this period (the “Invitation Period”).</p>
August 27, 2021 at 5:00 P.M. (CET).....	<p><i>Expiration Date and Time</i></p> <p>This date and time (the “Expiration”) will be the deadline for Holders to deliver or revoke Instructions, unless we extend or terminate the Invitation earlier in our sole discretion. After the Expiration, you may no longer submit or revoke Instructions.</p> <p><i>The clearing systems and financial institutions through which a beneficial owner holds the Eligible Bonds may, in accordance with their normal procedures, establish earlier deadlines for the receipt and revocation of Instructions from their participants and customers, as described under “Terms of the Invitation—Tender Procedures.”</i></p>
August 30, 2021, or as soon as practicable thereafter	<p><i>Results Announcement Date</i></p> <p>On this date, or as soon as practicable thereafter (the “Results Announcement Date”) we will announce (i) whether the Province has re-designated any series of Eligible Bonds subject to the Substitution Proposed Modifications, specifying which series of Eligible Bonds have been excluded for the purpose of determining whether the Requisite Consents for the Proposed Modifications to any series of Eligible Bonds have been obtained on an aggregated or single series basis, as applicable, (ii) the aggregate principal amount of Eligible Bonds of each series with respect to which the Province has accepted any Instructions, (iii) the results of the Invitation, (iv) the series of Eligible Bonds as to which the conditions to the effectiveness of the Proposed Modifications, after</p>

giving effect to the exclusion of any series of Eligible Bonds, have been met, and (v) the Currency Exchange Rates (as defined under “The Invitation—Currency Exchange Rates”) that will be used to convert amounts in euros into U.S. dollars or U.S. dollars into euros for purposes of determining whether the Requisite Consents have been obtained and the amount of New Bonds that each Eligible Holder will receive pursuant to the Exchange Offers, if applicable.

September 3, 2021, or as soon as practicable thereafter,
but in no event later than September 17, 2021

Execution Date, Effective Date and Settlement Date

If we obtain the Consents necessary to re-designate the series of Eligible Bonds that are aggregated for purposes of determining whether we have obtained Requisite Consents to the Substitution Proposed Modifications for any one or more series of Eligible Bonds and elect to exclude one or more series of Eligible Bonds from the aggregated basis determination, as described above, on this date (the “**Re-Designation Date**”), we and the Trustees will execute, as necessary, a supplemental indenture to the 2006 Indenture and a supplemental indenture to the 2015 Indenture, as applicable (the “**Re-designation Supplemental Indentures**”), giving effect to such re-designations.

If, after giving effect to any such re-designations, if applicable, the Requisite Consents for any Proposed Modifications have been received and accepted (on an aggregated or single series basis), on the Re-Designation Date (which we also refer to as the “**Execution Date**”), we and the Trustees will execute, as necessary, a supplemental indenture to the 2006 Indenture and a supplemental indenture to the 2015 Indenture, as applicable (the “**Proposed Modifications Supplemental Indentures**” and, together with the Re-designation Supplemental Indentures, if applicable, the “**Supplemental Indentures**”), modifying the 2006 Indenture Eligible Bonds and the 2015 Indenture Eligible Bonds (the “**Effective Date**”) in accordance with such Proposed Modifications.

On the Effective Date, following the execution of the Supplemental Indentures, if applicable, the New Bonds will be issued, the Additional Consent Consideration and Closing Payment will be paid, and all Eligible Bonds exchanged pursuant to the Exchange Offers or substituted as a result of the effectiveness of the Substitution Proposed Modifications will be delivered to the Trustees for cancellation (the time at which such events occur being the “**Settlement Date**”).

SUMMARY OF THE INVITATION

This summary highlights information contained elsewhere in this invitation memorandum and it is provided solely for the convenience of the Holders. This summary is not complete and may not contain all of the information that you should consider before tendering Eligible Bonds in exchange for New Bonds and consenting to the Proposed Modifications. You should read the entire invitation memorandum, including the "Risk Factors" section, carefully.

Issuer..... The Province of Buenos Aires

The Invitation The Province hereby invites Eligible Holders of:

1. any series of 2006 Indenture Eligible Bonds to deliver a Consent to the actions proposed in this Invitation, including to authorize and direct the 2006 Indenture Trustee to modify the 2006 Indenture Eligible Bonds by substituting them for (i) New USD 2037 C Bonds (in the case of any 2006 Indenture Eligible Bonds denominated in U.S. dollars), or (ii) New Euro 2037 C Bonds (in the case of any 2006 Indenture Eligible Bonds denominated in euros) and, in conjunction with such Consent, to submit (i) Tender Orders to exchange such Eligible Bonds, or (ii) if any Substitution Proposed Modification affecting the 2006 Indenture Eligible Bonds becomes effective, Tender Orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications, for the corresponding amount of the New Bonds selected by such Eligible Holder, as detailed in the table on the cover of this invitation memorandum, and
2. any series of 2015 Indenture Eligible Bonds to submit orders to exchange their 2015 Indenture Eligible Bonds for the corresponding amount of the applicable New Bonds selected by such Eligible Holder as detailed in the table on the cover of this invitation memorandum and in conjunction with such Tender Orders, to deliver a Consent to the actions related to such Eligible Bonds proposed in this Invitation, including to authorize and direct the 2015 Indenture Trustee to modify any Eligible Bonds of the relevant series that would remain outstanding after giving effect to the Exchange Offers by substituting them for the relevant amount of (i) New USD 2037 C Bonds (in the case of any Eligible Bonds denominated in U.S. dollars), and (ii) New Euro 2037 C Bonds (in the case of Euro 2023 Bonds),

in each case, on the terms and subject to the conditions described in this invitation memorandum.

By delivering (and not revoking) valid Consents to the actions proposed in the Invitation, each Eligible Holder of 2006 Indenture Eligible Bonds thereby also submits (i) Tender Orders to exchange such Eligible Bonds, or (ii) if any Substitution Proposed Modification affecting the 2006 Indenture Eligible Bonds becomes effective, Tender Orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications, for the applicable amount of New Bonds selected by such Eligible Holder as detailed in the table on the cover of this invitation memorandum. By delivering (and not revoking) valid Tender Orders, each Eligible Holder of 2015 Indenture Eligible Bonds thereby also consents to

the actions proposed in this Invitation. For the avoidance of doubt, if the Province accepts a Consent pursuant to this Invitation, it will also accept the corresponding Tender Order.

The Invitation will expire at 5:00 p.m. (CET) on August 27, 2021, unless we, in our sole discretion, extend or terminate the Invitation.

On the Results Announcement Date, we will announce (i) whether the Province has re-designated any series of Eligible Bonds subject to the Substitution Proposed Modifications, specifying which series of Eligible Bonds have been excluded for the purpose of determining whether the Requisite Consents for the Proposed Modifications to any series of Eligible Bonds have been obtained on an aggregated or single series basis, as applicable, (ii) the aggregate principal amount of Eligible Bonds of each series with respect to which the Province has accepted any Instructions, (iii) the results of the Invitation, (iv) the series of Eligible Bonds as to which the conditions to the effectiveness of the Proposed Modifications, after giving effect to the exclusion of any series of Eligible Bonds, have been met, and (v) the Currency Exchange Rates (as defined under “The Invitation—Currency Exchange Rates”) that will be used to convert amounts in euros into U.S. dollars or U.S. dollars into euros for purposes of determining whether the Requisite Consents have been obtained and the amount of New Bonds that each Eligible Holder will receive pursuant to the Exchange Offers, if applicable.

See “Summary Timetable for the Invitation.”

Principal Amounts Currently
Outstanding.....

The aggregate principal amount of:

- all U.S. dollar-denominated Eligible Bonds currently outstanding is approximately U.S.\$5.8 billion; and
- all euro-denominated Eligible Bonds currently outstanding is approximately €1.2 billion,

in each case, including Eligible Bonds owned or controlled by the Province or any public sector instrumentality of the Province.

See “Terms of the Invitation—Requisite Consents for the Substitution Proposed Modifications affecting 2006 Indenture Eligible Bonds” and “Terms of the Invitation—Requisite Consents for the Substitution Proposed Modifications affecting 2015 Indenture Eligible Bonds” for additional information on the Outstanding principal amount of each series of Eligible Bonds, as applicable.

Termination, Amendments

At any time before we announce the acceptance of any tenders on the Results Announcement Date, we may, in our sole discretion and to the extent permitted by the applicable laws, rules and regulations in each jurisdiction where we are making the Invitation:

- terminate the Invitation (including with respect to Instructions submitted prior to the time of the termination),
- extend the Invitation past the originally scheduled Expiration,

- withdraw the Invitation from any one or more jurisdictions, or
- amend the Invitation in any one or more jurisdictions.

Notwithstanding the foregoing, we may not amend the Invitation in any manner that is materially adverse to the Holders after the date which is eight calendar days prior to the Expiration.

Consideration to be Received Pursuant to
Instructions for 2006 Indenture Eligible
Bonds.....

As described in detail in “Terms of the Invitation—Consideration to Be Received Pursuant to Tender Orders” and subject to the terms of the Invitation, Holders of 2006 Indenture Eligible Bonds whose Instructions are accepted will receive on the Settlement Date:

For each U.S.\$100 outstanding principal amount of the U.S. dollar-denominated 2006 Indenture Eligible Bonds (after taking into account amortization payments to date) other than the USD 2035 Bonds:

- U.S.\$100 principal amount of the New USD 2037 A Bonds, or
- New Euro 2037 A Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each €100 outstanding principal amount of the Euro 2020 Bonds (after taking into account amortization payments to date):

- €100 principal amount of the New Euro 2037 A Bonds, or
- New USD 2037 A Bonds in a principal amount equal to the Dollar Equivalent of €100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each U.S.\$100 outstanding principal amount of the USD 2035 Bonds:

- U.S.\$100 principal amount of the New USD 2037 B Bonds, or
- New Euro 2037 B Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each €100 outstanding principal amount of the Euro 2035 Bonds:

- €100 principal amount of the New Euro 2037 B Bonds, or
- New USD 2037 B Bonds in a principal amount equal to the Dollar Equivalent of €100,

in each case as such Eligible Holder shall have specified in its Instructions.

Notwithstanding the foregoing, Eligible Holders of USD 2035 Bonds and Euro 2035 Bonds whose Instructions are accepted will receive on the Settlement Date a pro rata share of the Remaining A Bonds, if any, in lieu of the equivalent aggregate principal amount of the New USD 2037 B Bonds or New Euro 2037 B Bonds, as applicable, to which they would otherwise be entitled pursuant to the table in the cover of this invitation memorandum (without taking into account the reduction by the Remaining A Bonds described in such table). Eligible Holders that selected New USD 2037 B Bonds in their Instructions will receive their pro rata share of the Remaining A Bonds in the form of New USD 2037 A Bonds and Eligible Holders that selected New Euro 2037 B Bonds in their Instructions will receive their pro rata share of the Remaining A Bonds in the form of New Euro 2037 A Bonds.

“Remaining A Bonds” means an aggregate amount of New USD 2037 A Bonds and New Euro 2037 A Bonds equal to the lesser of (x) the aggregate principal amount of New USD 2037 C Bonds plus New Euro 2037 C Bonds delivered on the Settlement Date to Holders of Eligible Bonds (other than Holders of USD 2035 Bonds or Euro 2035 Bonds) pursuant to the Substitution Proposed Modifications, and (y) US\$300 million. For purposes of calculating the amount of Remaining A Bonds, amounts in euros will be converted into U.S. dollars based on their Dollar Equivalent (as defined below).

Holders of U.S. dollar-denominated Eligible Bonds tendering their bonds for euro-denominated New Bonds will receive an amount of New Bonds based on the U.S. dollar/euro price determined by the Dealer Managers based on the bid-price as shown on the FXC page displayed on the Bloomberg Pricing Monitor, or by any recognized quotation source selected by the Dealer Managers in their sole and absolute discretion if Bloomberg is not available or is manifestly erroneous, at or around 9:00 a.m. New York City time on the date of Expiration (such rate, rounded to 4 decimal places, the **“Euro Equivalent”**).

Holders of euro-denominated Eligible Bonds tendering their bonds for U.S. dollar-denominated New Bonds will receive an amount of New Bonds based on the euro/U.S. dollar price determined by the Dealer Managers based on the bid-price as shown on the FXC page displayed on the Bloomberg Pricing Monitor, or by any recognized quotation source selected by the Dealer Managers in their sole and absolute discretion if Bloomberg is not available or is manifestly erroneous, at or around 9:00 a.m. New York City time on the date of Expiration (such rate, rounded to 4 decimal places, the **“Dollar Equivalent”**).

In addition, Eligible Holders who submit valid Instructions that are accepted pursuant to the Invitation will receive the Additional Consent Consideration.

Consideration to be Received Pursuant to Instructions for 2015 Indenture Eligible Bonds.....

As described in detail in “Terms of the Invitation—Consideration to Be Received Pursuant to Tender Orders” and subject to the terms of the Invitation, Holders of 2015 Indenture Eligible Bonds whose Instructions are accepted will receive on the Settlement Date:

For each U.S.\$100 outstanding principal amount of the U.S. dollar-denominated 2015 Indenture Eligible Bonds (after taking into account amortization payments to date):

- U.S.\$100 principal amount of the New USD 2037 A Bonds, or
- New Euro 2037 A Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each €100 outstanding principal amount of the euro-denominated 2015 Indenture Eligible Bonds:

- €100 principal amount of the New Euro 2037 A Bonds, or
- New USD 2037 A Bonds in a principal amount equal to the Dollar Equivalent of €100,

in each case as such Eligible Holder shall have specified in its Instructions.

In addition, Eligible Holders who submit valid Instructions that are accepted pursuant to the Invitation will receive the Additional Consent Consideration.

Additional Consent Consideration.....

We are offering to pay each Eligible Holder of Eligible Bonds that validly delivers an Instruction at or prior to the Expiration that is accepted by the Province, (i) the PDI Consideration (as defined below) corresponding to such Eligible Bonds and (ii) a pro rata share of the Remaining PDI Consideration (as defined below) based on the principal amount of the Eligible Bonds for which an Instruction is delivered by such Eligible Holder and accepted by the Province.

As used herein,

- **“Additional Consent Consideration”** means the sum of the PDI Consideration and the pro rata share of the Remaining PDI Consideration.
- **“PDI Consideration”** means an amount equal to 100% of the interest accrued and unpaid under the relevant Eligible Bond for which Instructions were delivered and accepted from and including the last interest payment date on such Eligible Bonds up to and excluding June 30, 2021 (the **“PDI”**), to be paid to Eligible Holders that validly consent and submit Instructions as follows:
 - 10% of the PDI will be paid in cash at Settlement, subject to the deduction of the Closing Payment (as defined below), it being understood that Holders that deliver Instructions are deemed to consent to such deduction; and
 - 90% of the PDI will be paid by the issuance and delivery of additional New Bonds of the same series selected by such Eligible Holder in its Instructions, and converting U.S. dollars into euros based on the Euro Equivalent and

euros into U.S. dollars based on the Dollar Equivalent, if necessary.

- **“Remaining PDI Consideration”** means an amount equal to the interest accrued and unpaid under all Eligible Bonds that are not validly tendered and accepted pursuant to the Invitation and are substituted pursuant to the Substitution Proposed Modification (the **“Remaining PDI”**), to be paid to Eligible Holders that validly submit Instructions as follows:
 - 10% of the Remaining PDI will be paid in cash at Settlement; and
 - 90% of the Remaining PDI will be paid by the issuance and delivery of additional New Bonds of the same series selected by such Eligible Holder in its Instructions, and converting U.S. dollars into euros based on the Euro Equivalent and euros into U.S. dollars based on the Dollar Equivalent, if necessary.

Holders of U.S. dollars-denominated Eligible Bonds for which Instructions were delivered and accepted will receive any amount of cash corresponding to the PDI or the Remaining PDI in U.S. dollars and Holders of euro-denominated Eligible Bonds for which Instructions were delivered and accepted will receive any amount of cash corresponding to the PDI or the Remaining PDI in euros.

Notwithstanding anything to the contrary in this Invitation Memorandum, a portion of the cash to be paid as Additional Consent Consideration, not to exceed U.S.\$6,500,000 (the **“Closing Payment”**) will instead be allocated at the instruction of White & Case LLP to pay certain fees and expenses of certain institutional Holders of the Eligible Bonds and certain fees and expenses of U.S. Bank as indenture trustee under the 2015 Indenture and The Bank of New York Mellon as indenture trustee under the 2006 Indenture in connection with the Eligible Bonds. For the avoidance of doubt, the Province will not bear any fees and expenses of any Holders of the Eligible Bonds or their advisors in connection with this Invitation, as the Closing Payment will (i) not increase the cash amount to be paid by the Province pursuant to this Invitation and (ii) reduce pro rata the cash payment that each Holder would otherwise be entitled to receive pursuant to this Invitation.

Eligible Holders whose Instructions are delivered at or prior to the Expiration and accepted pursuant to the Invitation will not receive any payments in respect of accrued and unpaid interest on their Eligible Bonds other than the Additional Consent Consideration.

Holders who did not submit valid Instructions, including Ineligible Holders, or whose Instructions were not accepted, will not be entitled to receive any cash or in-kind payment for any interest accrued and unpaid on any Eligible Bond that is modified and substituted for a New Bond pursuant to the Substitution Proposed Modifications, if those modifications become effective, and will not be entitled to receive any Additional Consent Consideration.

Instruction Procedures

The Invitation is being made to all Eligible Holders of Eligible Bonds provided that they are in a jurisdiction where such offer is permitted to such

a person. Only Eligible Holders or the financial institutions or other intermediaries through which they hold their Eligible Bonds may deliver Instructions.

All Instructions will include “blocking” instructions (as defined below) to Euroclear or Clearstream in accordance with the procedures and deadlines specified by Euroclear or Clearstream at or prior to the Expiration.

If you hold Eligible Bonds through a financial institution or other intermediary, you must instruct that financial institution or other intermediary to submit Instructions on your behalf to Euroclear or Clearstream.

Eligible Bonds may be tendered only in the authorized denominations set forth in the terms of such Eligible Bonds and in this “Summary of the Invitation.” To the extent any Eligible Holder tenders less than all Eligible Bonds of a series owned by such Eligible Holder, the principal amount not tendered by such Eligible Holder must also be an authorized denomination.

A separate Instruction must be submitted on behalf of each beneficial owner of the Eligible Bonds.

For more information, see “Tender Procedures.”

Revocation Rights.....

Instructions may be revoked at any time prior to the Expiration. If a Holder revokes its Instruction with respect to an Eligible Bond, the related Consent to the Proposed Modifications with respect to such Eligible Bond will be automatically revoked.

No Holder may revoke Instructions (including its related Consent to the Proposed Modifications) after the Expiration. See “Tender Procedures—Revocation Rights.”

Acceptance

We reserve the right not to accept Instructions of Eligible Bonds of any series in our sole discretion, if and to the extent permitted by applicable laws, rules and regulations, in each jurisdiction where we are making the Invitation. However, if in our discretion we accept valid Instructions of any series of Eligible Bonds, we will accept valid Instructions of all series of Eligible Bonds, subject to the terms of this Invitation. Our acceptance of Instructions will be subject to the satisfaction or waiver of the conditions described under “—Conditions to the Invitation.”

Conditions to the Invitation

The Invitation is conditional upon the satisfaction of the following conditions:

1. the absence of any law or regulation that would, and the absence of any injunction, action or other pending proceeding that would make unlawful or invalid or enjoin the implementation of the Proposed Modifications or the Invitation or question the legality or validity thereof (the “Legality Condition”);
2. there not having been any change or development that materially reduces the anticipated benefits to the Province of the Invitation or that could be likely to prejudice materially the success of the Invitation or that has had, or could reasonably be expected to have, a material adverse

effect on the Province or its economy (the “Material Adverse Change Condition”); and

3. the Minimum Participation Condition.

We reserve the right to waive or modify any term of, or terminate, the Invitation at any time and in our sole discretion; provided that we cannot modify or waive the Minimum Participation Condition or the additional conditions to the Proposed Modification described under “Conditions to the Proposed Modifications.”

The Province shall not terminate the Invitation if (i) the Minimum Participation Condition is satisfied on the date of Expiration and (ii) the Legality Condition and the Material Adverse Change Condition are met on the Settlement Date.

Non-Reserve Matter Proposed
Modifications affecting any series of 2006
Indenture Eligible Bonds

If the Non-Reserve Matter Proposed Modifications (as defined below) become effective with respect to any series of Eligible Bonds, the following modifications will be made to the terms of such Eligible Bonds:

- eliminate the paragraph from the terms and conditions of the 2006 Indenture Eligible Bonds providing for certain limitations to modifications in the context of exchange offers; and
- amend the terms and conditions of the 2006 Indenture Eligible Bonds to (i) remove any requirement to maintain a trustee paying agent in Europe or in New York City and a registrar in New York City and (ii) give the Province the right to change the place or places of payments provided for in the 2006 Indenture Eligible Bonds and appoint a paying agent, in such place or places of payment.

For a description of the Non-Reserve Matter Proposed Modifications, see “Terms of the Invitation—Proposed Modifications—Non-Reserve Matter Proposed Modifications.”

In addition, the Province intends to de-list the Eligible Bonds from the Luxembourg Stock Exchange and any other stock exchange.

Requisite Consents to the Non-Reserve
Matter Proposed Modifications affecting
any series of 2006 Indenture Eligible
Bonds.....

It is a condition to the effectiveness of the relevant Non-Reserve Matter Proposed Modifications affecting 2006 Indenture Eligible Bonds that we receive and accept valid Consents (which are included in the Instructions) from Holders of not less than a majority in aggregate principal amount of the 2006 Indenture Eligible Bonds of such series then Outstanding.

Substitution Proposed Modifications.....

If the Substitution Proposed Modifications become effective with respect to any series of Eligible Bonds, the following modifications will be made to the terms of such Eligible Bonds:

- Each U.S.\$100 principal amount of U.S. dollar-denominated Eligible Bonds (after taking into account amortization payments to

date), will be substituted for U.S.\$100 principal amount of New USD 2037 C Bonds.

- Each €100 outstanding principal amount of euro-denominated Eligible Bonds (after taking into account amortization payments to date), will be substituted for €100 principal amount of the New Euro 2037 C Bonds.

Notwithstanding the foregoing, by delivering (and not revoking) valid Instructions, Eligible Holders will also be delivering Tender Orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications affecting their series of Eligible Bonds, for the applicable amount of New Bonds selected by such Eligible Holder as detailed in the table on the cover of this invitation memorandum.

Holders who did not submit valid Instructions, including Ineligible Holders, or whose Instructions were not accepted, will not be entitled to receive any cash or in-kind payment for any interest accrued and unpaid on any Eligible Bond that is modified and substituted for a New Bond pursuant to the Substitution Proposed Modifications, if those modifications become effective, and will not be entitled to receive any Additional Consent Consideration.

Requisite Consents for the Substitution
Proposed Modifications affecting 2006
Indenture Eligible Bonds

If we consider Consents on an aggregated basis to determine the effectiveness of the Substitution Proposed Modifications affecting 2006 Indenture Eligible Bonds, it is a condition to the effectiveness of the relevant Substitution Proposed Modifications that we receive and accept valid Consents (which are part of the Instructions) from Holders of (i) not less than 85% of the aggregate principal amount of 2006 Indenture Eligible Bonds (taken in the aggregate) then Outstanding, **and** (ii) not less than 66⅔% of the aggregate principal amount of each series of 2006 Indenture Eligible Bonds (taken individually) then Outstanding, subject to re-designation at our discretion. If we re-designate the series of Eligible Bonds affected by the Substitution Proposed Modifications, any excluded series will not be considered for the purposes of either prong (i) or (ii) of the prior sentence.

In addition, if we re-designate the series of 2006 Indenture Eligible Bonds that will be aggregated for the Substitution Proposed Modifications by excluding one or more series of the initially designated series, it is a condition to the effectiveness of the Substitution Proposed Modifications with respect to an excluded series of 2006 Indenture Eligible Bonds that we receive and accept valid Consents (which are part of the Instructions) from Holders of not less than 75% of the Outstanding aggregate principal amount of that excluded series.

Requisite Consents for the Substitution
Proposed Modifications affecting 2015
Indenture Eligible Bonds

If we consider Consents on an aggregated basis to determine the effectiveness of the Substitution Proposed Modifications affecting 2015 Indenture Eligible Bonds, it is a condition to the effectiveness of the relevant Substitution Proposed Modifications that we receive and accept valid

Consents (which are included in the Instructions) from Holders of (i) more than 66⅔% of the aggregate principal amount of 2015 Indenture Eligible Bonds and 2006 Indenture Eligible Bonds (taken in the aggregate) then Outstanding, **and** (ii) more than 50% of the aggregate principal amount of each series of 2015 Indenture Eligible Bonds (taken individually) then Outstanding, in each case, subject to re-designation at our discretion.

If we re-designate the series of Eligible Bonds affected by the Substitution Proposed Modifications, any excluded series will not be considered for the purposes of either prong (i) or (ii).

If we re-designate the series of 2015 Indenture Eligible Bonds that will be aggregated for the Substitution Proposed Modifications by excluding one or more series of the initially designated series, it is a condition to the effectiveness of the Substitution Proposed Modifications with respect to an excluded series of 2015 Indenture Eligible Bonds that we receive and accept valid Consents (which are part of the Instructions) from Holders of more than 75% of the Outstanding aggregate principal amount of that excluded series.

For the avoidance of doubt, Consents to the Substitution Proposed Modifications affecting one or more series of 2006 Indenture Eligible Bonds may be taken into account for purposes of determining whether the majorities (taken in the aggregate across series) of the aggregate principal amount of Eligible Bonds have consented to the Substitution Proposed Modifications, pursuant to Section 11.6(c) of the 2015 Indenture; *provided, however*, that no such Consent provided by a Holder of any series of 2006 Indenture Eligible Bonds as to the 2015 Indenture Eligible Bonds will be recorded unless the Substitution Proposed Modifications as to such series of 2006 Indenture Eligible Bonds is effective.

Re-Designation of Affected Series

Notwithstanding anything to the contrary in the 2006 Indenture, including Section 11.3 of the 2006 Indenture, or the 2015 Indenture, including Section 11.3 of the 2015 Indenture, or in the respective terms and conditions of the 2006 Indenture Eligible Bonds or the 2015 Indenture Eligible Bonds, as applicable, by submitting Instructions in respect of any series, each Eligible Holder will also be giving a Consent to allow us, in our sole discretion, to (A) re-designate at any time (including after the Expiration) the series of Eligible Bonds that will be subject to the Substitution Proposed Modifications on an aggregated basis by excluding one or more series of the initially designated series, and (B) consider the Substitution Proposed Modifications effective with respect to such single series of Eligible Bonds if we receive Requisite Consents pursuant to Section 11.2 of the 2006 Indenture and Section 11.4 of the 2015 Indenture, as applicable. Such re-designation would allow us to exclude one or more series of Eligible Bonds from the calculation of the Requisite Consents on an aggregated basis for the Substitution Proposed Modifications affecting the series that have not been excluded and calculate the Requisite Consent on a single series basis for each series that has been excluded.

See “Terms of the Invitation—Requisite Consents” for more information.

Conditions to the Proposed
Modifications.....

In addition to the conditions to the Invitation above, the effectiveness of the

Proposed Modifications for a series of Eligible Bonds is conditional upon the satisfaction of the following conditions:

1. receipt of the Requisite Consents for the Non-Reserve Matter Proposed Modifications affecting 2006 Indenture Eligible Bonds or Substitution Proposed Modifications, as applicable, affecting such series of Eligible Bonds, after giving effect to any exclusion by us of any series of Eligible Bonds, as applicable; and
2. the execution of the applicable Supplemental Indentures.

We cannot modify or waive these additional conditions to the Proposed Modifications.

Outstanding Amounts

As of the date of this invitation memorandum, the following principal amounts of 2006 Indenture Eligible Bonds were Outstanding:

Series of Eligible Bond	ISIN	Minimum Denomination	Principal Amount Outstanding ⁽¹⁾
USD 2020 Bonds	XS0234086196 / XS0234086436	U.S.\$1 / U.S.\$1	U.S.\$10,616,350.67
10.875% USD 2021 Bonds	XS0584493349 / XS0584497175	U.S.\$100,000 / U.S.\$1,000	U.S.\$247,416,140.00
USD 2028 Bonds	XS0290125391 / XS0290124154	U.S.\$100,000 / U.S.\$1,000	U.S.\$400,000,000.00
USD 2035 Bonds	XS0234084738 / XS0234085032	U.S.\$1 / U.S.\$1	U.S.\$480,445,406.00
Euro 2020 Bonds	XS0234085461 / XS0234085891	€1 / €1	€95,376,888.15
Euro 2035 Bonds	XS0234082872 / XS0234084142	€1 / €1	€577,388,900.00

(1) Excludes 2006 Indenture Eligible Bonds owned or controlled by the Province or any public sector instrumentality of the Province.

As of the date of this invitation memorandum, the following principal amounts of 2015 Indenture Eligible Bonds were Outstanding:

Series of Eligible Bond	ISIN	Minimum Denomination	Principal Amount Outstanding ⁽¹⁾
9.950% USD 2021 Bonds	XS1244682487 / XS1244682057	U.S.\$150,000 / U.S.\$1	U.S.\$898,380,908.00
USD 2023 Bonds	XS1566193295 / XS1566193378	U.S.\$1,000 / U.S.\$1,000	U.S.\$746,875,000.00
USD 2024 Bonds	XS1380274735 / XS1380327368	U.S.\$150,000 / U.S.\$1,000	U.S.\$1,243,557,000.00
USD 2027 Bonds	XS1433314314 / XS1433314587	U.S.\$150,000 / U.S.\$1,000	U.S.\$1,749,400,000.00
Euro 2023 Bonds	XS1649634034 / XS1649634380	€100,000 / €1,000	€500,000,000.00

(1) Excludes 2015 Indenture Eligible Bonds owned or controlled by the Province or any public sector instrumentality of the Province.

The term “**Outstanding**” for each series of 2006 Indenture Eligible Bonds and 2015 Indenture Eligible Bonds has the meaning ascribed to it in the 2006 Indenture or 2015 Indenture, as applicable. See “Description of the New Bonds—General Terms Common to all 2006 Indenture New Bonds—Meetings, Amendments and Waivers” and “Description of the New Bonds—General Terms Common to all 2015 Indenture New Bonds—Meetings, Amendments and Waivers.”

For purposes of determining if the requisite majorities have been met, the Outstanding principal amount of 2015 Indenture Eligible Bonds and 2006 Indenture Eligible Bonds denominated in euros will be calculated using the exchange rate specified below under “—Currency Exchange Rates.”

Effect on Non-Consenting Holders,
Holders whose Instructions are not
accepted and Ineligible Holders.....

If we receive and accept the Requisite Consents with respect to the Proposed Modifications to one or more series of Eligible Bonds (on an aggregated basis or single series basis), the other conditions to the effectiveness of the Proposed Modifications are met or waived (where applicable) and the Proposed Modifications become effective with respect to those series, then those Proposed Modifications will be conclusive and binding on all Holders of those series of Eligible Bonds, whether or not they have consented to the Proposed Modifications, including Ineligible Holders of those series of Eligible Bonds and Eligible Holders whose Instructions are not accepted.

Rescission of Acceleration

In addition to the Proposed Modifications to the Eligible Bonds referred to above, by submitting and not revoking Instructions, each Holder hereby agrees as of the Settlement Date, in respect of each series of Eligible Bonds that may have been accelerated on or before the Settlement Date, to:

- (i) consent to a rescission and annulment of such acceleration, effective as of the time of closing on the Settlement Date,
- (ii) consent to an amendment of the event of default section in each affected Eligible Bond to delete the requirement that all payment defaults thereunder have been cured, waived or otherwise remedied as a condition to any rescission and annulment of acceleration,
- (iii) instruct the Information, Tabulation and Exchange Agent, on behalf of such Holder, to provide written notice to us and the relevant Trustee of the aggregate principal amount of Eligible Bonds for which Instructions have been received and not revoked containing the consent of the Holders submitting those Instructions to the rescission and annulment of such acceleration, and
- (iv) waive any other defaults or events of default that may have occurred under the relevant Eligible Bond on or prior to the Settlement Date that might otherwise interfere with the effectiveness of such rescission and annulment of acceleration.

Waiver of Defaults and Claims.....

By delivering their Instruction, Eligible Holders whose Eligible Bonds are accepted by us agree as of the Settlement Date to (i) waive any and all defaults and events of default, as applicable, that may have occurred or will occur under the Eligible Bonds (prior to the effectiveness of the Proposed Modifications and consummation of the Invitation with respect to such Eligible Bonds) as a result of (A) a default or event of default under any series of Eligible Bonds for which the Requisite Consents are not obtained at or prior to the Expiration, and (B) the entering or issuance of judgments or arbitral awards relating to any series of Eligible Bonds for which the Requisite Consents are not obtained at or prior to the Expiration, and (ii) waive and release the Province from any and all claims such Eligible Holders may have now or in the future in connection with or arising out of any such defaults and events of default, as applicable, and acknowledge and

agree that any such defaults and events of default shall be deemed cured upon the effectiveness of the Proposed Modifications and consummation of the Invitation, as described herein. Notwithstanding anything to the contrary herein, the effectiveness of the foregoing waiver (A) with respect to individual Eligible Holders, will not be subject to any conditions, and (B) with respect to a series, will only be contingent upon receiving the Requisite Consents for such series.

Supplemental Indentures

If we receive and accept the Requisite Consents with respect to one or more Proposed Modifications for one or more series of Eligible Bonds at or prior to the Expiration, after giving effect to any re-designation of any series of Eligible Bonds on the Execution Date, we and the Trustees will execute the Supplemental Indentures as necessary to give effect to the Proposed Modifications and, in the case of effectiveness the Substitution Proposed Modifications as they relate to one or more series, substitute the Eligible Bonds of such series for New Bonds, as described under “Terms of the Invitation—Proposed Modifications.” Any Proposed Modifications for any series of Eligible Bonds will become effective upon execution of the applicable Supplemental Indentures on the Settlement Date.

Settlement

If we accept your Instruction and the conditions to the Invitation are met or waived (where applicable), you will receive on the Settlement Date (or as promptly as practicable thereafter as the clearing systems’ procedures permit) the applicable New Bonds and Additional Consent Consideration by credit to the same account at the principal clearing system from which your Eligible Bonds were tendered. For the avoidance of doubt, the Settlement Date will be September 3, 2021, or as soon as practicable thereafter, but in no event later than September 17, 2021.

If you did not validly deliver Instructions, if you validly revoked your Instructions, if your Instructions were not accepted by the Province or if you are an Ineligible Holder and your Eligible Bonds are being modified and substituted pursuant to the Substitution Proposed Modifications, you will receive on the Settlement Date (or as promptly as practicable thereafter as the clearing systems’ procedures permit) the New Bonds by credit to the same account at the principal clearing system in which you held your Eligible Bonds on the Settlement Date.

All Eligible Bonds exchanged or substituted pursuant to the Invitation will be cancelled. If any court or arbitral order or administrative or legal proceeding prohibits or delays the delivery of the tendered or modified and substituted Eligible Bonds, we will postpone the Settlement Date until such court or arbitral order or administrative or legal proceeding no longer prohibits the delivery of the Eligible Bonds. If in our judgment, delivery cannot be effected without unreasonable delay, we will cancel the Invitation (or, if we consider that the Eligible Bonds affected thereby are, in our sole judgment, immaterial, we may cancel the Invitation with respect to the affected Eligible Bonds only).

Taxation

For a discussion of the Argentine and U.S. federal tax considerations of this Invitation see “Taxation.” Each Holder should seek advice from an independent tax advisor based on its particular circumstances.

Representations and Acknowledgements
of the beneficial owners of the Eligible
Bonds

By submitting Instructions and consenting to the Proposed Modifications with respect to any series of Eligible Bonds, Holders are deemed to make

	<p>certain acknowledgments, representations, warranties and undertakings to us, the Dealer Managers, the Trustees and the Information, Tabulation and Exchange Agent as set forth under “Representations and Acknowledgements of the Beneficial Owners of the Eligible Bonds.”</p>
Jurisdictional Restrictions.....	<p>The distribution of this invitation memorandum and the transactions contemplated herein may be restricted by law in certain jurisdictions. Persons into whose possession this material comes are required to inform themselves of and to observe any of these restrictions.</p> <p>This invitation memorandum does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or solicitation.</p> <p>In any jurisdiction in which the Invitation is required to be made by a licensed broker or dealer and in which the Dealer Managers or any affiliate thereof is so licensed, it shall be deemed to be made by the that licensed Dealer Managers or their respective affiliate on behalf of us.</p> <p>If you are not a resident of the United States, Argentina or one of the jurisdictions listed under “Jurisdictional Restrictions” in this invitation memorandum, you should contact the Dealer Managers to request assistance and seek your own legal advice regarding your ability to participate in the Invitation.</p>
Dealer Managers.....	BofA Securities, Inc. and Citigroup Global Markets Inc.
Information, Tabulation and Exchange Agent	D.F. King
2006 Indenture Trustee	The Bank of New York Mellon (the “ 2006 Indenture Trustee ”)
2015 Indenture Trustee	U.S. Bank National Association (the “ 2015 Indenture Trustee ”)
2006 Indenture	Indenture between the Province and the 2006 Indenture Trustee, dated as of January 12, 2006 (the “ 2006 Indenture ”)
2015 Indenture	Indenture between the Province and the 2015 Indenture Trustee, dated as of June 9, 2015 (the “ 2015 Indenture ”).
Risk Factors	The Invitation involves a significant degree of risk. Investors are urged to read carefully this invitation memorandum, including, in particular, “Risk Factors” beginning on page 32 of this invitation memorandum.
Further Information	Any questions or requests for assistance concerning this Invitation should be directed to the Information, Tabulation and Exchange Agent and the Dealer Managers at their respective addresses and telephone numbers set forth on the back cover of this invitation memorandum.

SUMMARY KEY TERMS OF THE NEW BONDS

The table set forth below presents a summary of certain terms of the New Bonds, and should be read in conjunction with the more detailed description of the bonds appearing in this invitation memorandum.

Key Terms Common to the New Bonds

Issuer	The Province of Buenos Aires
Additional Amounts	All payments by the Province in respect of the New Bonds will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Argentina or the Province or any political subdivision or taxing authority or agency therein or thereof having the power to tax, unless the withholding or deduction is required by law. In that event, the Province will pay such additional amounts as may be necessary to ensure that the amounts received by the holders after such withholding or deduction will equal the respective amounts of principal and interest that would have been receivable in respect of the New Bonds in the absence of such withholding or deduction; except under certain circumstances. See “Description of the New Bonds—Additional Amounts.”
Events of Default	<p>Each of the following is an event of default under any series of New Bonds:</p> <ol style="list-style-type: none"> 1. <i>Non Payment.</i> The Province fails to pay (i) any principal due on any such series of New Bonds when due and payable and such failure continues for 10 days after the applicable payment date, or (ii) any interest or additional amounts due on any such series of New Bonds when due and payable of such series when due and payable and such failure continues for 30 days after the applicable payment date; 2. <i>Breach of Other Obligations.</i> The Province fails to duly perform or observe any term or obligation contained in the New Bonds of such series or the relevant Indenture insofar as it relates to such New Bonds, which failure continues unremedied for 60 days after written notice thereof has been given to the Province by the relevant Trustee; 3. <i>Cross Default.</i> The Province fails to make any payment when due, after any applicable grace periods, on any of its Indebtedness (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to USD 15,000,000 (or its equivalent in other currencies) or any Indebtedness of the Province (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to USD 15,000,000 (or its equivalent in other currencies) is accelerated due to an event of default, unless the acceleration is rescinded or annulled; 4. <i>Moratorium.</i> The Province declares a moratorium of payment of its Indebtedness (other than Excluded Indebtedness); and 5. <i>Validity.</i> The validity of the New Bonds of such series or the 2006 Indenture or 2015 Indenture, as applicable, is contested by the Province.

As used herein, “**Excluded Indebtedness**” means (i) any series of Existing Bonds, and (ii) any indebtedness incurred prior to the issue date of the New

Bonds under credit facilities extended or guaranteed by member states of the OECD or any agency or instrumentality thereof.

As used herein, “**Existing Bonds**” means (a) USD Zero Coupon Notes due 2002, (b) USD 12.50% Notes due 2002, (c) Euro 7.875% Notes due 2002, (d) Euro 9% Notes due 2002, (e) Euro 10.25% Notes due 2003, (f) USD 12.75% Notes due 2003, (g) SFr 7.75% Notes due 2003, (h) Euro 10.375% Notes due 2004, (i) Euro 9.75% Notes due 2004, (j) Euro 10% Notes due 2004, (k) Euro 10.75% Notes due 2005, (l) EUR 10.625% Notes due 2006, (m) USD 13.75% Notes due 2007, (n) USD 13.25% Notes due 2010 and (o) the Eligible Bonds.

For more information, see “Description of the New Bonds—Events of Default.”

Settlement; Form The New Bonds will be initially issued and held as global securities, registered in the name of a nominee of a common depositary of Euroclear and Clearstream, Luxembourg.

See “Description of the New Bonds—Registration and Book-Entry System.”

Governing Law The New Bonds will be, and the Indentures are, governed by and construed in accordance with the laws of the State of New York unless otherwise specified in any series of debt securities, except with respect to the authorization and execution of the New Bonds by and on behalf of the Province, which shall be governed by and construed in accordance with the laws of Argentina.

Listing The Province intends to list each series of New Bonds on the Luxembourg Stock Exchange and the ByMA and to have each series of New Bonds admitted for trading on the Euro MTF Market and MAE.

Trustee, Registrar, Transfer Agent and Paying Agent With respect to the 2006 Indenture New Bonds, The Bank of New York Mellon.

With respect to the 2015 Indenture New Bonds, U.S. Bank National Association.

London Paying Agent With respect to the 2006 Indenture New Bonds, The Bank of New York Mellon, London Branch.

With respect to the 2015 Indenture New Bonds, Elavon Financial Services DAC, UK Branch (with regards to the euro-denominated New Bonds only).

Key Terms Common to all 2006 Indenture New Bonds

Indenture The New USD 2037 B Bonds and New Euro 2037 B Bonds will be issued pursuant to the 2006 Indenture.

Status The 2006 Indenture New Bonds will be direct, unconditional, unsecured and unsubordinated obligations of the Province, ranking, except as otherwise provided by law, *pari passu*, without any preference, among themselves and with all other present and future unsecured and unsubordinated Indebtedness (as defined in “Negative Pledge Covenant” below) from time to time outstanding of the Province. See “Description of the New Bonds—General Terms Common to all 2006 Indenture New Bonds—Status” and “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture.”

Further Issues	The Province may from time to time, without the consent of the holders of the 2006 Indenture New Bonds, create and issue additional 2006 Indenture New Bonds of a series ranking <i>pari passu</i> with the 2006 Indenture New Bonds and having terms and conditions which are the same as those of any then outstanding series of 2006 Indenture New Bonds in all respects, except for the amount of the first payment of interest on such additional notes. The Province may also consolidate the additional notes to form a single series with the relevant series of 2006 Indenture Eligible Bonds. Additional 2006 Indenture New Bonds issued in a qualified reopening for U.S. federal income tax purposes will be consolidated with and will form a single series with the previously outstanding 2006 Indenture New Bonds of that series.
Prescription.....	All claims against the Province for payment of principal of or interest on or in respect of the New Bonds shall be prescribed unless made within ten years (in the case of principal) and four years (in the case of interest) from the date on which such payment first became due, or a shorter period if provided by law.
Modification Provisions	The 2006 Indenture New Bonds will contain provisions, commonly known as “collective action clauses,” regarding future modifications to the terms of the 2006 Indenture New Bonds. Under these provisions the Province may amend the payment provisions of any series of 2006 Indenture New Bonds and other reserve matters listed in the 2006 Indenture with the consent of less than all of the holders of the 2006 Indenture New Bonds. The modification provisions in the 2006 Indenture (which will apply to the 2006 Indenture New Bonds) differ from those in the 2015 Indenture (which will apply to the 2015 Indenture New Bonds). See “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture” and “Description of the New Bonds—General Terms Common to all 2006 Indenture New Bonds—Meetings, Amendments and Waivers.”

Key Terms Common to all 2015 Indenture New Bonds

Indenture.....	The New USD 2037 A Bonds, New Euro 2037 A Bonds, New USD 2037 C Bonds and New Euro 2037 C Bonds will be issued pursuant to the 2015 Indenture.
Status	The 2015 Indenture New Bonds will be direct, general, unconditional and unsubordinated Public External Indebtedness of the Province. The 2015 Indenture New Bonds will rank without any preference among themselves and equally with all other unsubordinated Public External Indebtedness of the Province. It is understood that this provision shall not be construed so as to require the Province to make payments under the 2015 Indenture New Bonds ratably with payments being made under any other Public External Indebtedness of the Province. See “Description of the New Bonds—General Terms Common to all 2015 Indenture New Bonds—Status” and “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture.”
Further Issues	The Province may from time to time, without the consent of the holders of the relevant series of 2015 Indenture New Bonds, create and issue additional 2015 Indenture New Bonds having terms and conditions which are the same as those of any then outstanding series of 2015 Indenture New Bonds in all respects, except for the issue date, issue price and first payment date of interest on the 2015 Indenture New Bonds; provided, however, that any such additional 2015 Indenture New Bonds subsequently issued that are not fungible with the previously outstanding 2015 Indenture New Bonds for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number from such previously outstanding 2015 Indenture New Bonds. Additional 2015

	<p>Indenture New Bonds issued in a qualified reopening for U.S. federal income tax purposes will be consolidated with and will form a single series with the previously outstanding 2015 Indenture New Bonds.</p>
Prescription.....	<p>To the extent permitted by law, claims against the Province for the payment of principal of, premium, if any, or interest or other amounts due on, the New Bonds (including Additional Amounts) will become void unless made within four years of the date on which that payment first became due.</p>
Modification Provisions	<p>The 2015 Indenture New Bonds will contain provisions, commonly known as “collective action clauses,” regarding future modifications to the terms of the 2015 Indenture New Bonds. Under these provisions the Province may amend the payment provisions of any series of 2015 Indenture New Bonds and other reserve matters listed in the 2015 Indenture with the consent of less than all of the holders of the 2015 Indenture New Bonds. The modification provisions in the 2015 Indenture (which will apply to the 2015 Indenture New Bonds) differ from those in the 2006 Indenture (which will apply to the 200 Indenture New Bonds). See “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture”, “Description of the New Bonds—General Terms Common to all 2015 Indenture New Bonds—Meetings, Amendments and Waivers.”</p>

FINANCIAL TERMS OF THE NEW BONDS

The table set forth below presents a summary description of certain financial terms of the New Bonds, and should be read in conjunction with the more detailed description of the bonds appearing elsewhere in this invitation memorandum. You should refer to “Summary of Proposed Modifications and Exchange Offers Terms” to determine which of the Eligible Bonds may be exchanged for the New Bonds.

New Bonds	Interest Rate	Maturity	Principal Repayment ⁽¹⁾
New USD 2037 A Bonds (to be issued under the 2015 Indenture)	<ul style="list-style-type: none"> From and including June 30, 2021 to but excluding September 1, 2021: 2.500%; From and including September 1, 2021 to but excluding September 1, 2022: 3.900%; From and including September 1, 2022 to but excluding September 1, 2023: 5.250%; From and including September 1, 2023 to but excluding September 1, 2024: 6.375%; and From and including September 1, 2024 to but excluding September 1, 2037: 6.625% 	September 1, 2037	<p>Principal on the New USD 2037 A Bonds will be repaid in U.S. dollars in 28 installments starting on March 1, 2024 through maturity, pursuant to the following schedule:</p> <ul style="list-style-type: none"> 1.83% of the original principal amount will be repaid on each of March 1, 2024 and September 1, 2024; 2.25% of the original principal amount will be repaid on each of March 1, 2025 and September 1, 2025; 2.90% of the original principal amount will be repaid on each of March 1, 2026 and September 1, 2026; 3.28% of the original principal amount will be repaid on each of March 1, 2027 and September 1, 2027; 3.47% of the original principal amount will be repaid on each of March 1, 2028 and September 1, 2028; 3.79% of the original principal amount will be repaid on each of March 1, 2029 and September 1, 2029; 3.08% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030; 3.59% of the original principal amount will be repaid on each of March 1, 2031 and September 1, 2031; 3.77% of the original principal amount will be repaid on each of March 1, 2032 and September 1, 2032; 3.94% of the original principal amount will be repaid on each of March 1, 2033 and September 1, 2033; 4.20% of the original principal amount will be repaid on each of March 1, 2034 and September 1, 2034; 4.40% of the original principal amount will be repaid on each of March 1, 2035 and September 1, 2035; 4.67% of the original principal amount will be repaid on each of March 1, 2036 and September 1, 2036; and 4.83% of the original principal amount will be repaid on each of March 1, 2037 and September 1, 2037.

New Bonds	Interest Rate	Maturity	Principal Repayment ⁽¹⁾
New Euro 2037 A Bonds (to be issued under the 2015 Indenture)	<ul style="list-style-type: none"> From and including June 30, 2021 to but excluding September 1, 2021: 1.500%; From and including September 1, 2021 to but excluding September 1, 2022: 2.850%; From and including September 1, 2022 to but excluding September 1, 2023: 4.000%; From and including September 1, 2023 to but excluding September 1, 2024: 4.500%; and From and including September 1, 2024 to but excluding September 1, 2037: 5.125%. 	September 1, 2037	<p>Principal on the New Euro 2037 A Bonds will be repaid in euros in 28 installments starting on March 1, 2024 through maturity, pursuant to the following schedule:</p> <ul style="list-style-type: none"> 1.83% of the original principal amount will be repaid on each of March 1, 2024 and September 1, 2024; 2.25% of the original principal amount will be repaid on each of March 1, 2025 and September 1, 2025; 2.90% of the original principal amount will be repaid on each of March 1, 2026 and September 1, 2026; 3.28% of the original principal amount will be repaid on each of March 1, 2027 and September 1, 2027; 3.47% of the original principal amount will be repaid on each of March 1, 2028 and September 1, 2028; 3.79% of the original principal amount will be repaid on each of March 1, 2029 and September 1, 2029; 3.08% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030; 3.59% of the original principal amount will be repaid on each of March 1, 2031 and September 1, 2031; 3.77% of the original principal amount will be repaid on each of March 1, 2032 and September 1, 2032; 3.94% of the original principal amount will be repaid on each of March 1, 2033 and September 1, 2033; 4.20% of the original principal amount will be repaid on each of March 1, 2034 and September 1, 2034; 4.40% of the original principal amount will be repaid on each of March 1, 2035 and September 1, 2035; 4.67% of the original principal amount will be repaid on each of March 1, 2036 and September 1, 2036; and 4.83% of the original principal amount will be repaid on each of March 1, 2037 and September 1, 2037.

New Bonds	Interest Rate	Maturity	Principal Repayment ⁽¹⁾
New USD 2037 B Bonds (to be issued under the 2006 Indenture)	<ul style="list-style-type: none"> From and including June 30, 2021 to but excluding September 1, 2021: 2.500%; From and including September 1, 2021 to but excluding September 1, 2022: 3.500%; From and including September 1, 2022 to but excluding September 1, 2023: 4.500%; From and including September 1, 2023 to but excluding September 1, 2024: 5.500%; and From and including September 1, 2024 to but excluding September 1, 2037: 5.875% 	September 1, 2037	<p>Principal on the New USD 2037 B Bonds will be repaid in U.S. dollars in 19 installments starting on September 1, 2028 through maturity, pursuant to the following schedule:</p> <ul style="list-style-type: none"> 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029; 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030; 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033; 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036; 5.98% of the original principal amount will be repaid on March 1, 2037; and 5.97% of the original principal amount will be repaid on September 1, 2037.
New Euro 2037 B Bonds (to be issued under the 2006 Indenture)	<ul style="list-style-type: none"> From and including June 30, 2021 to but excluding September 1, 2021: 1.500%; From and including September 1, 2021 to but excluding September 1, 2022: 2.500%; From and including September 1, 2022 to but excluding September 1, 2023: 3.500%; From and including September 1, 2023 to but excluding September 1, 2024: 4.500%; and From and including September 1, 2024 to but excluding September 1, 2037: 5.125% 	September 1, 2037	<p>Principal on the New Euro 2037 B Bonds will be repaid in euros in 19 installments starting on September 1, 2028 through maturity, pursuant to the following schedule:</p> <ul style="list-style-type: none"> 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029; 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030; 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033; 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036; 5.98% of the original principal amount will be repaid on March 1, 2037; and 5.97% of the original principal amount will be repaid on September 1, 2037.

New Bonds	Interest Rate	Maturity	Principal Repayment ⁽¹⁾
New USD 2037 C Bonds (to be issued under the 2015 Indenture)	<ul style="list-style-type: none"> From and including June 30, 2021 to but excluding September 1, 2021: 2.000%; From and including September 1, 2021 to but excluding September 1, 2022: 3.000%; From and including September 1, 2022 to but excluding September 1, 2023: 4.000%; From and including September 1, 2023 to but excluding September 1, 2024: 5.000%; and From and including September 1, 2024 to but excluding September 1, 2037: 5.250%. 	September 1, 2037	<p>Principal on the New USD 2037 C Bonds will be repaid in U.S. dollars in 19 installments starting on September 1, 2028 through maturity, pursuant to the following schedule:</p> <ul style="list-style-type: none"> 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029; 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030; 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033; 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036; 5.98% of the original principal amount will be repaid on March 1, 2037; and 5.97% of the original principal amount will be repaid on September 1, 2037.
New Euro 2037 C Bonds (to be issued under the 2015 Indenture)	<ul style="list-style-type: none"> From and including June 30, 2021 to but excluding September 1, 2021: 1.000%; From and including September 1, 2021 to but excluding September 1, 2022: 2.000%; From and including September 1, 2022 to but excluding September 1, 2023: 3.000%; From and including September 1, 2023 to but excluding September 1, 2024: 4.000%; and From and including September 1, 2024 to but excluding September 1, 2037: 4.500% 	September 1, 2037	<p>Principal on the New Euro 2037 C Bonds will be repaid in euros in 19 installments starting on September 1, 2028 through maturity, pursuant to the following schedule:</p> <ul style="list-style-type: none"> 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029; 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030; 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033; 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036; 5.98% of the original principal amount will be repaid on March 1, 2037; and 5.97% of the original principal amount will be repaid on September 1, 2037.

- (1) The amount of principal payable on each principal payment date in respect of each U.S.\$1.00 or €1.00 of the original principal amount of any New Bond shall be rounded down to the nearest U.S.\$0.01 or €0.01, as applicable.

BACKGROUND TO THE INVITATION

As indicated by our governor, “the Province’s financial condition has been severely affected by the recession affecting Argentina’s economy, which has impacted industrial and related activities located in the Province in a disproportionate way. The Province is compelled to attend to the claims of a large number of constituents on account of health, education, security, unemployment and other demands, and has limited financial resources.” Since the beginning of 2018, the Province itself has been in recession, with its gross domestic product (“GDP”) decreasing by 3.95% in real terms between December 31, 2017 and December 31, 2018, and contracting a further 2.31% in 2019. The decrease in the Province’s GDP (which is heavily dependent on Argentina’s overall economic performance) has negatively affected the Province’s ability to collect taxes, duties and levies. Furthermore, the strong devaluation of the Argentine Peso against the U.S. Dollar has significantly increased the burden of the Province’s foreign-currency denominated indebtedness. The economic recession has been aggravated since March 2020 by the outbreak of the COVID-19 pandemic. Argentina has adopted several measures in response to the COVID-19 outbreak aimed at preventing mass contagion and overcrowding of Argentine health service facilities, as well as measures designed to limit the effects of the COVID-19 outbreak on the economy. Certain of these measures, such as the nation-wide lockdown, have contributed to a further slowdown of the Province’s economy. The Province has also adopted several measures in response to the outbreak, which has placed further strain on the Province’s resources and fiscal condition.

Given the current macroeconomic situation, the COVID-19 outbreak and the lack of access to the capital markets at reasonable rates, the Province has concluded that its outstanding foreign currency denominated debt (which represents approximately 84% of the Province’s total debt) is unsustainable. Consequently, the Province is undertaking the Invitation to obtain the relief needed to regain the sustainability of the Province’s external debt.

The Province’s total indebtedness amounted to U.S.\$ 10.69 billion as of December 31, 2020, of which 3.9% was held by the federal government, 88.3% was held by local and international bondholders, 6.4% corresponded to multilateral credit agencies and the remaining 1.3% was held by bilateral credit agencies and other creditors. As of December 31, 2020, 13.1% of the Province’s total indebtedness was denominated in pesos, with the remaining 71.2%, 13.9%, 0.6% and 1.2% denominated in U.S. dollars, euros, other currencies and CER-adjusted pesos, respectively.

To date, the Province has been able to refinance, on a rolling basis, its Argentine law-governed local and foreign currency financial obligations, comprised principally of debt with the public sector, including principally the federal government, and local bondholders, on accessible terms. The Province intends to continue to seek to refinance its Argentine law-governed local and foreign currency debt on a sustainable basis. For a description of this debt, see “Public Sector Debt—Debt Denominated in Pesos” and “Public Sector Debt—Debt Denominated in Foreign Currencies—Bond Issuance in the local capital markets.”

On April 24, 2020 the Province launched this Invitation on the terms originally proposed. Since then, the Province has held discussions with various groups of investors to discuss a path to restore the Province’s debt sustainability.

Since launching the Invitation in April 2020 and until July 2021, representatives of the Province conducted additional discussions related to its intended debt restructuring with certain investors with a view to reflecting, to the extent possible, investor preferences in the terms of its proposal.

On July 21, 2021, the Province published a statement announcing an agreement on the terms of the Invitation with representatives of certain institutional investors that hold Eligible Bonds, including the largest holder of Eligible Bonds. The terms of such agreement, and certain additional adjustments requested by other institutional investors that have communicated to the Province and its advisors their decision to deliver Instructions with respect to all of their Eligible Bonds are incorporated in the Invitation as reflected in this invitation memorandum.

The Province believes that the relief contemplated in the Invitation, if successful, will allow the Province to address the fiscal situation described above.

RISK FACTORS

Deciding whether to participate in the Invitation involves a significant degree of risk. Investors are urged to read carefully the entirety of this invitation memorandum and to note, in particular, the following considerations.

Risk Factors Relating to the Invitation

Risks of Not Participating in the Invitation

In the Event of Partial Success or Failure of the Invitation, the Province Faces High Default and Refinancing Risk.

If the transactions contemplated by the Invitation are not consummated, or if consummated but any debt relief obtained is not sufficient for the Province to regain the sustainability of its debt, then the Province may not be able to make regular payments on a portion or all of its indebtedness and faces a significant risk of default, which would further impair the value and trading liquidity of the Eligible Bonds. Failure to put the Province's debt on a sustainable path is likely to result in continued lack of access to the international capital markets by the Province for the foreseeable future and may further limit access to official sector financing. See "Risk Factors Relating to the Province—There can be no assurances that the Province's credit rating will improve or will not deteriorate." The Province has not made payments under the Eligible Bonds since it launched the Invitation on April 24, 2020. See "Background to the Invitation."

Since the failure to pay any interest on or principal of, or the acceleration of, any Eligible Bonds would not become the basis for an event of default or a cross-acceleration of any New Bonds, the Province may be less likely to make future payments on any Eligible Bonds that remain outstanding following consummation of the Invitation.

Additionally, if the Invitation is not completed, the Province cannot predict whether, or when, it may be able to implement a successful debt management program affecting the Eligible Bonds or any other outstanding instruments. Further, if the Invitation is not completed and the Province pursues alternative debt management options with respect to its debt obligations, including in relation to certain or all series of the Eligible Bonds, the terms of such alternative liability management program offered to Holders of Eligible Bonds could be less favorable than those offered in the Invitation.

Risk of Modification of the Terms and Conditions of the Eligible Bonds.

The 2006 Indenture and 2015 Indenture permit specified majorities of Holders of a series or groups of series of Eligible Bonds to approve a modification to the terms and conditions of such Eligible Bonds without the consent of all Holders. In particular, both the 2006 Indenture and the 2015 Indenture permit modifications to be adopted with respect to two or more series of Eligible Bonds by aggregating the consent of Holders of those series for the purpose of determining whether the approval threshold for the Proposed Modifications has been met. In addition, the approval thresholds under the 2015 Indenture for modifications with respect to two or more series of Eligible Bonds on an aggregated basis are lower than the approval thresholds in the 2006 Indenture for an equivalent modification with respect to only one series on a series by series basis.

If we receive and accept the Requisite Consents with respect to the Proposed Modifications to one or more series of Eligible Bonds (on an aggregated basis or single series basis), the other conditions to the effectiveness of the Proposed Modifications indicated in this invitation memorandum are met or waived (where applicable) and we decide to declare the Proposed Modifications effective with respect to those series of Eligible Bonds, then those Proposed Modifications will be conclusive and binding on all Holders of those series of Eligible Bonds, whether or not they have consented to the Proposed Modifications, including on Holders who submitted Instructions which we did not accept and on Ineligible Holders of those series of Eligible Bonds.

Effect of Substitution Proposed Modifications: If we receive and accept the Requisite Consents with respect to the Substitution Proposed Modifications, Eligible Holders whose Instructions are accepted will be entitled to receive the New Bonds selected in their Tender Order and the Additional Cash Consideration, and all Eligible Bonds held by Holders who submitted Instructions which we did not accept and non-consenting Holders, including Ineligible Holders, will be modified and substituted pursuant to the Substitution Proposed Modifications. See "—

Differences between the terms of the Eligible Bonds and the New Bonds.” In addition, Holders who did not submit valid Instructions, including Ineligible Holders, or whose Instructions were not accepted, will not be entitled to receive any cash or in-kind payment for any interest accrued and unpaid on any Eligible Bond that is modified and substituted for a New Bond pursuant to the Substitution Proposed Modifications, if those modifications become effective, and will not be entitled to receive any Additional Consent Consideration. See “Summary of the Invitation—Accrued Interest.”

Effect of Non-Reserve Matter Proposed Modifications: If we receive and accept the Requisite Consents with respect to the Non-Reserve Matter Proposed Modifications affecting any series of 2006 Indenture Eligible Bonds, the Province may (i) eliminate the paragraph from the terms and conditions of the 2006 Indenture Eligible Bonds providing for certain limitations to modifications in the context of exchange offers, and (ii) amend the place or places of payment under the 2006 Indenture Eligible Bonds that remain outstanding following the Settlement Date, including to provide Argentina as the new place of payment under such 2006 Indenture Eligible Bonds. In the event that the Province amends the place of payment under the 2006 Indenture Eligible Bonds to Argentina, the Province may select any financial institution or entity in Argentina to act as paying agent and such financial institution or entity need not be an agent of the trustee. In any such case, any payments by the Province pursuant to the 2006 Indenture Eligible Bonds shall be subject to any restrictions set forth by the Central Bank or other regulatory entity in Argentina, at the time of each such payment. In such event, holders of the 2006 Indenture Bonds may need to own an account in a local Argentine financial institution to receive payments in U.S. dollars or euros, as applicable. As of the date of this invitation memorandum, in the event that the Province selects Argentina as the place of payment under the 2006 Indenture Eligible Bonds modified by the Non-Reserve Matter Modifications, holders of the 2006 Indenture Eligible Bonds that are not individuals may face certain restrictions to transfer outside of Argentina any amounts they receive in foreign currency (U.S. dollars or euros) under the 2006 Indenture Eligible Bonds via a cross-border bank wire transfer. No assurance can be given regarding the restrictions on transfers of funds that may exist in the future. See “Exchange Regulations—Restrictions to Foreign Exchange Market and other related measures.”

In addition, the Province intends to de-list all Eligible Bonds from the Luxembourg Stock Exchange and any other stock exchange.

Any such Non-Reserve Matter Proposed Modifications or de-listing could have an adverse effect on the market for and value of such Eligible Bonds.

Following the consummation of the Invitation neither the failure to pay interest on, or principal of, any Eligible Bonds within the applicable grace period nor the acceleration of any Eligible Bonds will become the basis for an event of default or a cross-acceleration of the New Bonds. Even if the Substitution Proposed Modifications for a series of Eligible Bonds do not become effective, we cannot assure you that there will not be future restructurings or exchange offers in which the terms of your Eligible Bonds may be changed without your consent contrary to your interest if the required percentage of Holders approve such an offer.

Ineligible Holders are not permitted to participate in the Invitation but will nevertheless be subject to the Proposed Modifications if they are beneficial owners of a series of Eligible Bonds for which the Requisite Consents are obtained.

The Invitation is not being made to Ineligible Holders and Ineligible Holders will not be given the opportunity to deliver Instructions with respect to the Proposed Modifications. As a result, no “offer” of New Bonds is being made to Ineligible Holders. However, if the Proposed Modifications become effective with respect to one or more series of Eligible Bonds, then, in accordance with the terms of such Eligible Bonds, such series of Eligible Bonds will be modified or substituted for New Bonds pursuant to the Proposed Modifications, and such modification or substitution will affect all Holders, including Ineligible Holders, of such series of Eligible Bonds, regardless of whether they consented or if they were entitled to participate in the Invitation.

If the Substitution Proposed Modifications with respect to one or more series of Eligible Bonds are not successful, certain Eligible Bonds of such series may be exchanged into New Bonds pursuant to the Exchange Offers and the trading market for any such series of Eligible Bonds may become illiquid, which may adversely affect the market value of any Eligible Bonds of such series and the ability of Holders to sell Eligible Bonds.

All Eligible Bonds tendered and accepted pursuant to the Exchange Offers will be cancelled. The exchange of Eligible Bonds of any series pursuant to the Exchange Offers and the cancellation of such Eligible Bonds will reduce the aggregate principal amount of Eligible Bonds of the applicable series that otherwise might trade in the market. There is no assurance that the series of such Eligible Bonds will remain listed on the stock exchange(s) or market(s), if any, on which such Eligible Bonds are currently listed or admitted to trading. As a result, if you elect not to participate in the Invitation and your series of Eligible Bonds is not modified and substituted for a New Bond pursuant to the Invitation, the market value of your series of Eligible Bonds may be adversely affected and it may become more difficult for you to trade your Eligible Bonds. None of the Province, the Dealer Managers, the Trustees, the London Paying Agent, the Information, Tabulation and Exchange Agent or any other person has any obligation to make a market in any such remaining Eligible Bonds.

Risks of Participating in the Invitation

Differences between the terms of the Eligible Bonds and the New Bonds.

The financial terms and certain other conditions of the New Bonds will be substantially different from those of the Eligible Bonds. Holders should carefully consider these differences (which include, inter alia, the principal amount, the payment dates, the interest rate, the maturity date and cross-defaults) in deciding whether to participate in the Invitation in respect of their Eligible Bonds.

Your decision to deliver Instructions should be made with the understanding of such differences. The amount of New Bonds that you will receive per amount of the Eligible Bonds you tender is outlined in “Terms of the Invitation—Consideration to be Received Pursuant to Instructions.” In addition, the New Bonds will likely trade at a discount to their principal amount. Further, the interest rates of New Bonds you receive will be lower than the interest rates applicable to your Eligible Bonds. Further, the New Bonds you will receive have a longer maturity than your Eligible Bonds, which will expose you to the Province’s risk for a longer period of time. In addition, the lower fixed interest rates and longer maturities of the New Bonds, as applicable, expose you to interest rate risk over a longer period of time, such that if interest rates rise generally, the price of your New Bonds will fall. You should weigh these considerations against the risks of not participating in the Invitation described above.

Holders of 2006 Indenture Eligible Bonds who deliver a Tender Order and select the New USD 2037 A Bonds or New Euro 2037 A Bonds, if accepted by us, will receive New Bonds issued under the 2015 Indenture, as well as the Additional Consent Consideration. In addition, Holders of 2006 Indenture Eligible Bonds who do not tender or are Ineligible Holders, but whose Eligible Bonds are substituted pursuant to the Substitution Proposed Modifications will receive New Bonds issued under the 2015 Indenture. The 2015 Indenture contains provisions regarding voting on amendments, modifications and waivers (commonly referred to as “**collective action clauses**”) that are different from the collective action clauses included in the 2006 Indenture. See “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture.” Neither the 2006 Indenture nor the 2015 Indenture are (and they are not required to be) qualified under the Trust Indenture Act of 1939, as amended. As such, under these collective action clauses, certain key terms of the New Bonds may be amended, including the maturity date, interest rate and other payment terms, without your consent and with different majorities than those required by the 2006 Indenture Eligible Bonds and the 2006 Indenture. See “Description of the New Bonds—General.”

In addition to the differences in the collective action clauses, the ranking provision and events of default in the New Bonds to be issued under the 2015 Indenture are different from the corresponding provisions in the 2006 Indenture Eligible Bonds and the 2006 Indenture. See “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture.” Furthermore, following the consummation of the Invitation, any failure to pay any interest on, or principal of, or acceleration of, any series of Eligible Bonds that were not successfully exchanged or modified and substituted and would remain outstanding after the Settlement Date will not be an event of default under the New Bonds. Before delivering a Tender Order with respect to 2006 Indenture

Eligible Bonds in exchange for New Bonds issued under the 2015 Indenture, you should carefully review the 2015 Indenture.

Re-Designation of the Affected Series

By submitting Instructions and thereby delivering a Consent to the Proposed Modifications applicable to that series of Eligible Bonds, you will also be giving your Consent to allow us to, in our sole discretion, re-designate at any time (including after the Expiration) the series of Eligible Bonds that will be subject to the Substitution Proposed Modifications by excluding one or more series of the initially designated series in our sole and absolute discretion. This Consent will waive any restrictions or anything else to the contrary in the 2006 Indenture or 2015 Indenture, including Section 11.3 of the 2015 Indenture, or in the terms and conditions of the 2006 Indenture Eligible Bonds or the 2015 Indenture Eligible Bonds, as applicable.

As such, subject to the satisfaction of the Minimum Participation Condition, your Consent will allow us, in our sole discretion, to (A) re-designate at any time (including after the Expiration) the series of Eligible Bonds that will be subject to the Substitution Proposed Modifications on an aggregated basis by excluding one or more series of the initially designated series, and (B) where Holders of not less than 75% of the aggregate principal amount of any excluded series have granted their Consent to the applicable Substitution Proposed Modifications, consider the Substitution Proposed Modifications effective with respect to a single series of Eligible Bonds. In that event, all Eligible Bonds of those series held by non-consenting Holders, including Ineligible Holders, will be modified and substituted pursuant to the Substitution Proposed Modifications.

Failure of Holders to comply with the procedures of the Invitation may result in such Holders' Eligible Bonds not being exchanged as intended.

Holders are responsible for complying with all of the procedures required for delivering Instructions.

For Eligible Bonds held through a financial institution or other intermediary, a beneficial owner must contact that financial institution or intermediary and instruct it to submit Instructions or revocation instructions on behalf of the beneficial owner. The financial institution or intermediary may have earlier deadlines by which it must receive instructions in order to have adequate time to meet the deadlines of the Clearing System through which Instructions or revocation instructions in respect of the Eligible Bonds are submitted. Holders are responsible for informing themselves of these deadlines and for arranging the due and timely delivery of their Instructions.

Any errors by or delays of the Clearing Systems, direct participants in the Clearing System or custodians or other securities intermediaries may prejudice a beneficial owner's ability to participate in the Invitation and/or receive the New Bonds. Where applicable, after contacting and providing information to a custodian or other securities intermediary, beneficial owners of Eligible Bonds will have to rely on this institution, any other relevant custodians and securities intermediaries, and on the relevant direct participant and Clearing System to take the steps necessary for the Instructions to be submitted properly and by the applicable deadline. If any person or entity commits an error in submitting Instructions, a beneficial owner of Eligible Bonds would have no claim to have their Instructions taken into account. In addition, any error committed in identifying an account to which the New Bonds will be credited or in a Clearing System, direct participant or custodian or other securities intermediary in crediting the New Bonds to the relevant account may result in delayed receipt of the New Bonds, which may affect your ability to effect trades.

None of the Province, the Dealer Managers or the Information, Tabulation and Exchange Agent will be responsible for any errors, delays in processing or systemic breakdowns or other failure by (i) the Clearing Systems, direct participants or custodians or other securities intermediaries to comply with any of the submission or revocation procedures or (ii) the relevant direct participant in the Clearing System and/or any other securities intermediary in the delivery of the relevant New Bonds to the Holder, and no additional amounts or other compensation will be payable to the beneficial owner in the event of any delay in such delivery.

The Province reserves, in its sole discretion, the right to: (i) reject any and all Instructions not in proper form or for which any corresponding agreement by the Province to accept would, in the opinion of the Province and its legal advisers, be unlawful; (ii) waive any defects, irregularities or delay in the submission of any and all

Instructions; and (iii) waive any such defect, irregularity or delay in respect of particular Instructions, whether or not the Province elects to waive similar defects, irregularities or any delay in respect of any other such Instructions.

None of the Province, the Dealer Managers or the Information, Tabulation and Exchange Agent shall be under any duty to give notice to a beneficial owner of any defects, irregularities or delays in any Instruction, nor shall any of them incur any liability for failure to give such notice.

All questions regarding the validity, form and eligibility, including time of receipt or revocations, of any Instructions will be determined by us in our sole discretion, which determination shall be final and binding. The Invitation is not being made to Ineligible Holders. Instructions from Ineligible Holders will not be accepted.

Holders who do not participate in the Invitation may attempt to challenge the progress or consummation of the Invitation by seeking an injunction or pursuing other legal remedies.

The Province may be subject to efforts by certain creditors opposed to the transactions to enjoin or otherwise prevent the consummation of the Invitation. In the past, creditors have obtained judgments in the United States, Germany and Switzerland against the Province related to the Province's default on its bonds. The Province cannot assure you that Ineligible Holders, non-consenting creditors or other creditors of the Province will not take other actions that may, or that a court will not, enjoin, impede or delay the Invitation or that the Invitation may not be delayed or terminated due to such creditor intervention. While the Province intends to oppose vigorously any efforts to challenge the Invitation, it can offer no assurances of success or that a court would not take actions that may enjoin, impede or delay the implementation of the Invitation. The Province can give no assurance that further litigation will not result in even more substantial judgments against the Province.

Compliance with jurisdictional restrictions.

Beneficial owners of Eligible Bonds are referred to the jurisdictional restrictions in "Jurisdictional Restrictions" and the agreements, acknowledgements, representations, warranties and undertakings in "Representations and Acknowledgements of the Beneficial Owners of Eligible Bonds," which beneficial owners of Eligible Bonds will be deemed to make when delivering Instructions. Non-compliance with these jurisdictional restrictions could result in, among other things, the unwinding of trades or penalties and/or significant costs for investors.

No assurance can be given that the Invitation will be completed and Holders should understand the schedule and terms of the Invitation before tendering any Eligible Bonds.

Tendering Holders will not receive New Bonds until the Settlement Date. No assurance can be given that the transactions contemplated in the Invitation will be completed until the Province (i) announces that the Requisite Consents relative to the Proposed Modifications applicable to each series of Eligible Bonds have been received and accepted and that all conditions to the effectiveness of each Proposed Modification and the Exchange Offers have been met; and (ii) executes, together with the Trustees, the Supplemental Indentures making the Proposed Modifications effective, and accepts valid tenders of Eligible Bonds for exchange.

In addition, subject to applicable law and as provided in this invitation memorandum, the Province reserves the right, in its sole discretion to extend, re-open, amend or terminate any aspect of the Invitation, including any offer to exchange any particular series of Eligible Bonds, at any time before such announcement and may, in its sole discretion, waive certain of the conditions to any tender of Eligible Bonds for exchange or modify the Re-designation Date, the Effective Date or Settlement Date, either before or after such announcement. Even if the Invitation is completed, there can be no assurance that it will be completed in accordance with the schedule and on the terms described herein, and therefore, the Settlement Date could be significantly delayed. As such, Holders participating in the Invitation may have to wait longer than expected to have their Eligible Bonds modified and substituted or exchanged for the New Bonds, during which time those Holders will not be able to effect transfers of or trade in their Eligible Bonds in respect of which Instructions have been submitted, unless the Holder revokes its Instruction prior to Expiration. Accordingly, while the market price of the Eligible Bonds may fluctuate while the restrictions on transfer apply, Holders of Eligible Bonds will be unable to benefit from favorable fluctuations because they will be unable to trade the Eligible Bonds, absent revoking the relevant Instruction.

Restrictions on transfer of Eligible Bonds for which Instructions are submitted.

When considering whether to participate in the Invitation, Holders should take into account that restrictions on the transfer of such Eligible Bonds will apply from the time of submission of Instructions. A Holder will, on submitting a valid Instruction, agree that its Eligible Bonds will be blocked in the relevant account in the Clearing System from the date the relevant Instruction is submitted until the earlier of (i) the Settlement Date, (ii) the date of termination of the Invitation or any relevant part of the Invitation (including where such Eligible Bonds are not accepted by the Province for amendment or exchange) or (iii) the time at which the relevant Instruction is revoked and the Eligible Bonds are unblocked by the Clearing System.

Eligible Holders participating in the Invitation will be deemed to waive any and all defaults and events of default in respect of the Eligible Bonds

When considering whether to participate in the Invitation, Holders should take into account that by delivering and not revoking their Instructions, Eligible Holders whose Eligible Bonds are accepted by the Province will be deemed as of the Settlement Date to (i) waive all defaults and events of default, as applicable, that may have occurred or will occur under the Eligible Bonds (prior to the effectiveness of the Proposed Modifications and consummation of the Invitation with respect to such Eligible Bonds) as the result of (A) a default or event of default under any series of Eligible Bonds for which the Required Consents are not obtained at or prior to the Expiration and (B) the entering or issuance of judgments or arbitral awards relating to an series of Eligible Bonds for which the Required Consents are not obtained at or prior to the Expiration, (ii) rescind and annul any declaration of default and its consequences, and (iii) to discharge and release the Province (including any of its public entities or affiliates) in respect of such Eligible Bond, from any and all claims (including claims in the form of a payment order, judgment, arbitral award or other such order or enforcement actions related thereto) such Eligible Holders may have, now or in the future, arising out of or related to its Eligible Bonds included in the Instruction, including expressly, without limitation, any claims arising from any existing, past or continuing defaults and their consequences in respect of such Eligible Bonds (such as any claim that the Eligible Holders are entitled to receive principal, accrued interest or any other payment with respect to the Eligible Bonds, other than as expressly provided in this invitation memorandum).

Risk Factors Relating to the New Bonds

There is no prior market for the New Bonds; if one develops, it may not be liquid. In addition, a listing of the New Bonds on a securities exchange cannot be guaranteed.

There currently is no market for the New Bonds. The Province cannot guarantee that such a market will develop or if one does develop, that it will continue to exist. If a market for the New Bonds were to develop, prevailing interest rates and general market conditions could affect the price of the New Bonds. This could cause the New Bonds to trade at prices that may be lower than their principal amount or their initial offering price. In addition, no assurance can be given as to the liquidity of the trading market for the New Bonds and the price at which the New Bonds will trade on the secondary market is uncertain.

Although the Province intends to list all series of New Bonds on the Luxembourg Stock Exchange and to have them admitted for trading on the Euro MTF Market as early as reasonably practicable after the Settlement Date, certain series of New Bonds issued hereby may not be so listed and traded. Moreover, even if a series of New Bonds is so listed and traded, the Province may decide to delist the New Bonds and/or seek an alternative listing for such New Bonds on another stock exchange, although there can be no assurance that such alternative listing will be obtained.

Potential Challenges to the Province's Payments on the New Bonds.

Holders of other debt instruments of the Province may attempt to attach, enjoin or otherwise challenge the Province's payments on the New Bonds. Creditors of Argentina and other sovereign debtors have, in recent years, used litigation tactics in an effort to attach or interrupt payments made by Argentina or those sovereign debtors to, among others, holders of bonds and other creditors who have agreed to a debt reorganization and accepted New Bonds in an exchange offer. In the future, the Province may become subject to additional suits to collect on defaulted Eligible Bonds or other indebtedness. See "The Provincial Economy—Litigation." The Province cannot

assure you that a creditor will not attempt to interfere, through an attachment of assets, injunction, temporary restraining order or otherwise, with payments made on the New Bonds.

It may be difficult for you to obtain or enforce judgments against the Province.

The Province is a political subdivision of a sovereign entity. Consequently, while the Province has irrevocably submitted, subject to certain exceptions, to the jurisdiction of any New York state or U.S. federal court sitting in the City of New York, Borough of Manhattan (in addition to the courts of the Province), over any suit, action or proceeding against it or its properties, assets or revenues arising out of or relating to the New Bonds or the Province's failure or alleged failure to perform any obligations under the New Bonds, which are governed by New York law, it may be difficult for holders of New Bonds or the relevant Trustee to obtain or enforce judgments of courts in the United States or elsewhere, including in Argentina, against the Province. See "Description of the New Bonds—Governing Law" and "—Jurisdiction, Consent to Service, Enforcement of Judgments and Immunities from Attachment."

Following the Province's default on its external debt in 2002, lawsuits were filed against the Province in the United States, Germany and Switzerland, and there are currently 17 final and non-appealable judgments outstanding and one lawsuit pending against the Province related to the Province's 2002 default on its bonds. See "The Provincial Economy—Litigation."

Although the Province has consented to a waiver of immunity pursuant to the terms of the New Bonds, the Province reserved the right to plead sovereign immunity under the FSIA with respect to actions or proceedings brought against it under the U.S. federal securities laws or any state securities laws in relation to the New Bonds. In the absence of a waiver of immunity by the Province with respect to such actions, it would not be possible to obtain a judgment in such an action brought in a U.S. court against the Province unless such court were to determine that the Province is not entitled under the FSIA to sovereign immunity with respect to such action. Further, even if a U.S. judgment could be obtained in any such action under the FSIA, it may not be possible to enforce against the Province such a U.S. judgment. Execution upon property of the Province located in the United States to enforce a U.S. judgment may not be possible except under the limited circumstances specified in the FSIA. See "Enforcement of Civil Liabilities."

In addition, if holders of New Bonds obtained a foreign judgment against the Province, it may be difficult for holders to have that judgment recognized and enforced in Argentine courts during states of emergency, as was declared by Congress during the 2001-2002 crisis, in light of the March 6, 2014 decision of the Supreme Court of Justice of Argentina in *Claren Corporation v. Estado Nacional*. In that case, the Supreme Court of Justice of Argentina held that the enforcement of a foreign judgment sought by *Claren Corporation* did not satisfy one of the requirements set forth in the Code of Civil and Commercial Procedure of the Republic (*i.e.*, that a foreign judgment cannot contravene Argentine law principles of public policy), given the fact that enforcement as requested by the plaintiff would imply that such plaintiff, through an individual action filed before a foreign court, could circumvent the public debt restructuring process set forth by the Argentine government through emergency legislation enacted in accordance with the Argentine Constitution after the debt securities subject to the foreign judgment were issued. The Supreme Court of Justice of Argentina further held that such norms were part of Argentine public policy and, therefore, that the enforcement of a foreign judgment like the one sought by the plaintiff could not be granted as it would be clearly contrary to such legislation.

Even in the absence of a state of emergency, it may be difficult for holders of New Bonds to have a foreign judgment recognized and enforced against the Province in Argentina.

Exchange rate fluctuations may adversely affect the value of the New Bonds.

The Province will pay interest and principal on the New Bonds which will be payable in U.S. dollars or euros. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the currency in which interest and principal on the New Bonds it holds are payable. These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollars or euros or revaluation of the Investor's Currency). An appreciation in the value of the Investor's Currency relative to the U.S. dollars or euros would decrease (1) the Investor's Currency-equivalent yield on the New Bonds, (2) the Investor's Currency-

equivalent value of the principal payable on the New Bonds and (3) the Investor's Currency-equivalent market value of the New Bonds.

Changes in market interest rates may adversely affect the value of the New Bonds.

For holders that intend to sell the New Bonds prior to maturity, subsequent changes in market interest rates may adversely affect the value of the New Bonds.

U.S. Holders may recognize substantial ordinary interest income with respect to the New Bonds in excess of the stated interest paid on the New Bonds.

The New Bonds will be issued with substantial original issue discount (“OID”).

A U.S. Holder (as defined in “Taxation—U.S. Federal Income Tax Consequences” below) generally will be required to accrue OID on a constant yield basis over the term of the New Bonds. The inclusions may substantially exceed cash received by the U.S. Holder in certain years prior to maturity, redemption or disposition of the New Bonds.

For additional important information, see the discussion under “Taxation—U.S. Federal Income Tax Consequences” below. In general, each U.S. Holder should consult its own tax advisor with regard to the Invitation and the application of U.S. federal income tax laws, as well as the laws of any state, local or non-U.S. taxing jurisdictions, to its particular situation.

The New Bonds are subject to restrictions on resales and transfers.

The New Bonds have not been registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the New Bonds may not be offered, sold, pledged or otherwise transferred except (a) to a person who the transferor reasonably believes is a “Qualified Institutional Buyers” (as defined in Rule 144A under the Securities Act) acquiring for its own account or for the account of one or more “Qualified Institutional Buyers”; (b) pursuant to offers and sales that occur outside the United States in compliance with Regulation S under the Securities Act; or (c) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. For certain restrictions on resale and transfer of the New Bonds, see “Transfer Restrictions.”

Risk Factors Relating to Argentina

The Province is a political subdivision of Argentina and, as a result, the Province's economic performance is subject to general economic conditions in Argentina and to decisions and measures adopted by the federal government, which it does not control.

Because the Province is a political subdivision of Argentina, the Province's economic performance and public finances are subject to general economic conditions in Argentina and may be significantly affected by national events and by decisions and measures adopted by the federal government, including those related to inflation, monetary policy and federal taxation. The Province does not control any of these events or decisions. As a result, you should also carefully consider the economic and other information periodically made public by Argentina. The Province does not take part in the formulation of such information.

Although a significant part of the national population resides in the Province's territory and the Province's economy represents a significant part of the national economy, the interests of the Province may not always be aligned with those of the federal government or other Argentine provinces and, as a result, the Province cannot assure you that future decisions or measures adopted by the federal government will not have an adverse effect on the Province's economy that may affect its ability to service its debt obligations, including the New Bonds.

Transfers by the federal government to the Province under the federal tax co-participation regime constitute one of the main sources of revenue for the Province, accounting for 33.3% of the Province's total revenues in 2020. In recent years, different agreements entered into between the federal government, some provinces and the City of

Buenos Aires introduced changes to the federal tax co-participation regime related to revenue sharing equity. The Province cannot provide assurance that its revenues from transfers by the federal government will not decline in the future (as a result of changes in the tax co-participation regime or otherwise), in which case the Province's ability to service its debt obligations, including the New Bonds, would be adversely affected. See "Public Sector Finances—Main Sources of Revenue."

If current levels of inflation do not decrease or continue to increase, the Argentine economy could be adversely affected.

Historically, inflation has materially undermined the Argentine economy and the country's ability to create conditions that permit growth. In recent years, Argentina has experienced high inflation rates.

High inflation rates negatively affect Argentina's foreign competitiveness, social and economic inequality, negatively impact employment and the level of economic activity and undermine confidence in Argentina's banking system, all of which could further limit the availability of domestic and international credit and undermine political stability. A portion of Argentina's debt is adjusted by the CER (a currency index) which is strongly related to inflation.

Inflation remains a challenge for the country given its persistent nature in recent years. If the federal government is not successful in addressing Argentina's structural inflationary imbalances, the current levels of inflation may continue or increase and have an adverse effect on the Province's economy and financial condition.

Argentina's economy remains vulnerable to external shocks that could be caused by significant economic difficulties of its major regional and international trading partners, particularly Brazil and China, or by more general "contagion" effects. Such external shocks and "contagion" effects could have a material adverse effect on the Province's economic growth and its ability to service its public debt.

Weak, flat or negative economic growth or changes in the economic policies of any of Argentina's major trading partners, such as Brazil or China, could adversely affect Argentina's and the Province's economy. Although the Province's exports reach more than 100 countries, Brazil is the Province's largest export market with a market share of approximately 21.7% in 2020. A deterioration of economic conditions in Brazil may reduce demand for Provincial exports and increase demand for Brazilian exports. The Province cannot assure you that the Brazilian demand for provincial exports will not decrease in the future. A decline in Brazilian demand for imports could have a material adverse effect on the Province's economic growth.

The Province's economy may be affected by "contagion" effects. International investors' reactions to events occurring in one developing country sometimes appear to follow a "contagion" pattern, in which an entire region or investment class is disfavored by international investors. Argentina, including the Province, could be adversely affected by negative economic or financial developments in other developing countries. In the past, the Province has been adversely affected by such contagion effects on a number of occasions, including the 1994 Mexican financial crisis, the 1997 Asian financial crisis, the 1998 Russian financial crisis, the 1999 devaluation of the Brazilian real, the 2001 collapse of Turkey's fixed exchange rate regime and the global financial crisis that began in 2008. The Province cannot assure you that similar events in the future will not have an adverse effect on its economic growth and its ability to service its public debt, including the New Bonds.

The Province may also be affected by conditions in developed economies, such as the United States, that are significant trading partners of Argentina or have influence over world economic cycles. For example, if interest rates increase significantly in developed economies, including the United States and Europe, Argentina and its developing economy trading partners, such as Brazil, could find it more difficult and expensive to borrow capital and refinance existing debt, which could adversely affect economic growth in those countries.

Decreased growth on the part of Argentina's trading partners could have a material adverse effect on the markets for Argentina's and the Province's exports and, in turn, adversely affect economic growth.

Argentina has previously defaulted and restructured external and domestic debt and had restricted access to financing.

Argentina may be unable to meet future debt service obligations out of current revenues and it may have to rely, in part, on additional financing from the domestic and international capital markets (or official sector resources) in order to do so. From time to time, Argentina has carried out debt restructuring transactions in accordance with Section 65 of Law No. 24,156 and other applicable legislation. During the past 30 years, Argentina had two periods of external and domestic debt in default in the 1980's and in 2002 which resulted in Argentina not being able to obtain certain external financing. Consequently, Argentina entered into various restructurings or settlements: the Brady Plan, the 2005 Debt Exchange, the 2010 Debt Exchange and the 2016 Settlement (in each case, as defined in the 2018 Annual Report).

On March 13, 2020, the Minister of Economy addressed a letter to the Paris Club members expressing Argentina's decision to postpone until May 5, 2021 the US\$2.1 billion payment originally due on May 5, 2020, in accordance with the terms of the settlement agreement the Republic had reached with the Paris Club members on May 29, 2014 (the "Paris Club 2014 Settlement Agreement"). In addition, on April 7, 2020, the Minister of Economy sent the Paris Club members a proposal to modify the existing terms of the Paris Club 2014 Settlement Agreement, seeking mainly an extension of the maturity dates and a significant reduction in the interest rate. On June 22, 2021, Argentina and the Paris Club reached an agreement whereby Argentina would pay US\$430 million out of the U.S.\$2.1 billion originally due on July 31, 2021 and obtain a grace period until March 31, 2022 to continue negotiating a modification to the terms of the Paris Club 2014 Settlement Agreement.

On April 21, 2020, Argentina invited holders of approximately US\$ 66.5 billion aggregate principal amount of its foreign currency external bonds to exchange such bonds for new bonds. The invitation contemplated the use of collective action clauses included in the terms and conditions of such bonds, whereby the decision by certain majorities would bind holders that do not tender into the exchange offer. On August 31, 2020, Argentina announced that it had obtained bondholder Consents required to exchange and or modify 99.01% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the exchange offer. The restructuring settled on September 4, 2020. As a result of the invitation, the average interest rate paid by Argentina's foreign currency external bonds was lowered to 3.07%, with a maximum rate of 5.0%, compared to an average interest rate of 7.0% and maximum rate of 8.28% prior to the invitation. In addition, the aggregate amount outstanding of Argentina's foreign currency external bonds was reduced by 1.9% and the average maturity of such bonds was extended.

On April 5, 2020, the federal government enacted Decree No. 346/2020 (i) deferring the payments of principal and interest on certain of its foreign currency bonds governed by Argentine law until December 31, 2020, or until such earlier date as the Ministry of Economy may determine, taking into account the progress in the process designed to restore the sustainability of Argentina's public debt, and (ii) authorizing the Ministry of Economy to conduct liability management transactions or exchange offers, or to implement restructuring measures affecting foreign currency bonds governed by Argentine law which payments have been deferred pursuant to such Decree.

On August 18, 2020, Argentina offered holders of its foreign currency bonds governed by Argentine law to exchange such bonds for new bonds, on terms that were equitable to the terms of the invitation made to holders of foreign law-governed bonds. On September 18, 2020, Argentina announced that holders representing 99.4% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the local exchange offer had participated. As a result of the exchange offer, the average interest rate paid by Argentina's foreign currency bonds governed by Argentine law was lowered to 2.4%, compared to an average interest rate of 7.6% prior to the exchange. In addition, the exchange offer extended the average maturity of such bonds.

As of the date of this invitation memorandum, the federal government has initiated negotiations with the IMF in order to renegotiate the principal maturities of the US\$ 44.1 billion disbursed between 2018 and 2019 under a Stand By Agreement, originally planned for the years 2021, 2022 and 2023. We cannot assure whether the federal government will be successful in the negotiations with that agency, which could affect its ability to implement reforms and public policies and boost economic growth, nor the impact of the result that renegotiation will have in Argentina's ability to access international capital markets (and indirectly in our ability to access those markets) to access international capital markets, in the Argentine economy or in our economic and financial situation or in our

capacity to extend the maturity dates of our debt or other conditions that could affect our results and operations or businesses.

In the future, Argentina may be unable to service its debt and may again not be able to access such markets or sources of funding or it may seek or be required to restructure its then outstanding debt.

If Argentina is not able to service its debt or is unable to access international financing, that may also affect the ability of the Province to do so, and may affect the Republic's financial capacity to make discretionary transfers to the Province, as described under "Public Sector Debt—Main Sources of Revenue—Federal Contributions." In addition, there can be no assurances that Argentina's credit ratings will be maintained or that they will not be downgraded, suspended or cancelled. Any credit rating downgrade, suspension or cancellation for Argentina's sovereign debt may have an adverse effect on the Argentine and Provincial economies. As such, any adverse effect on our economy due in part to changes in Argentina's credit rating may adversely affect the market price and trading in the New Bonds.

Measures adopted by the Central Bank in the foreign exchange market, aimed at counteracting sharp shifts in the value of the peso, may affect the Argentine and provincial economies and the Province's ability to service its debt obligations.

During recent years, the Central Bank has regularly intervened in the foreign exchange market in order to manage the currency and prevent sharp shifts in the value of the peso. Purchases of pesos by the Central Bank could cause a decrease in the international reserves of the Central Bank. As of December 31, 2020, the gross international reserve assets of the Central Bank totaled U.S.\$ 39.387 billion. A significant decrease in the Central Bank's international reserves may have an adverse impact on Argentina's and the Province's ability to withstand external shocks to the economy. In addition, the Province cannot assure you the extent to which the Central Bank will effectively maintain an adequate level of international reserves. A decline in international reserves may have an adverse impact on the provincial economy.

The Province cannot assure you either that the peso will not devalue further or appreciate significantly in the future. See "—Fluctuations in the value of the peso could adversely affect the Province's economy and the Province's ability to service its debt obligations."

Risk Factors Relating to the Province

Investing in a developing country such as Argentina, in which the Province is a political subdivision, entails certain inherent risks.

The Province is located in Argentina, a developing economy, and investing in developing economies generally involves risks. These risks include political, social and economic events that may affect Argentina's economic results. In the past, instability in Argentina and other Latin American and emerging market countries has been caused by many different factors, including the following:

- adverse external economic factors;
- inconsistent fiscal and monetary policies;
- dependence on external financing;
- changes in governmental economic or tax policies;
- high levels of inflation;
- abrupt changes in currency values;
- high interest rates;
- volatility of exchange rates;

- political and social tensions;
- fluctuations in central bank reserves;
- fluctuations in expectations;
- trade shocks; and
- pandemics.

Any of these factors may adversely affect the liquidity, trading markets and value of the Province's debt securities and its ability to service its debt obligations, including the New Bonds.

Argentina has experienced political and social economic instability in the past and may experience further instability in the future. In 2001 and 2002, Argentina suffered a major political, economic and social crisis, which resulted in institutional instability and a severe contraction of the economy (GDP contracted 10.9% in 2002 compared to 2001) with significant increases in unemployment and poverty rates. Among other consequences, the crisis caused a large currency devaluation and led to the Government defaulting on its external debt. In response, the federal government implemented a series of emergency measures, including strict foreign exchange restrictions and monthly limits on bank withdrawals, which affected public companies and other sectors of the Argentine economy. In this environment, the Province also defaulted on its external debt.

The Argentine economy experienced a recovery following the 2001-2002 crisis. Since 2008, however, it has struggled to curb strong inflationary pressures, and since 2012 growth has stagnated. During the first half of 2018, the Argentine economy entered into an acute economic recession, which deepened in 2019, with a sharp decrease in international reserves, a strong loss in the value of the peso vis-à-vis the U.S. dollar, resulting in rising inflation, unemployment, poverty and extreme poverty rates. See "Background to the Invitation."

As a result of this economic backdrop, in December 2019, Congress enacted legislation declaring a state of public emergency in economic, financial, fiscal, administrative, pensions, tariff, energy, health and social matters, expected to remain in force until December 31, 2021. The Province's Congress also enacted legislation declaring a state of public emergency in the province. The ultimate impact of each of these measures on the national and provincial economies as well as the ability to implement all announced measures as currently contemplated, cannot be assured. If Argentina's and the Province's policy agendas cannot be successfully implemented, the result may weaken confidence in and adversely affect the Province's economy and financial condition. The Province's economic conditions depend, to a large extent, on the macroeconomic and political conditions prevailing in Argentina. Worsening economic conditions in the country could have an adverse effect on the Province's economy, current revenues and ability to service its debt obligations, including the New Bonds.

The Province has previously defaulted and restructured external and domestic debt and its future access to financing may be restricted.

The Province may be unable to meet future debt service obligations out of current revenues and it may have to rely, in part, on additional financing from the domestic and international capital markets (or official sector resources) in order to do so. In December 2001, the Province defaulted on its external debt. In November 2005, the Province launched an offer to the holders of its outstanding Eurobonds, which had been in default since December 2001, to exchange these bonds for three series of newly issued bonds at a specified exchange ratio that recognized a portion of the accrued and unpaid interest on the Eurobonds. The aggregate principal amount of Eurobonds outstanding at the time of the offer was approximately USD 2.70 billion, denominated in dollars, euros, yen and Swiss francs. Holders of approximately 93.7% of the aggregate outstanding principal amount of Eurobonds tendered their bonds in the offer, which expired in December 2005. As a result, in January 2006, the tendered Eurobonds were cancelled and, in exchange, the Province issued New Bonds. In the future, the Province may again not be able or willing to access such markets or sources of funding, and the Province's ability to service its public debt, including the New Bonds, may be adversely affected. See "Risks Relating to Argentina—Argentina has previously defaulted and restructured external and domestic debt and had restricted access to financing."

In addition, the Province has not made any payments on or in respect of the Eligible Bonds since it launched the Invitation on April 24, 2020. Between December 2019 and April 24, 2020, the Province paid a total of U.S.\$108.6 million and EUR 26.8 million on account of interest accrued on Eligible Bonds and paid a total of USD 250 million on account of principal on Eligible Bonds.

The novel coronavirus could have an adverse effect on our economy.

In December 2019, a novel strain of coronavirus first noticed in Wuhan, in the Hubei province of China (COVID-19) was reported to the World Health Organization, with cases soon confirmed in multiple provinces in China and, within months, in the rest of the world. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. Several measures have been undertaken by the governments of various countries, including China, member states of the European Union, the United Kingdom, the United States of America, South Korea, Japan, Mexico, Brazil, Colombia and Chile, among others, to control COVID-19, including mandatory quarantines and travel restrictions. Beginning in March 2020, the Argentine government announced a series of measures, including mandatory quarantines and travel restrictions, aimed at preventing the spread of COVID-19 and mitigating the effects that COVID-19 might have in the Argentine economy.

As of August 3, 2021, Argentina had over 4,961,880 confirmed cases of coronavirus, and 106,447 deaths as a result of coronavirus, with a daily average per capita death rate for July 2021 of 376. As of August 3, 2021, the occupancy rate for beds in the intensive care units in Argentina was 53.6%. As of August 3, 2021, Argentina had received approximately 41 million vaccines, had administered 38,505,454 doses, and had fully vaccinated 7,469,534 people.

To date, the Argentine federal government, in coordination with the Argentine provinces (including the Province) adopted several measures in response to the COVID-19 outbreak aimed at preventing mass contagion and overcrowding of Argentine health service facilities. See “The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19” in Annex A hereto and “Recently Published Information and Events—The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19.”

The long-term effects to the global economy and the Argentine and the Province’s economies of epidemics and other public health crises, such as the ongoing COVID-19 outbreak, are difficult to assess or predict, and may include risks to citizens’ health and safety, as well as reduced economic activity, which in turn could result in decreased revenues and increased expenditures for the Argentine government and the Province. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. Additionally, we cannot predict the evolution of the disease in Argentina and the Province (including more contagion variants such as the so called “Delta” variant), nor any additional restrictions that might need to be imposed. However, we expect that the COVID-19 pandemic will have a significant adverse effect on the world economy, which will in turn negatively affect Argentina’s economy due to, among other things, decreased demand for its exports.

The measures implemented by Argentina and the Province so far have resulted in a significant slowdown in economic activity that has and will continue to adversely affect economic growth in 2021 and possibly 2022, to a degree that we cannot quantify as of the date of this invitation memorandum. Any prolonged restrictive measures put in place in order to control an outbreak of contagious disease or other adverse public health development in Argentina or the Province may have a longer lasting material and adverse effect on Argentina’s and the Province’s economies. While the economic cost of COVID-19 is difficult to predict, the Province expects that GDP growth will be negative in 2021, that the fiscal deficit will increase and that its financial condition will further deteriorate.

The ultimate impact of measures adopted by the authorities in order to address the COVID-19 pandemic on the national economy as well as the ability to implement all announced measures as currently contemplated, cannot be assured. If Argentina’s and the Province’s agendas cannot be successfully implemented, investor confidence may further weaken and adversely affect the Province’s economy and the Province’s financial condition and impact its ability to service its debt.

Increases in the Province's public expenditures could have a material adverse effect and longstanding negative consequences on the Province's economic prospects.

Certain programs introduced by the Province, including measures designed to address the COVID-19 outbreak, may increase public expenditures. In 2021, total provincial expenditures are budgeted to increase by 37.0%, to ARS 1,910.0 billion from ARS 1,393.9 billion in 2020 and ARS 1,023.7 billion in 2019. See “—The novel coronavirus could have an adverse effect on our economy” and “Recently Published Information and Events—Public Sector Finances—Fiscal Results for 2020 compared to Fiscal Results for 2019.” Weaker fiscal results could have a material adverse effect on the Province's ability to access long term financing, which, in turn, could adversely affect the market value of the New Bonds.

Growth rates in developing economies tend to be very volatile. A sudden and significant decline in the growth rate of the Province's economy could have a material adverse effect on the Province's public finances and its ability to service its debt obligations, including the New Bonds.

The economy of the Province, in line with the economy of Argentina, has experienced significant volatility in recent decades, including numerous periods of low or negative growth and high and variable levels of inflation and devaluation of its currency. The Province's economy recovered significantly from the domestic economic crisis of 2001-2002. Furthermore, the Province experienced steady real GDP growth from 2005 to 2008, registering a cumulative average growth of 7.9% during that period. However, in 2009, economic activity declined by 8.1% in real terms, as a result of the impact caused by the international economic downturn and a drought experienced in the Province during that year. From 2010 to 2017, the provincial GDP grew in real terms by 2.7% on average, with higher growth rates in 2010 and 2011 and a slowdown in the 2012-2017 period. In 2018 and 2019, the provincial GDP decreased by 3.9% and 2.31%, respectively. See “The Provincial Economy.”

Economic growth is dependent on a variety of factors, including (but not limited to) economic growth in Argentina's main trading partners, the international demand for Argentine exports, the price of particular commodities, the stability and competitiveness of the peso against foreign currencies, inflation, confidence among provincial consumers, and foreign and domestic investment in the Province. In most cases, these factors are outside the control of the Province.

If the Province's economy does not recover and returns to a path of growth, the Province's economy and financial conditions will be adversely affected, including its long-term ability to service its public debt, including the New Bonds.

A decline in international prices for the Province's principal commodity exports could have a material adverse effect on the Province's economy and public finances.

Historically, the commodities market has been characterized by high volatility. Despite the volatility of prices of most of the Province's commodities exports, commodities have significantly contributed to the federal government revenues during recent years. Consequently, the Argentine economy has remained relatively dependent on the price of its main agricultural exports, primarily soy. This dependence has, in turn, rendered the Argentine economy more vulnerable to commodity prices fluctuations. A decline in commodity prices may adversely affect the provincial economy and its public finances, directly and indirectly through lower export taxes collected by the federal government, which may cause a decrease in export tax revenues shared with the Province.

A significant depreciation of the currencies of the Province's trading partners or trade competitors, in particular Brazil, may adversely affect the competitiveness of the Province and cause an increase in provincial imports, thus adversely affecting the Province's economy.

The depreciation of the currencies of one or more of the Province's trading partners, particularly Brazil, or trade competitors relative to the peso may result in provincial exports becoming more expensive and less competitive. It may also cause an increase in relatively cheaper imports. Future devaluations of Argentine trading partners' currencies may generate a decrease in Argentine exports and increase in imports, which may have a material adverse effect on the Province's economic growth, its financial condition and the ability of the Province to service its debt obligations, including the New Bonds.

Exchange controls and restrictions on capital inflows and outflows could have a material adverse effect on Province's public sector activity.

In 2001 and 2002, following a run on the financial system triggered by the public's lack of confidence in the continuity of the convertibility regime that resulted in massive capital outflows, the federal government introduced exchange controls and restrictions on the transfer of foreign currency in an attempt to prevent capital flight and a further depreciation of the peso. These exchange controls substantially limited the ability of issuers of debt securities, among others, to accumulate or maintain foreign currency in Argentina or make payments abroad. Although several of such exchange controls and transfer restrictions were subsequently suspended or terminated, in June 2005 the federal government issued a decree that established new controls on capital flows, which resulted in a decrease in the availability of international credit for Argentine companies.

In addition, from 2011 until December 2015, the federal government increased controls on the sale of foreign currency and the acquisition of foreign assets by local residents, limiting the possibility of transferring funds abroad. Together with regulations established in 2012 that subjected certain foreign exchange transactions to prior approval by Argentine tax authorities or the Central Bank, the measures taken by the federal government significantly curtailed access to the *Mercado Único y Libre de Cambio* (the "MULC"). In response, an unofficial U.S. dollar trading market developed in which the peso-U.S. dollar exchange rate differed substantially from the official peso-U.S. dollar exchange rate. As of August 2016, the federal government had eliminated all foreign exchange restrictions imposed since 2011. However, in September 2019, the Central Bank imposed further restrictions on foreign exchange transactions, which apply to access to the foreign exchange market by residents for the payment of external financial debts, the payment of dividends in foreign currency abroad, the payment of goods and services outside Argentina, the payment of imports of goods and services and the obligation to repatriate and settle for pesos the proceeds from exports of goods and services, among others. Following the change in government, the new administration extended such measures and established further restrictions, including a new tax on certain transactions involving the purchase of foreign currency by Argentine residents and requiring prior approval to remit funds outside of Argentina for various purposes. See "Introduction – Exchange Regulations."

Measures adopted in the future by the Central Bank and the federal government to maintain or introduce further exchange controls or impose additional restrictions on transfers abroad may negatively affect Argentina's and the Province's international competitiveness, discouraging foreign investments and lending by foreign investors or increasing foreign capital outflows, which could have an adverse effect on economic activity in the Province. See "Exchange Regulations."

Fluctuations in the value of the peso could adversely affect the Province's economy and the Province's ability to service its debt obligations.

A nominal depreciation of the peso would increase the cost of servicing the Province's public debt, while a real appreciation in the value of the peso could make exports from the Province less competitive than goods from other countries and lead to a decrease in exports from the Province. Because the Province's exports represent a material portion of the Province's GDP, decreased export earnings could have a material adverse effect on the Province's economic growth and its ability to service its debt obligations, including the New Bonds. During the last years, the peso has depreciated significantly against the U.S. dollar and consequently other currencies, as the Euro, which substantially increased the Province's total foreign currency-denominated indebtedness when measured in pesos. See "Public Sector Debt."

The devaluation of the peso may also have a negative impact on the Province's revenues (measured in U.S. dollars), fuel inflation and significantly reduce real wages. After several years of moderate variations in the nominal exchange rate, the peso lost more than 34.2% of its value with respect to the U.S. dollar in 2015, depreciated further in 2018 and 2019, losing more than 68.7% of its value between December 2017 and December 2019, and further lost 28.8% of its value in 2020 and 12.1% of its value in the seven month period ended July 31, 2021. See "Background to the Invitation." Persistent high inflation during this period, with periods of formal and "*de facto*" exchange controls, resulted in an increasingly overvalued real official exchange rate. Compounded by the effects of foreign exchange controls and restrictions on foreign trade, distorted relative prices resulted in a loss of competitiveness of Argentine production, impeded investment and resulted in economic stagnation during this period. Any further significant depreciations or appreciations of the peso could have a material adverse effect on the

Argentine and provincial economies and the Province's ability to service its debt obligations, including the New Bonds.

There can be no assurances that the Province will be able to obtain financing on satisfactory terms in the future, which could have a material adverse effect on the Province's ability to make payments on its outstanding public debt, including the New Bonds.

The Province's future tax revenue and fiscal results may be insufficient to meet its debt service obligations and the Province may have to rely in part on additional financing from domestic and international capital markets in order to meet future debt service obligations. In the future, the Province may not be able or willing to access international or domestic capital markets, and the Province's ability to service its outstanding public debt, including the New Bonds, could be adversely affected.

Liquidity or other problems faced by Banco Provincia may have an adverse effect on the Province's economic growth and cause the Province to incur extraordinary, unbudgeted expenditures.

Banco Provincia has historically been one of the largest financial institutions in Argentina and a major source of financing for consumers and businesses in the Province. During Argentina's 2001 economic crisis, Banco Provincia's liquidity was significantly reduced as a result of the run on deposits and its inability to attract new deposits following the federally mandated freeze on deposits, as well as the increase in its portfolio of non-performing loans. In addition, following the crisis, Banco Provincia's asset portfolio reflected a substantial exposure to debt instruments of the federal and provincial government, which has gradually declined over time. Many of these assets are recorded at their technical value, which is calculated according to regulations of the Central Bank. Although Banco Provincia's liquidity has improved since 2005 due to Argentina's economic recovery, if Banco Provincia were to experience further liquidity or other problems, the amount of financing available to the private sector might be reduced, which could adversely affect the Province's economic growth.

In addition, pursuant to provincial legislation, the Province is the guarantor of all liabilities of Banco Provincia, including deposits and indebtedness. While Banco Provincia's deposits are also guaranteed by the federal deposit insurance system, Banco Provincia's indebtedness does not benefit from any other guarantee and as a result, the Province could be required to make payments to Banco Provincia's creditors if Banco Provincia fails to meet its payment obligations to these creditors. In the past, the Province has made contributions and provided support to and entered into transactions with Banco Provincia to ensure the solvency of Banco Provincia. The Province cannot assure you that it will not be required to provide further financial or other support to Banco Provincia, which could lead to substantial unbudgeted expenditures and liabilities, undermine the Province's public finances and adversely affect its ability to service its debt obligations, including the New Bonds.

There can be no assurances that the Province's credit rating will improve or will not deteriorate.

The Province's current long-term debt credit ratings are sub-investment grade. As of the date of this invitation memorandum the debt securities of the Province were rated "SD" by S&P and "Ca" by Moody's. Those ratings indicate that such debt securities are judged to be near or in default, subject to very high credit risk and increase the cost of borrowing for the Province.

If the Province does not obtain the Requisite Consents required to give effect to the Proposed Modifications, or if the financial or economic condition of the Province otherwise deteriorates, such credit ratings may be further downgraded. There can be no assurance that even if the Requisite Consents are obtained to give effect to the Proposed Modifications, the Province's credit rating will improve or will not deteriorate.

Any downgrade or lack of improvement in the Province's credit rating could continue to adversely affect the trading price of the Province's debt securities (including the New Bonds) and have the potential to affect the Province's cost of funds in the international capital markets and the liquidity of and demand for the Province's debt securities.

Increases in personnel expenditures may have a significant adverse effect on the public finances of the Province and its ability to service its debt.

The number of public employees authorized to be hired by the Province for each fiscal year by the respective budget law increased significantly during recent years. Personnel expenditures represent the largest expenditure of the Province during recent years, accounting for 45.68%, 44.53%, 42.35% and 41.94% of total expenditures in 2017, 2018, 2019 and 2020, respectively.

The public sector employees of the Province are represented by 35 different unions, including five teachers' unions and one union for judicial employees. Wage negotiations usually begin every December for the implementation in the following year. In recent years, public employees have demanded higher wages, in part to keep pace with inflation. See "Public Sector Finance—Composition of Expenditures—Current Expenditures—Personnel" below and in Annex A hereto, as supplemented by "Recently Published Information and Events—The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19."

The Province has limited flexibility to reduce personnel expenses in the future, since employees are covered by constitutional guarantees of job security. As a result, increases in personnel expenditures may have an adverse effect on the Province's economy, financial condition and ability to service its debt obligations, including the New Bonds.

If the Federal Council of Fiscal Responsibility were to determine that the Province's budget did not comply with the Fiscal Responsibility Law, the Province could be subject to sanctions.

In December 2017, the federal Congress adopted Law No. 27,428, modifying Law No. 25,917 (the "**Fiscal Responsibility Law**"), which establishes a fiscal regime for the federal government and the provinces relating to transparency in public administration, expenditures, fiscal balances and indebtedness and, in particular, requires balanced budgets. Law No. 27,428 establishes rules designed to enhance sound public finance practices at the federal and provincial levels, such as capping increases in public expenditures in any certain period at the inflation rate for that period, and capping increases in overall public employment at the rate of population growth. It also limits tax increases, especially taxes on labor and production and its financing, in order to foster economic growth at the national and regional level. In December 2019, the provinces and the federal government entered into an agreement to suspend certain agreements related to the limits of provincial tax increases, originally effective until December 31, 2020 and subsequently extended until December 31, 2021. See "Public Sector Finances—Main Sources of Revenue—2017 Fiscal Consensus between the federal government, the City of Buenos Aires and the provinces." The Fiscal Responsibility Law created the *Consejo Federal de Responsabilidad Fiscal* (the Federal Council of Fiscal Responsibility), which is comprised of representatives from the federal and provincial governments and is responsible for ensuring compliance by the provinces and the federal government with the Fiscal Responsibility Law. If the Federal Council of Fiscal Responsibility determines that the Province's budget does not comply with the applicable sections of the Fiscal Responsibility Law, the Province could be subject to sanctions, including limitations on guaranties from the federal government, and limitations on federal transfers (other than federal tax transfers mandated by law, including co-participation transfers).

The Province's sources of financing may become unavailable or limited and, as a result, this may have an adverse effect on its economy and ability to service its debt obligations, including the New Bonds.

The Province's primary balance may be insufficient to meet its debt service obligations, including the New Bonds. Although the Province has obtained financing in the international capital markets to cover part of the Province's deficit in recent years, the Province cannot assure you that foreign investors and lenders will be willing to lend money to the Province in the future, or that the Province will be able or willing to access international capital markets. The Province also cannot assure you that local sources of financings, such as through domestic capital markets or assistance from the federal government, will remain available. The loss or limitation of these sources of financing or the Province's inability to attract or retain foreign investment in the future could adversely affect the Province's economic growth and public finances and ability to service its debt obligations, including the New Bonds.

Any revisions to the Province's official financial or economic data resulting from a subsequent review of such data by the Provincial Office of Statistics or any other provincial entity could reveal a different economic or financial situation in the Province, which could affect your evaluation of the market value of the New Bonds.

Certain financial, economic and other information presented in this invitation memorandum may subsequently be materially revised to reflect new or more accurate data as a result of the review by the Provincial Office of Statistics or any other provincial entities that review the Province's official financial and economic data and statistics. These revisions could reveal that the Province's economic and financial conditions as of any particular date are significantly different from those described in this invitation memorandum. These differences could affect your evaluation of the market value of the New Bonds.

RECENTLY PUBLISHED INFORMATION AND EVENTS

The information contained in this section supplements the information about the Province contained in the sections “The Province of Buenos Aires,” “The Provincial Economy,” “Public Sector Finances,” “Public Sector Debt” and “Banco Provincia,” included in the Invitation Memorandum dated April 24, 2020. A copy of such sections are attached hereto as Annex A. This information is not necessarily indicative of the Province’s economy or fiscal results for the full fiscal year ending December 31, 2020 or any other period. You should read the following discussion of recently published information together with the information appearing in Annex A. To the extent there is any inconsistency between any statement in this section and any other statement in Annex A, the statements in this section will prevail.

THE PROVINCIAL ECONOMY

Measures Implemented by the Federal Government relating to Public Debt Sustainability and Financial Policies

On April 21, 2020, the federal government launched an exchange offer to holders of its foreign-law governed securities to exchange such bonds for new bonds. After certain amendments to the exchange offer, and upon obtaining participation of holders representing the necessary aggregate amount of bonds, the exchange offer was settled on September 4, 2020. As a result of the exchange, the average interest rate to be paid by Argentina’s foreign currency external bonds was lowered to 3.07%, with a maximum rate of 5.0%, compared to an average interest rate of 7.0% and maximum rate of 8.28% prior to the exchange. In addition, the aggregate amount outstanding of Argentina’s foreign currency external bonds was reduced by 1.9% and the average maturity of the bonds was extended.

On August 18, 2020, Argentina offered holders of its foreign currency bonds governed by Argentine law to exchange such bonds for new bonds, in terms that were equitable to the terms of the invitation made to holders of foreign law-governed bonds. See “The Provincial Economy—Public Debt Sustainability and Financial Policies.” On September 18, 2020, Argentina announced that holders representing 99.4% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the local exchange offer had accepted the offer. As a result of the exchange offer, the average interest rate paid by Argentina’s foreign currency bonds governed by Argentine law was reduced to 2.4%, compared to an average interest rate of 7.6% prior to the exchange. In addition, the exchange offer extended the average maturity of such bonds.

Measures Implemented by the Federal Government to Address the Impact of COVID-19

As of August 3, 2021, Argentina had over 4,961,880 confirmed cases of coronavirus, and 106,447 deaths as a result of coronavirus, with a daily average per capita death rate for July 2021 of 376. As of August 3, 2021, the occupancy rate for beds in the intensive care units in Argentina was 53.6%.

To date, Argentina has adopted various measures in response to the COVID-19 pandemic aimed at preventing mass contagion and the overcrowding of Argentine health service facilities, as well as mitigating the effects of the pandemic on the economy. Most recently, Argentina adopted the following measures (in chronological order):

- On February 3, 2021, the amount credited to the *Tarjeta Alimentar* (Food Card) was increased by 50%, resulting in an increase in amounts received by mothers with one child aged less than six years old from ARS 4,000 to ARS 6,000 per month, and an increase in amounts received by mothers with two or more children from ARS 6,000 to ARS 9,000 per month. On May 7, 2021, the federal government subsequently expanded the Food Card Program, to include children up to 14 years of age and to provide ARS 12,000 for mothers with three children or more. The program’s most recent expansion will meet the needs of 3.7 million children, belonging to almost 2.5 million families, and will increase the federal government’s annual investment threefold, from ARS 10,000 million to ARS 30,000 million per month.
- On March 5, 2021, unemployment benefits expiring between February 1 and April 30, 2021 were extended until May 31, 2021, and on June 3, 2021, unemployment benefits were extended until August 31, 2021. Like the previous extensions, the amount of the installments will be equivalent to 70% of the original benefit.

- On March 11, 2021, the federal government issued Decree No. 167/21, which extended the state of sanitary emergency established by Decree No. 260/20 until December 31, 2021. The regulations provide that the Ministry of Health may recommend travel restrictions to and from affected areas. In addition, the Ministry of Health and the Ministry of Productive Development may, jointly, set maximum prices for critical supplies and adopt the measures they deem necessary to prevent their shortage. On May 14, 2021, maximum prices were extended until June 8, 2021. As with the previous extensions, the regulations specify that a procure of mass consumer goods companies must increase production to meet demand and avoid shortages.
- On March 26, 2021, the federal government tightened rules relating to the closure of Argentine borders, including the suspension of all flights from Brazil, Chile and Mexico. As of July 9, 2021 the borders are expected to remain closed until August 6, 2021, and authorizations and permits that would have been provided will be suspended for direct passenger flights leaving for or arriving from the United Kingdom and Northern Ireland, Brazil, Chile, Mexico, India and countries on the African continent. Individuals who return between July 1, 2021 and August 31, 2021, must self-quarantine for seven days. In addition, between July 10, 2021 and August 6, 2021, weekly limits on passenger flights will permit the staggered re-entry of up to 25,500 Argentine citizens and residents currently abroad.
- On March 30, 2021, in order to alleviate the impact of the COVID-19 pandemic on micro, small and medium-sized companies and on taxpayers, the AFIP extended until May 31, 2021 the suspension of injunctions against companies registered in the registry for micro-, small-, and medium-sized enterprises, as well as the suspension of new *procesos de ejecución* (tax foreclosure proceedings). On May 31, 2021, the AFIP extended until August 31, 2021 the suspension of debt foreclosure proceedings and the attachments or injunctions established for companies registered in the *Registro de Empresas MiPyMES* (MiPyMES Company Register).
- On April 8, 2021, the AFIP announced the extension of the term to comply with income tax and personal property tax obligations until September 30, 2021, allowing taxpayers who so request to pay 25% of the amounts due upfront and to pay their remaining obligations in up to three installments.
- On April 8, 2021, amidst a second wave of COVID-19 in Argentina, the federal government announced a series of general prevention measures, including (i) the prohibition of activities and social gatherings in private homes for more than ten people and providing for a 50% capacity for activities in enclosed spaces and, for places with high epidemiological risk, the prohibition of activities and social gatherings in enclosed spaces, regardless of the number of people, and in public outdoor spaces for more than twenty people, (ii) prohibiting the recreational practice of any sport in enclosed places where more than ten people participate, as well as the activities of casinos, bingos and night clubs, (iii) the prohibition for gastronomic establishments to operate between 11:00 p.m. and 6:00 a.m., and a curfew between 12:00 a.m. and 6:00 a.m., and (iv) empowering the Governors and the Head of Government of the City of Buenos Aires to establish additional measures to those provided for by the federal government.
- On April 9, 2021, the federal government announced an increase of up to ARS 18,000 in amounts transferred under the *Programa de Recuperación Productiva*, (Program to Increase Productivity or “**REPRO**”) by which the federal government funds a portion of the monthly wages of private sector employees working for companies in the critical and health sectors as well as for certain other companies affected by the pandemic and whose revenues have declined. On May 10, 2021, the federal government expanded the assistance granted by a second iteration of the REPRO program (“**REPRO 2**”), establishing a 100% reduction in employer contributions to the *Sistema Integrado Previsional Argentino* (Argentine Integrated Pension System, or “**SIPA**”) for companies that prove a critical economic and financial situation. On May 22, 2021, the 100% reduction in employer SIPA contributions was expanded to include companies in critical sectors affected by the pandemic, the maximum amount of employee wages funded under REPRO 2 was raised from ARS 18,000 to ARS 22,000 per employee. The REPRO 2 program is subject to renewal on a monthly basis and remains in effect as of the date of this invitation memorandum.

- On April 15, 2021, the federal government granted an additional amount of ARS 15,000 to families that receive the Universal Child Allowance, mothers who receive the Universal Pregnancy Allowance and certain single taxpayers who receive Family Allowances.
- On April 19, 2021, the federal government announced a monthly bonus of ARS 6,500 for health workers, to be granted during each of May, June and July 2021, which is expected to benefit 740,000 health workers.
- On April 20, 2021, the Ministry of Labor, Employment and Social Security established the “Emergency Assistance Program for the Independent Food Sector,” designed to pay up to ARS 18,000 to independent workers in such sector.
- On April 22, 2021, the federal government extended the ban on layoffs and furloughs without just cause, for lack or reduction of work and for force majeure, effective until May 31, 2021.
- On April 30, 2021, the federal government took new prevention measures and a classified risk areas based on epidemiological criteria. Based on the indicators of “ratio” (increase in cases in the last 14 days), “incidence” (number of cases over population) and “occupation of ICU beds,” the federal government established four situations related to risk, which order the country into the following risk zones: “low”, “medium”, “high” and “epidemiological and sanitary alarm”. Consequently, depending on the epidemiological and sanitary risk, the municipalities and urban areas will have different restrictions regarding consumer traffic and business hours, dining activities and social gatherings, which, in the case of epidemiological and sanitary alarm areas, will be banned in private homes and limited to ten people in open-air public spaces. Such measures have since been further extended until August 6, 2021.
- On May 17, 2021, the AFIP extended permanent payment facility plans for critical sectors until August 31, 2021 as well as the benefits in terms of interest rates, number of installments and risk rating for permanent administrative and / or legal debt payment plans.
- On May 22, 2021, prevention measures and new provisions for areas classified as in “high-risk” or “epidemiological and sanitary alarm” were extended. As a result, consumer traffic in those areas of the country is restricted. People living in such areas may only go outside near their homes between 6:00 and 6:00 p.m., except for specially authorized reasons. Economic, industrial, commercial, service, cultural, sports, religious, educational, tourist, recreational and social in-person activities are suspended. These measures were in effect on an intermittent basis between May 22, 2021 and June 6, 2021.
- On May 31, 2021, the National Treasury began to distribute the ARS 145,000 million generated, up to that date, from the *Aporte Solidario y Extraordinario* (Solidarity and Extraordinary Contribution) to deal with the health and economic emergencies caused by the COVID-19 pandemic.
- On June 17, 2021, an extraordinary bonus of ARS 6,000 was established to those who qualify for the *Programa Potenciar Trabajo* (Work Empowerment Program). The bonus will be credited in July and will reach approximately one million people.

As of August 3, 2021, Argentina had received approximately 41 million vaccines, had administered 38,505,454 doses, and had fully vaccinated 7,469,534 people.

Measures Implemented by the Provincial Government to Address the Impact of COVID-19

To date, the Province has adopted various measures in response to the COVID-19 pandemic aimed at mitigating the effects of the pandemic on the provincial economy. Most recently, the Province has adopted the following measures (in chronological order):

- In April 2020, the Province launched the *Plan Provincial de Producción de Insumos Esenciales* (Provincial Plan for the Production of Essential Goods), to promote sectors linked to the production of textiles and basic health items for use during the COVID-19 pandemic, including loans for working capital. Additionally, suppliers may obtain a line of credit to purchase capital goods for the agricultural sector. Moreover, an agreement between Banco Provincia and the *Fondo de Garantías de Buenos Aires* (Buenos

Aires Guarantee Fund), enabled the payment of salaries and working capital for companies on the MiPyMES Company Register, permitting companies to access automatic or semiautomatic guarantees of up to ARS 2 million.

- In July 2020, the Province introduced a series of new measures, including:
 - The *Programa de Asistencia Tributaria de Emergencia* (Emergency Tax Assistance Program), which:
 - provided tax offsets for taxpayers with a credit balance in gross income and no evidence of tax evasion;
 - implemented an 18-installment payment plan for taxes incurred during the pandemic for taxpayers with declared income up to 5% higher than in 2019; and
 - offered a rebate of 15% on gross income for taxpayers and 50% for micro-, small- and medium-sized business unable to operate or experiencing a sharp decrease in revenues due to the COVID-19 pandemic and with declared income between March and May 2020 of no more than 5% higher than in 2019.
 - The *Programas de Asistencia Financiera del Banco Provincia* (Banco Provincia Financial Assistance Programs), which:
 - allocated ARS 5 billion for lines of credit of up to ARS 5,000,000 each to finance working capital for businesses located in the Province. Lines of credit were offered at a 35% interest rate with a 12 month-month payment term and three-month grace period; and
 - provided up to 100% financing for the acquisition of new and used capital goods for use in the manufacturing or services sectors.
 - The *Programa de Preservación del Trabajo* (Work Preservation Program), which authorized the use of ARS 500 million to aid micro- and small- businesses particularly affected by the COVID-19 pandemic providing assistance of up to 50% of a minimum wage for employees.
 - The *Fondo Municipal para la Reactivación de la Cultura y el Turismo* (Fund for the Reactivation of Culture and Tourism), which allocated ARS 300 million for select tourism providers and companies among the Province's 135 municipalities to cover expenses related to the reopening of tourism and cultural activities.
- On March 10, 2021, the *Agencia de Recaudación de la Provincia de Buenos Aires* (Tax Collection Agency of the Province, or “ARBA”) introduced payment plans for property taxes due in 2020. The payment plans provide segmented reductions according to the taxpayer's payment capacity, thus granting the greatest benefit to low net worth individuals and companies listed on the MiPyMES Company Register.
- On June 2, 2021, the Province announced the following economic support and tax relief measures aimed at supporting the sectors of the economy most affected by the COVID-19 pandemic:
 - the ARBA suspended judgment liens and implemented a special payment plan for all provincial taxpayers that record a decrease in sales, making it possible to repay debts related to gross income, basic real estate and automobiles due between January 1 and August 31, 2021 in up to 18 installments without interest. Adherence to this payment plan is scheduled to begin on August 9, 2021;
 - ARBA suspended judgment liens until the end of August, 2021; and
 - starting in July, ARBA eliminated withholdings on gross tax receipts for expenditures in sectors of the economy that were most affected by the COVID-19 pandemic, such as theatres, cinemas, bars, restaurants, discotheques, sports establishments, kindergartens and childcare centers.

- On June 3, 2021, through Resolution No. 65, the Province expanded the Preserve Work Program, which aimed to support micro and small businesses in sectors of the economy particularly affected by the COVID-19 pandemic by providing assistance of up to 50% of a minimum wage for up to 80 workers and members of cooperatives. The expansion facilitated access to the program and added new economic activities that qualify for aid. Among the activities that were incorporated were the manufacturing and sale of baking products, publishing and printing, furniture manufacturing, brewing, the manufacture of toys and library items, the manufacture and repair of machinery, tanning and leathers, as well as activities related to transport. Businesses operating in sectors greatly harmed by the pandemic, such as entertainment and tourism, can apply for the program directly. Businesses participating in the program must be registered with the AFIP and the “ActiBa” platform of the Buenos Aires Ministry of Production, as well as have their workers duly registered.
- On June 14, 2021, ARBA introduced a new tax moratorium scheduled to remain in effect until December 19, 2021. The moratorium will enable individuals and companies to pay back taxes owed from the real estate, motor vehicles and sports boat tax that were otherwise due in 2020. Additionally, financing is available to permit payment in 24 installments with interest rates ranging from 0% to 2%.
- On June 22, 2021, through Decree No. 384, the Province launched the Economic Support Program, which granted an aggregate amount of ARS 2.0 billion as non-refundable contributions to micro- and small-businesses providing school transportation services, tourism services, party rooms, kindergartens, gyms, restaurants, bars, nightclubs, among others.

Federal Gross Domestic Product

In 2020, federal real GDP decreased by 9.9%, primarily due to a 10.6% contraction of the services sector, which was severely affected by the COVID-19 pandemic and the measures implemented by the federal government to contain the spread of the virus.

The table below sets forth the breakdown of the federal real GDP for the periods indicated.

Federal Real GDP by Sector ⁽¹⁾ (in billions of pesos, at constant 2004 prices and as a percentage change from prior year)

Sector	For the year ended December 31,			For the three months ended 31,		
	2019 ⁽²⁾	2020 ⁽²⁾	Var. %	2020 ⁽²⁾	2021 ⁽²⁾	Var. %
Primary Production:						
Agriculture, livestock, hunting and forestry	53.9	50.4	(6.5)%	38.4	39.6	3.0%
Fisheries and other related services	2.4	1.9	(20.9)%	1.6	1.7	6.5%
Mining, oil and gas	21.6	19.3	(10.5)%	21.0	19.9	(5.7)%
Total Primary Production	77.9	71.6	(8.1)%	61.0	61.1	0.1%
Secondary Production:						
Manufacturing industry	108.3	99.9	(7.8)%	92.7	103.3	11.4%
Electricity, gas and water	12.1	12.3	1.4%	12.7	12.3	(3.2)%
Construction	21.2	16.4	(22.6)%	17.5	21.2	21.3%
Total Secondary Production	141.5	128.5	(9.2)%	122.9	136.8	11.3%
Services:						
Real estate and business activities	74.6	70.4	(5.7)%	71.3	73.8	3.5%
Transport, storage and communications	56.7	47.1	(17.0)%	52.6	47.0	(10.6)%
Retail and wholesale commerce	83.9	79.3	(5.5)%	76.8	84.4	9.8%
Education, social and health services	51.5	47.9	(7.0)%	50.0	49.1	(1.9)%
Public Administration, defense and social security	33.6	31.1	(7.2)%	33.6	32.0	(4.6)%
Financial Intermediation	25.3	25.1	(0.9)%	24.5	25.2	3.1%
Hotel and restaurant services	11.5	5.8	(49.1)%	10.4	6.7	(35.5)%
Other services	22.2	14.5	(34.6)%	21.4	18.9	(11.6)%
Total services	359.4	321.3	(10.6)%	340.5	337.1	(1.0)%
Total GDP	578.8	521.4	(9.9)%	524.5	535.0	2.0%

(1) In terms of producer's prices, excluding value added taxes and import taxes.

(2) Preliminary data.

Source: INDEC.

Provincial Gross Domestic Product 2018-2020

In 2019, provincial real GDP contracted, by 1.5%, due to a 7.1% decrease in the secondary production sector and a 1.8% decrease in the services sector, which was only partially offset by a 22.4% growth in the primary production sector.

During each quarter of 2020, the quarterly estimated economic activity indicator developed by the Province (*Indicador Trimestral de la Actividad Económica* or "ITAE-PBA"), which tracks quarterly variations in economic activity to anticipate changes in the annual GDP at constant prices, decreased by 5.5%, 19.2%, 8.7% and 2.1%, respectively, and increased by 4.5% in the first quarter of 2021, in each case compared to the same periods in the prior year.

The ITAE-PBA's general methodological framework is similar to the one used to estimate the Province's GDP, which is calculated using the 2008 System of National Accounts.

In operational terms, the ITAE-PBA derives estimated economic activity from:

- sectoral structure based on the estimate of quarterly GDP series for the fiscal year ended December 31, 2012 with base year 2004; and
- sector-related series that adequately reflect the behavior of economic activities, although the availability of data from these sources in terms of quality and timeliness is not always complete at the time of estimation and presentation of the calculation. In such cases, the Province resorts to alternative explanatory sources.

The ITAE-PBA is an indicator prepared from the use of related economic sector series that adequately reflect the behavior of economic sector activities.

Principal Sectors of the Economy

The table below shows the Province's real GDP by sector in 2019, as compared to 2018.

Provincial Real Gross Domestic Product by Sector 2018-2019⁽¹⁾
(in millions of pesos, at constant 2004 prices, and as a percentage of total GDP)

	For the year ended December 31,			
	2018 ⁽²⁾		2019 ⁽²⁾	
Primary Production:				
Agriculture, livestock, hunting and forestry	17,019	8.3%	21,126	10.4%
Fisheries and other related services	457	0.2%	479	0.2%
Mining, oil and gas	663	0.3%	603	0.3%
Total Primary Production	18,139	8.5%	22,209	11.0%
Secondary Production:				
Manufacturing industry.....	58,364	28.4%	54,124	26.7%
Construction.....	9,000	4.4%	8,265	4.1%
Electricity, gas and water.....	3,806	1.9%	3,701	1.8%
Total Secondary Production	71,170	34.6%	66,090	32.6%
Services:				
Real estate and business activities	24,553	11.9%	24,782	12.2%
Transport, storage and communications	21,267	10.3%	20,946	10.3%
Retail and wholesale commerce.....	31,922	15.5%	30,746	15.2%
Educations, social and health services	16,050	7.8%	15,973	7.9%
Public Administration, defense and social security.....	8,111	3.9%	8,001	3.9%
Financial Intermediation	5,054	2.5%	4,442	2.2%
Hotel and restaurant services	2,896	1.4%	2,850	1.4%
Other services	6,500	3.2%	6,551	3.2%
Total services.....	116,353	56.6%	114,291	56.4%
Total GDP.....	205,663	100.0%	202,590	100.0%

(1) In terms of producers' prices, excluding value added taxes and import taxes.

(2) Preliminary data.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province.

Manufacturing

In 2019, the manufacturing sector contracted by 7.3% as compared to 2018, mainly due to a 7.3% decrease in food products, an 18.8% decrease in clothing, a 25.1% decrease in car manufacturing, and a 14.7% decrease in metal products.

Retail and Wholesale Commerce

In 2019, the retail and wholesale commerce sector contracted by 3.7% as compared to 2018.

Real Estate and Business Activities

In 2019, the real estate and business activities sector increased by 0.9% as compared to 2018, mainly due to a 2.1% growth in real estate activities, which is the main activity in the sector. Business activities decreased by 1.6%, research and development decreased by 11.7%, related activities decreased by 6.7% and machinery and unmanned equipment, personal and household effects decreased by 6.4%.

Transport, Storage and Communications

In 2019, the transport, storage and communications sector contracted by 1.5% as compared to 2018, mainly due a 1.9% decrease in freight land transport and a 2.8% decrease in the telephone sector. Freight rail transport services increased by 9.5%, internet services increased by 1.7% and maritime transport increased by 21.3% driven by higher grain exports.

Agriculture, Livestock, Hunting and Forestry

In 2019, the agriculture and livestock sector increased by 24.1% as compared to 2018, mainly due to a 49.2% increase in soybean production and a 31.3% increase in corn production.

Education, Social and Health Services

In 2019, the education sector contracted by 1.8% as compared to 2018, with a 1.3% decrease by public education and a 3.1% decrease by private education.

Health and social services increased by 1.2%, of which 0.9% was due to the contribution from private health services, and 2.2% was due to public sector contributions.

Construction

In 2019, the construction sector contracted by 8.2% as compared to 2018, mainly due to a 14.9% decrease in public construction and a 7.1% decrease in private construction.

Exports Originating in the Province

For the year ended December 31, 2020, exports decreased by 14.9% (when measured in value), as compared to 2019. In addition, the Province's share in the total national exports in 2020 amounted to 35.6%. Brazil has historically been the Province's main trading partner, representing 21.7% of its total exports for the year ended December 31, 2020. For the quarter ended March 31, 2021, exports increased by 14.6% (when measured in value), as compared to the previous quarter, and by 5.7% (when measured in value), as compared to the period ended March 31, 2020.

Classification of Main Exported Items

The following tables set forth the breakdown of the Province's exports by product category for the periods indicated.

Exports by Product Category for the periods specified below (in millions of USD and as percentage of total exports)

	For the year ended December 31,				For the three months ended March 31,			
	2019 ⁽¹⁾		2020 ⁽¹⁾		2020 ⁽¹⁾		2021 ⁽¹⁾	
Live animals	28	0.1%	14	0.1%	6	0.1%	6	0.1%
Fish and seafood	287	1.2%	220	1.1%	30	0.6%	31	0.6%
Honey	51	0.2%	82	0.4%	17	0.3%	25	0.5%
Vegetables	30	0.1%	46	0.2%	11	0.2%	13	0.2%
Fruit	5	0.0%	4	0.0%	0	0.0%	0	0.0%
Cereals	3,464	15.1%	3,174	16.2%	1,086	21.5%	993	18.6%
Seeds and oilseeds	1,184	5.2%	852	4.4%	63	1.2%	51	1.0%
Others	22	0.1%	18	0.1%	4	0.1%	5	0.1%
Total Primary Products	5,073	22.1%	4,410	22.5%	1,216	24.0%	1,123	21.0%
Meat	1,979	8.6%	1,762	9.0%	405	8.0%	398	7.5%
Processed fish and seafood	197	0.9%	145	0.7%	44	0.9%	40	0.7%
Eggs and dairy products	127	0.6%	190	1.0%	41	0.8%	51	1.0%
Other products of animal origin	39	0.2%	34	0.2%	10	0.2%	9	0.2%
Dried and frozen fruit	3	0.0%	4	0.0%	1	0.0%	1	0.0%
Coffee, tea, herbs and spices	2	0.0%	1	0.0%	0	0.0%	0	0.0%
Mill products	482	2.1%	279	1.4%	68	1.3%	65	1.2%
Oils and fats	973	4.2%	1,545	7.9%	248	4.9%	421	7.9%
Sugar and candy products	80	0.3%	65	0.3%	14	0.3%	16	0.3%
Prepared vegetables	198	0.9%	150	0.8%	36	0.7%	40	0.7%
Beverages, alcohol and vinegars	59	0.3%	48	0.2%	11	0.2%	10	0.2%
Food industry residue and waste	1,518	6.6%	2,392	12.2%	497	9.8%	724	13.6%
Hides and skins	291	1.3%	179	0.9%	56	1.1%	58	1.1%
Processed wood	55	0.2%	24	0.1%	9	0.2%	0	0.0%
Others	221	1.0%	189	1.0%	57	1.1%	43	0.8%
Total Manufactured Goods of Agricultural Origin	6,222	27.1%	7,008	35.8%	1,497	29.6%	1,884	35.1%
Chemical products	1,867	8.1%	1,616	8.3%	365	7.2%	430	8.1%
Plastics	567	2.5%	532	2.7%	143	2.8%	129	2.4%
Rubber	239	1.0%	103	0.5%	43	0.8%	25	0.5%
Leather goods	20	0.1%	14	0.1%	3	0.1%	5	0.1%
Paper, cardboard, printing and publications	99	0.4%	82	0.4%	19	0.4%	24	0.4%
Textile	113	0.5%	78	0.4%	22	0.4%	21	0.4%
Footwear and related materials	6	0.0%	3	0.0%	1	0.0%	1	0.0%
Stone and plaster products	93	0.4%	59	0.3%	16	0.3%	17	0.3%
Precious stones and metals	6	0.0%	5	0.0%	0	0.0%	0	0.0%
Metals	1,009	4.4%	599	3.1%	154	3.0%	139	2.6%
Machinery and electric materials	487	2.1%	403	2.1%	100	2.0%	104	1.9%
Transportation materials	4,775	20.8%	2,924	14.9%	828	16.4%	1,004	18.8%
Navigation	5	0.0%	1	0.0%	1	0.0%	0	0.0%
Others	99	0.4%	76	0.4%	19	0.4%	19	0.4%
Total Manufactured Goods of Industrial Origin	9,384	40.8%	6,495	33.2%	1,714	33.9%	1,916	35.9%
Fuel	1,848	8.0%	1,307	6.7%	517	10.2%	263	4.9%
Grease and oil lubricants	49	0.2%	43	0.2%	10	0.2%	16	0.3%
Petroleum gas and others	339	1.5%	229	1.2%	93	1.8%	112	2.1%
Electrical energy	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	70	0.3%	69	0.4%	14	0.3%	33	0.6%
Total Fuel and Energy	2,306	10.0%	1,647	8.4%	634	12.5%	424	7.9%
Total	22,984	100.0%	19,561	100.0%	5,062	100.0%	5,348	100.0%

(1) Preliminary data.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province on the basis of information provided by INDEC.

Primary Products.

In 2020, primary products recorded a 13.1% decrease due to a 28.0% decrease in exports of seeds and oilseeds and a 8.4% decrease in cereals. Exports of cereals, seeds and oilseeds traditionally have accounted for the majority of provincial exports of primary products. Cereals accounted for 72.0% and seeds and oilseeds accounted for 19.3% of total exports of primary products in 2020. The provincial exports of primary goods for 2020, amounted to USD 4.4 billion and represented 22.5% of total provincial exports.

For the three-month period ended March 31, 2021, exports of primary products showed a 7.6% decrease as compared to the same period in 2020.

Manufactured Goods of Agricultural Origin.

In 2020, exports of manufactured goods of agricultural origin recorded a 12.6% year-on-year increase. The most representative products of this group are food and industry residue and waste, which represent 34.1% of exports of this sector and meat that, on average, account for 25.1% of exports of this sector. The provincial exports of manufactured goods of agricultural origin for the year ended December 31, 2020, amounted to USD 7.0 billion and represented 35.8% of the total provincial exports.

For the three-month period ended March 31, 2021, the provincial exports of manufactured goods of agricultural origin amounted to USD 1.9 billion and represented 35.2% of total provincial exports.

Manufactured Goods of Industrial Origin.

In 2020, exports of manufactured goods of industrial origin manufactured in the Province decreased year-on-year by 30.8%. The product with the highest share in this segment is transportation materials, with a share of 45.0%. Chemicals and related products come second in order of importance, with a share of 24.9%. The provincial exports of manufactured goods of industrial origin for the year ended December 31, 2020, amounted to USD 6.5 billion and represented 33.2% of the total provincial exports.

For the three-month period ended March 31, 2021, exports of manufactured goods of industrial origin manufactured in the Province amounted to USD 1.9 billion and represented 35.8% of total provincial exports.

Fuel and Energy.

In 2020, exports of fuel and energy recorded a year-on-year decrease of 28.6%. Fuel has traditionally been the most significant export item in this category, accounting for 79.4%. The provincial exports of fuel and energy for the year ended December 31, 2020 amounted to USD 1.6 billion and represented 8.4% of total provincial exports.

For the three-month period ended March 31, 2021, exports of fuel and energy amounted to USD 0.42 billion and represented 7.9% of the total provincial exports.

Inflation

In 2020, the inflation rate published by INDEC as measured by the National CPI methodology stood at 36.1%. In January, February, March, April, May and June 2021, the inflation rate as measured by the National CPI methodology stood at 4.0%, 3.6%, 4.8%, 4.1%, 3.3% and 3.2%, respectively. In June 2021, 12 month rolling inflation as measured by the National CPI methodology stood at 50.2%.

Economically Active Population and Employment

The following table set forth employment figures for the main urban areas of the Province for the three months ended December 31, 2020 and the three months ended March 31, 2021:

	For the three months ended December 31, 2020			For the three months ended March 31, 2021		
	Labor Share ⁽¹⁾	Unemployment Rate ⁽²⁾	Underemployment Rate ⁽³⁾	Labor Share ⁽¹⁾	Unemployment Rate ⁽²⁾	Underemployment Rate ⁽³⁾
Areas of Greater Buenos Aires	43.4	14.1	11.6	45.8	11.9	8.3
Bahía Blanca – Cerri	48.1	9.7	7.7	47.8	9.2	9.2
Gran La Plata.....	48.0	9.1	11.6	45.4	5.8	10.8
Mar del Plata	47.8	11.1	6.4	47.5	9.4	6.4
San Nicolás - Villa Constitución.....	41.1	9.5	4.9	38.1	8.6	4.2

(1) Calculated by dividing the portion of the population employed or actively seeking employment (“economically active population”) by the total population.

(2) Calculated by dividing the unemployed population seeking employment by the economically active population.

(3) Calculated by dividing the portion of the population working 35 hours or less per week and with the intent to work more by the economically active population.

Source: INDEC.

Poverty

Poverty indicators for the second half of 2020 revealed that 42.0% of Argentina’s population stood below the poverty line, including 10.5% who were indigent. These figures also revealed that, as of such date, in the Greater Buenos Aires area, 51.0% of the population lived in poverty, including 15.2% who were indigent.

Litigation

Bondholder Claims

On March 23, 2021, two complaints were filed with the District Court in New York by purported holders of approximately USD 2.1 billion principal amount of various series of bonds issued by the Province under the 2006 Indenture and 2015 Indenture, seeking damages resulting from the non-payment of principal and interest due thereunder in an aggregate amount of approximately USD 366 million. On July 2, 2021, plaintiffs filed an amended complaint in one of the actions relating to the 2015 Indenture Eligible Bonds, maintaining holdings at USD 2.1 billion and bringing aggregate damages sought to approximately USD 573.6 million for the purported holders and approximately USD 1.6 billion for the 2015 Indenture Trustee. As of the date of this invitation memorandum, the proceedings are ongoing.

There are currently 17 final and non-appealable judgments outstanding and one lawsuit pending against the Province related to the Province’s 2002 default on its bonds. These judgments and lawsuits are in three different jurisdictions: the United States of America, Germany and Switzerland.

In the United States of America, there are four final and non-appealable judgments outstanding against the Province in the United States of America, for a total principal amount of USD 200,000 and EUR 176,000 (excluding interest, costs and attorney’s fees), and one lawsuit that remains pending for a total principal amount of USD 85,000 (excluding interest, costs and attorney’s fees).

In Germany, there are ten final and non-appealable judgments outstanding against the Province for a total principal amount of EUR 5,395,000 (excluding interest, costs and attorney’s fees).

In Switzerland, there are three final and non-appealable judgments outstanding against the Province for a total principal amount of CHF 600,000 (excluding interest, costs and attorney’s fees).

Emergency Declaration

In December 2020, Decree No. 1176/20 extended for one additional year the state of emergency in the public security, prison health and security policy, infrastructure, habitat, housing and public, administrative and technological services sectors, as well as the state of social, economic, productive and energy emergency, which had been declared in December 2019. See “The Provincial Economy—Emergency Declaration.”

PUBLIC SECTOR FINANCES

Fiscal Responsibility Law

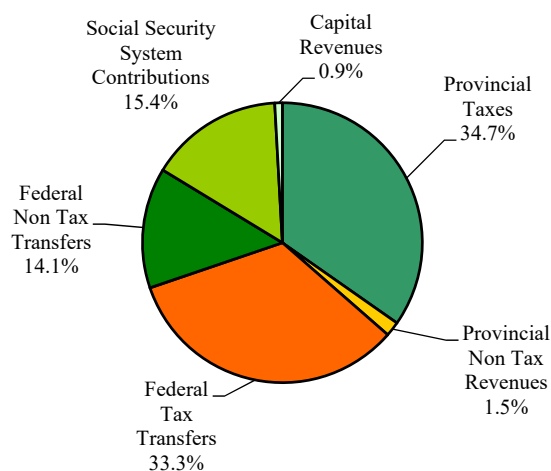
In December 2020, Congress enacted the federal budget for 2021, which suspended certain articles of the Fiscal Responsibility Law for 2021, including the requirement to evaluate the indicators measuring the expenditure increase and the public sector jobs evolution, and suspending the requirement that bars the provinces that exceed a 15% debt ratio from incurring new debt. See “Public Sector Finances—Fiscal Responsibility Law.”

Main Sources of Revenues

In 2020, 68.1% of the Province’s total revenues were derived from taxes, either federal or provincial. Provincial taxes represented 34.7% of total revenues, while federal tax transfers represented 33.3% of such revenues.

The following chart shows the sources of the Province’s revenues for the year ended December 31, 2020.

Total Revenues by Source for the Year Ended December 31, 2020
(Total = ARS 1,344 billion)



Federal Tax Co-Participation Regime

On September 9, 2020, pursuant to Decree No. 735/20, the federal government reduced the co-participation coefficient of the City of Buenos Aires from 3.5% to 2.32%. The difference in resources will be allocated to the *Fondo de Fortalecimiento Fiscal de la Provincia de Buenos Aires* (Fiscal Strengthening Fund of the Province of Buenos Aires). In 2020, the Province received ARS 10.6 billion through this fund and, as of March 2021, the Province had received ARS 12.6 billion. It is estimated that, in 2021, the Province will receive ARS 55.3 billion through this fund. On December 28, 2020, following Congress’ enactment of Law No. 27,606 the City of Buenos Aires’ co-participation coefficient was set at 1.4%.

Federal tax transfers amounted to 32.2% and 33.3% of the Province’s total revenues in 2019 and 2020, respectively.

Federal Contributions

On April 8, 2020, the federal government issued Decree No. 352/2020, creating the *Programa Para la Emergencia Financiera Provincial* (Provincial Financial Assistance Emergency Program), which is funded by up to ARS 120 billion. Under this program, the federal government, through the National Treasury Contribution Fund and loans from the *Fondo Fiduciario para el Desarrollo Provincial* (Trust Fund for Provincial Development) with reduced rates to the provinces, granted resources for the provinces to maintain their normal operation and to cover needs derived from the COVID-19 pandemic. In 2020, the Province received ARS 14.4 billion in federal contributions under such program.

In addition, the federal government has transferred resources to the Province by means of several programs, totaling ARS 125.6 billion in 2020, of which ARS 33.1 billion were specifically designated to pay for education, social policies and provisional system expenses. The remaining funds were assigned to compensations pursuant to the 2017 fiscal consensus, to cover needs derived from the COVID-19 pandemic and to fund the *Programa Nacional para el Fortalecimiento de Seguridad* (National Program to Strengthen Security). Under the National Program to Strengthen Security, the Province received ARS 10.0 billion, of which ARS 7.5 billion were transferred to municipalities.

Provincial Tax Revenues

In 2020, 51.0% of total tax revenues (total federal and provincial tax revenues, excluding other federal and provincial sources of income) were provincial tax revenues, and 34.7% of total revenues were provincial tax revenues. The main taxes are gross revenue tax, real estate tax, automobile tax and stamp tax.

2020 Fiscal Consensus

In April 2020, the provinces (except for the provinces of San Luis and La Pampa and the City of Buenos Aires) and the federal government signed a fiscal agreement (the “**2020 Fiscal Consensus**”), which in the case of the Province was approved by Provincial Law No. 15,226. The 2020 Fiscal Consensus extends the suspension of certain tax-related requirements for the provinces included in the 2017 Fiscal Consensus through December 31, 2021, including the non-application of tax rates higher than those established in said Consensus for taxes on gross revenue, real estate and stamps. In particular, financial intermediation operations are excluded from the operations for which the 2017 Fiscal Consensus sets maximum rates.

With regards to indebtedness, the 2020 Fiscal Consensus established that, in 2021, the provinces would not increase their debt stock in foreign currency with respect to the level outstanding as of December 31, 2020, subject to certain exceptions. The Province also undertook to implement a similar regime for its municipalities.

In addition, the 2020 Fiscal Consensus exempted the issuance of securities denominated in pesos by the provinces having maturities of at least 18 months from the prohibition to adjust for inflation, provided that the proceeds are used to finance infrastructure works or restructure debt services issued before December 31, 2020.

On July 7, 2021, Law No. 27,634 ratified the 2020 Fiscal Consensus on a national level.

2021 Tax Law

In December 2020, the provincial legislature approved Law No. 15,226 (the “**2021 Tax Law**”), which introduced the following changes:

- **Real Estate Tax:** The rates schedule for real estate taxes for both urban and rural properties was updated and made more progressive. In addition, the tax base for rural estate taxes was increased.
- **Automobile Tax:** The tax rates table was updated to match current valuations of automobiles, thus guaranteeing greater progressivity without affecting the maximum applicable rate. The cap on this tax was increased by 32% compared to 2020, except for vehicles valued in excess of ARS 5 million, which have no cap.

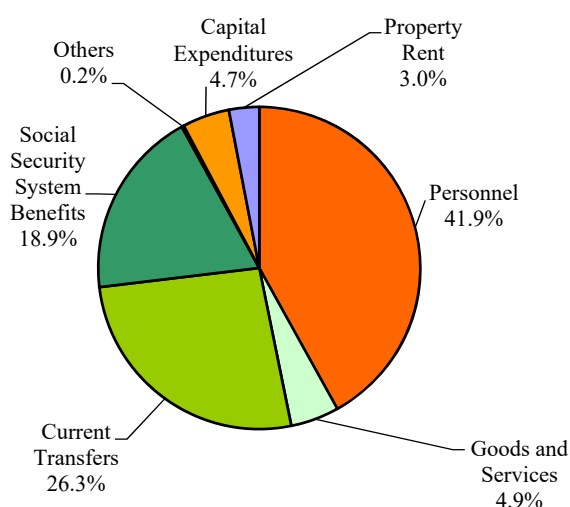
- *Stamp Tax*: The rates in force in 2020 were maintained for 2021.
- *Gross Revenue Tax*: The rates in force in 2020 were maintained for 2021, with the exception of the rate of gross revenue tax for financial activity, which was increased from 7% to 9%.

Composition of Expenditures

In 2020, 95.3% of total expenditures were allocated to current expenditures and 4.7% were allocated to capital expenditures.

The following chart shows the Province's expenditures for 2020.

Total Expenditures for the Year Ended December 31, 2020
(Total = ARS 1,394 billion)



Current Expenditures

Personnel. In 2020, the Province entered into collective bargaining agreements with the unions representing the most important sectors of the administration which resulted in staggered wage increases totaling a 32.8% increase in the case of the education sector, 34.5% in the case of the judiciary, 44.5% in the case of the health sector, which was particularly affected by the COVID 19 pandemic, and on average 32.0% for the remaining government employees, except that non-professional hospital personnel and education assistance personnel, which were exposed to increased risks during the pandemic, received increases of by 46% and 40%, respectively. With respect to the education sector, the percentage increase was partially financed by the *Fondo Nacional de Incentivo Docente* (Federal Teacher's Incentive Fund), which is common to all provinces and financed by the federal government. Without taking into account the Federal Teacher's Incentive Fund, the provincial wage increase for the education sector in 2020 amounted to 29%.

Pursuant to the 2021 collective bargaining agreements, all of the sectors mentioned above have obtained wage increases. The education sector has been granted staggered increases that will total 35% by September 2021 and include a revision clause that is triggered if inflation exceeds 35%.

For the judiciary, general administration sector and the health sector, wage increases will total 34% by September 2021 and for the security sector, wage increases will total 36% by September 2021, all including a possible resetting in November 2021 depending on the evolution of real wages.

With respect to the education sector, the percentage increase is partially financed by the Federal Teacher's Incentive Fund and the Connectivity Program, which are common to all provinces and are financed by the federal government. Without taking into account national financing, the agreed provincial wage increase for the education sector in 2021 amounts to 33%.

Due to an erosion in real wages, in July 2021, the Executive Power decided to advance a portion of the wage increases scheduled for September 2021. As a consequence, as of July 2021, wage increases for the education sector totaled 30%, wage increases for the general administration, judicial and health professionals totaled 31% and wage increases for the security personnel totaled 32.5%, in each case, compared to December 31, 2020. In addition, the revision planned for November 2021 was moved forward to August 2021.

Evolution of Fiscal Results

The following table shows the Province's fiscal results for the periods indicated:

Fiscal Results (in millions of nominal pesos, except for percentages)

	2018	2019	Variation 2018/2019	2020	Variation 2019/ 2020
Current Revenues.....	679,804	982,177	44.5%	1,331,947	35.6%
Total Tax Revenues.....	492,413	684,728	39.1%	914,691	33.6%
Provincial Taxes.....	276,461	367,061	32.8%	466,666	27.1%
Federal Tax Transfers.....	215,952	317,666	47.1%	448,026	41.0%
Social Security System Contributions.....	116,818	156,042	33.6%	207,393	32.9%
Non-Tax revenues.....	70,572	141,408	100.4%	209,863	48.4%
Other non-Tax Revenues.....	24,950	45,371	81.9%	13,065	(71.2)%
Current Transfers.....	45,623	96,036	110.5%	196,798	104.9%
Provincial Transfers	11,243	11,492	2.2%	6,836	(40.5)%
Federal Transfers.....	34,302	84,545	146.5%	189,962	124.7%
Others.....	78	—	—	—	—
Current Expenditures	666,363	981,162	47.2%	1,327,893	35.3%
Personnel	315,942	433,584	37.2%	584,630	34.8%
Goods and Services	32,065	43,434	35.5%	67,914	56.4%
Property Rent	41,496	77,329	86.4%	42,208	(45.4)%
Social Security System Benefits.....	129,171	191,684	48.4%	263,390	37.4%
Current Transfers.....	143,991	233,401	62.1%	366,403	57.0%
Others.....	3,699	1,730	(53.2)%	3,348	93.5%
Current Account Balance	13,441	1,015	(92.4)%	4,055	299.3%
Capital Revenues.....	7,403	5,574	(24.7)%	11,692	109.8%
Capital Expenditures	43,126	42,571	(1.3)%	66,021	55.1%
Capital Investments	21,405	19,621	(8.3)%	17,560	(10.5)%
Transfers for Public Works	15,970	16,646	4.2%	31,781	90.9%
Loans and Capital Contributions.....	5,751	6,303	9.6%	16,679	164.6%
Total Revenues	687,207	987,751	43.7%	1,343,639	36.0%
Total Expenditures.....	709,489	1,023,733	44.3%	1,393,913	36.2%
Primary Balance.....	19,213	41,347	115.2%	(8,066)	(119.5)%
Financial Balance⁽¹⁾	(22,282)	(35,982)	61.5%	(50,274)	39.7%

(1) The financial deficit for 2020 does not include past-due interest payments on the Eligible Bonds since April 2020, when the Invitation was launched and payments were discontinued.

Source: Ministry of Treasury and Finance of the Province.

The following tables set forth the composition of the Province's tax revenues (including federal transfers) for the periods indicated:

**Composition of Tax Revenues
(in millions of nominal pesos)**

	2018	2019	Variation 2018/2019	2020	Variation 2019/2020
Federal Tax Transfers					
Federal Tax Co-Participation.....	160,759	235,408	46.4%	324,583	37.9%
Education Financing.....	43,769	65,214	49.0%	78,556	20.5%
FONAVI.....	2,384	3,176	33.2%	3,917	23.3%
Highway Fund.....	1,658	2,256	36.0%	2,886	27.9%
Others.....	7,383	11,613	57.3%	38,084	227.9%
Total Federal Transfers	215,952	317,666	47.1%	448,026	41.0%
Provincial Taxes					
Gross Revenues Tax.....	191,054	261,505	36.9%	338,693	29.5%
Real State Tax	28,748	36,665	27.5%	46,872	27.8 %
Automobile Tax.....	22,296	28,999	30.1%	37,277	28.5%
Stamp Tax.....	24,907	30,116	20.9%	37,042	23.0%
Tax Amnesty Plans.....	5,061	6,005	18.7%	3,826	(36.3)%
Gratuitous Transfers of Property	533	736	38.1%	893	21.3%
Others.....	3,862	3,036	(21.4)%	2,062	(32.1)%
Total Provincial Taxes.....	276,461	367,061	32.8%	466,666	27.1%

Source: Ministry of Treasury and Finance of the Province.

Fiscal Results for 2019 compared to Fiscal Results for 2018

Total Revenues. In 2019, total revenues increased by 43.7%, to ARS 987.8 billion from ARS 687.2 billion in 2018. This increase reflects the following:

- a 39.1% increase in total tax revenues, to ARS 684.7 billion in 2019 from ARS 492.4 billion in 2018, due to a 47.1% increase in federal tax transfers, to ARS 317.7 billion in 2019 from ARS 216.0 billion in 2018 and a 32.8% increase in provincial tax revenues, to ARS 367.1 billion in 2019 from ARS 276.5 billion in 2018, mainly due to:
 - a 36.9% increase in gross revenue tax collections, to ARS 261.5 billion in 2019 from ARS 191.1 billion in 2018;
 - a 30.1% increase in automobile tax collections, to ARS 29.0 billion in 2019 from ARS 22.3 billion in 2018;
 - a 27.5% increase in real estate tax collections, to ARS 36.7 billion in 2019 from ARS 28.7 billion in 2018; and
 - a 20.9% increase in stamp tax revenues, to ARS 30.1 billion in 2019 from ARS 24.9 billion in 2018.
- a 33.6% increase in social security system contributions, to ARS 156.0 billion in 2019 from ARS 116.8 billion in 2018.

- a 100.4% increase in non-tax revenues, to ARS 141.4 billion in 2019 from ARS 70.6 billion in 2018, mainly due to a 146.5% increase in current federal transfers, to ARS 84.5 billion in 2019 from ARS 34.3 billion in 2018 and a 81.9% increase in other non-tax revenues, to ARS 45.4 billion in 2019 from ARS 25.0 billion in 2018.

Total Expenditures. In 2019, total expenditures of the Province increased by 44.3%, to ARS 1,023.7 billion from ARS 709.5 billion in 2018. This increase was mainly due to:

- a 37.2% increase in personnel expenditures, to ARS 433.6 billion in 2019 from ARS 315.9 billion in 2018, which was mainly due to the cumulative effect of the salary increases granted in 2018 and 2019;
- a 62.1% increase in current transfers, to ARS 233.4 billion in 2019 from ARS 144.0 billion in 2018, which reflects the increase in transfer to municipalities due to an increase in overall tax collection and co-participation transfers, increased social welfare transfers and increased transfers to private schools as a result of increases in wages; and
- a 48.4% increase in social security benefits, to ARS 191.7 billion in 2019 from ARS 129.2 billion in 2018, attributable to the salary increase adjustment mechanism.

Primary Balance. In 2019, the Province's primary balance increased by 115.2% compared to the same period in 2018. The Province's primary balance amounted to a ARS 41.3 billion surplus compared to a ARS 19.2 billion surplus in 2018.

Financial Results. In 2019, the Province recorded a financial deficit of ARS 36.0 billion, compared to a financial deficit of ARS 22.3 billion in 2018.

Fiscal Results for 2020 compared to Fiscal Results for 2019

Total Revenues. The 2020 results reflect an increase in total provincial revenues of 36.0% to ARS 1,343.6 billion, as compared to 2019 revenues of ARS 987.8 billion. This increase is mainly due to a 33.6% increase in total tax revenues to ARS 914.7 billion in 2020, from ARS 684.7 billion in 2019 and a 48.4% increase in non-tax revenues, primarily transfers from the federal government.

Total Expenditures. In 2020, total provincial expenditures increased by 36.2%, to ARS 1,393.9 billion from 1,023.7 billion in 2019, mainly due to:

- a 34.8% increase in personnel expenditures, to ARS 584.6 billion in 2020 from ARS 433.6 billion in 2019;
- a 56.4% increase in goods and services expenditures, to ARS 67.9 billion in 2020 from ARS 43.4 billion in 2019; and
- a 57.0% increase in current transfers, to ARS 366.41 billion in 2020 from ARS 233.4 billion in 2019, mainly due to increased tax revenues, which will result in an increase in transfers to municipalities.

Primary Balance. In 2020, the Province's primary balance recorded a ARS 8.1 billion deficit compared to a ARS 41.3 billion surplus in 2019.

Financial Result. In 2020, the Province's financial deficit was ARS 50.3 billion, compared to a financial deficit of ARS 36.0 billion in 2019. The Province's financial deficit does not include past-due interest payments on the Eligible Bonds since April 2020, when this Invitation was launched and payments were discontinued.

2021 Budget Law

On December 20, 2020, the provincial legislature approved Law No. 15,225, which set the Province's budget for the year 2021 (the "2021 Budget"). The following table shows the 2021 Budget, as compared to 2020 fiscal results.

2020 Fiscal Results vs. 2021 Budget (in millions of nominal pesos)

	2020	2021 Budget	Variation
Current Revenues	1,331,947	1,770,522	32.9%
Total Tax Revenues	914,691	1,292,664	41.3%
Provincial Taxes.....	466,666	667,693	43.1%
Federal Tax Transfers.....	448,026	624,971	39.5%
Social Security System Contributions .	207,393	272,432	31.4%
Non Tax revenues	209,863	205,426	(2.1)%
Other non Tax Revenues	13,065	17,519	34.1%
Current Transfers	196,798	187,906	(4.5)%
Provincial Transfers	6,836	15,673	129.3%
Federal Transfers.....	189,962	172,234	(9.3)%
Current Expenditures	1,327,893	1,735,881	30.7%
Personnel.....	584,630	760,894	30.1%
Good and Services.....	67,914	98,563	45.1%
Property Rent	42,208	57,618	36.5%
Social Security System Benefits.....	263,390	346,009	31.4%
Current Transfers	366,403	468,702	27.9%
Others	3,348	4,095	22.3%
Current Account Balance	4,055	34,640	754.3%
Capital Revenues	11,692	28,552	144.2%
Capital Expenditures	66,021	174,151	163.8%
Capital Investments	17,560	108,623	518.6%
Transfers for Public Works	31,781	39,938	25.7%
Loans and Capital Contributions	16,679	25,590	53.4%
Total Revenues	1,343,639	1,799,074	33.9%
Total Expenditures	1,393,913	1,910,032	37.0%
Primary Balance	(8,066)	(53,340)	561.3%
Financial Balance⁽¹⁾	(50,274)	(110,958)	120.7%

(1) Does not include past-due interest payments on the Eligible Bonds since April 2020, when the Invitation was launched and payments were discontinued.

Source: Ministry of Treasury and Finance of the Province.

Total Revenues. In 2021, the Province estimates an increase in total provincial revenues of 33.9% to ARS 1,799.1 billion, as compared with 2020 revenues of ARS 1,343.6 billion. This increase is mainly due to a budgeted 41.3% increase in total tax revenues to ARS 1,292.7 billion projected for 2021, from ARS 914.7 billion in 2020.

The increase in provincial tax revenues includes:

- 29.5% increase in gross revenue tax collections;
- 28.5% increase in automobile tax collections;
- 27.8% increase in real estate tax collections; and
- 23.0% increase in stamp tax collections.

In addition, capital revenues are budgeted to increase by 144.2%, to ARS 28.6 billion in 2021 from ARS 11.7 billion in 2020, mainly due an increase in revenues from existing agreements with the federal government to be used for infrastructure projects. These funds were mainly allocated to investments in water and environmental sanitation infrastructure, housing programs, the municipal infrastructure emergency program for the Province and road infrastructure expenses.

Total Expenditures. In 2021, total provincial expenditures are budgeted to increase by 37.0%, to ARS 1,910.0 billion from ARS 1,393.9 billion in 2020, mainly due to:

- 30.1% increase in personnel expenditures, to ARS 760.9 billion budgeted for 2021 from ARS 584.6 billion in 2020;
- 45.1% increase in goods and services expenditures, to ARS 98.6 billion budgeted for 2021 from ARS 67.9 billion in 2020, mainly due to the strengthening of social, health and education programs;
- 27.9% increase in current transfers, to ARS 468.7 billion budgeted for 2021 from ARS 366.4 billion in 2020, mainly due to increased tax revenues, which will result in an automatic increase in transfers to municipalities; and
- 163.8% increase in capital expenditures, to ARS 174.2 billion budgeted for 2021 from ARS 66.0 billion in 2020, mainly due to an increase in public works.

Primary Balance. In 2021, the Province budgeted the primary deficit to increase to ARS 53.3 billion from a deficit of ARS 8.1 billion in 2020.

Financial Result. In 2021, the Province has budgeted a financial deficit of ARS 111.0 billion, compared to a financial deficit of ARS 50.3 billion in 2020. The financial deficit for 2020 does not include past-due interest payments on the Eligible Bonds since April 2020, when this Invitation was launched and payments were discontinued. The New Bonds to be issued pursuant to this Invitation have not been included in the 2021 Budget Law, as negotiations were still ongoing during its preparation. The 2021 Budget Law also did not include any amount for payments under the Eligible Bonds. The 2021 Budget Law provides that both principal and interest payments on the New Bonds are to be paid using general revenues from the Province and that the executive branch is authorized to make the relevant budgetary modifications.

The Impact of COVID-19 on the Province's Finances

The COVID-19 pandemic has strongly altered the public finances of the Province. In terms of resources, the Province's economic activity, to which most of tax revenues are linked, was severely affected. Pursuant to Law 15,170 (the "2020 Tax Law"), real estate tax valuations were updated and the lowering of gross revenue tax rates was suspended under the Fiscal Consensus. Through these changes, the Province expected to increase its provincial tax collection by approximately ARS 50.0 billion. However, the post-emergency estimate reflects a 8% reduction in resources with respect to the original projections, mainly due to a 10% decrease in provincial tax collections and a 6% decrease in transfers from national tax collections, in each case, compared to the previous projection.

The decrease in income was partially offset by an increase in current transfers from the federal government, which were used to cover specific expenditures resulting from the pandemic.

With regards to public spending, demand for investment increased in the health sector, community development and justice programs and assistance to municipalities, among others. Consequently, total spending increased by an estimated ARS 62.6 billion, of which ARS 18.1 billion were related to expenses incurred by the health sector and ARS 4.3 billion by the education sector. ARS 21.0 billion were transferred to the municipalities and ARS 11.8 billion were allocated to the *Servicio Alimentario Escolar* (“SAE”), among other expenses.

ISSUER RATING

On May 15, 2020, after the Province failed to timely make payments under certain Eligible Bonds, Standard and Poor’s downgraded the global scale issuer credit rating of the Province from CC to SD, where it remained as of the date of this invitation memorandum. The Province has not made payments under the Eligible Bonds since it launched the Invitation on April 24, 2020, which resulted in a rating of the Eligible Bonds at D.

PUBLIC SECTOR DEBT

Evolution of Debt: 2019 to 2020

The following tables describe the evolution of the Province’s total outstanding indebtedness from 2019 to 2020, by creditor, currency, interest rate and term:

Total Gross Debt by Creditor ⁽¹⁾
(in millions of USD, and as a percentage of total gross debt)

	As of December 31,			
	2019		2020	
Creditor				
Federal Government	553	5.1%	422	3.9%
Domestic Bondholders	2,227	20.4%	2,150	20.1%
International Bondholders	7,426	68.0%	7,297	68.2%
Multilateral Credit Agencies	570	5.2%	682	6.4%
Bilateral Credit Agencies	138	1.3%	141	1.3%
Total	10,913	100.0%	10,693	100.0%
Exchange Rates				
ARS/USD ⁽²⁾	59.890		84.150	
CER ⁽³⁾	18.701		25.494	

(1) Does not include past-due interest payments on the Eligible Bonds and other non-performing debt. See “—Debt Denominated in Foreign Currencies—Eligible Bonds.”

(2) Last exchange rate recorded for each period.

(3) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

Total Gross Debt by Currency ⁽¹⁾
(in millions of USD, and as a percentage of total gross debt)

	As of December 31,			
	2019		2020	
Currency				
Pesos.....	1,753	16.1%	1,402	13.1%
CER adjusted pesos	23	0.2%	126	1.2%
USD	7,711	70.7%	7,614	71.2%
EUR.....	1,362	12.5%	1,483	13.9%
Others ⁽²⁾	64	0.6%	68	0.6%
Total	10,913	100.0%	10,693	100.0%
Exchange Rates				
ARS/USD ⁽³⁾	59.890		84.150	
CER ⁽⁴⁾	18.701		25.494	

(1) Does not include past-due interest payments on the Eligible Bonds and other non-performing debt.

See “—Debt Denominated in Foreign Currencies—Eligible Bonds.”

(2) Figures include euros, Swiss Francs and Japanese Yen.

(3) Last exchange rate recorded for each period.

(4) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

Total Gross Debt by Type of Interest Rate ⁽¹⁾
(in millions of USD, and as a percentage of total gross debt)

	As of December 31,			
	2019		2020	
By type of interest				
Fixed rate ⁽²⁾	7,686	70.4%	7,412	69.3%
Fixed rate + CER adjustment ⁽³⁾	23	0.2%	126	1.2%
Fixed Step-up rate	1,254	11.5%	1,321	12.4%
Variable rate.....	1,950	17.9%	1,834	17.2%
IADB -IBRD ⁽⁴⁾	74	0.7%	183	1.7%
LIBOR	496	4.5%	499	4.7%
Tasa BADLAR ⁽⁵⁾	1,269	11.6%	1,084	10.1%
Others	111	1.0%	68	0.6%
Total	10,913	100.0%	10,693	100.0%
Exchange Rates				
ARS/USD ⁽⁶⁾	59.890		84.150	
CER ⁽⁷⁾	18.701		25.494	

(1) Does not include past-due interest payments on the Eligible Bonds and other non-performing debt. See “—Debt Denominated in Foreign Currencies—Eligible Bonds.”

(2) Consists primarily of Eurobonds, FGS Loans and Local Bonds in Foreign Currencies.

(3) Consists primarily of domestic loans.

(4) Includes multilateral debt.

(5) Rate determined by the Central Bank based on a survey of the rate paid on time deposits in pesos by banks in the City of Buenos Aires and in Greater Buenos Aires.

(6) Last exchange rate recorded for each period.

(7) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

Total Gross Debt by Term ⁽¹⁾
(in millions of USD, except for percentages)

Term	As of December 31,			
	2019		2020	
Short-term ⁽²⁾	226	2.1%	293	2.7%
Medium-term and long term ⁽³⁾	10,687	97.9%	10,400	97.3%
Total	10,913	100.0%	10,693	100.0%
Exchange Rates				
ARS/USD ⁽⁴⁾	59.890		84.150	
CER ⁽⁵⁾	18.701		25.494	

(1) Does not include past-due interest payments on the Eligible Bonds and other non-performing debt. See “—Debt Denominated in Foreign Currencies—Eligible Bonds.”

(2) Debt with original maturity of one year or less.

(3) Debt with original maturity of more than one year.

(4) Last exchange rate recorded for each period.

(5) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

In 2020, based on preliminary estimates, the debt divided by total revenues were 67.0%, and the debt divided by provincial GDP was 9.4%, as compared to 66.2% and 8.6%, respectively, in 2019.

The following table sets forth the Province's total outstanding indebtedness as of December 31, 2019 and 2020.

Total Outstanding Indebtedness
(in millions of USD and ARS and as a percentage change)⁽¹⁾

	As of December 31,				Variation December 31, 2020 vs. December 31, 2019	
	2019		2020		ARS	%
	USD	ARS	USD	ARS		
Debt in Pesos - adjusted by CER						
PYMES Bond (Law No. 12,421).....	23	1,379.6	22	1,851.5	471.9	34.2%
Refinancing 2019 Trust Fund for Provincial Development Loan.....	-	-	104	8,731.0	8,731.0	-
Total debt in Pesos - adjusted by CER-.....	23	1,379.6	126	10,582.6	464.1	50.7%
Debt in Pesos						
2016 FGS Loan	104	6,207.0	80	6,753.8	546.8	8.8%
2017 FGS Loan	69	4,139.3	49	4,139.3	-	-
2018 FGS Loan	83	4,990.4	59	4,990.4	-	-
2019 FGS Loan	168	10,085.4	120	10,085.4	-	-
2019 Trust Fund for Provincial Development Loan.....	117	7,000.0	-	-	(7,000.0)	(100.0)%
Federal Trust Fund for Regional Infrastructure.....	12	726.1	10	835.4	109.4	15.1%
Bonds Law No. 10,328	0	0.0	0	0.0	0.0	(48.0)%
Bonds of the Province of Buenos Aires – Section 45, Law No. 14,062.....	0	10.0	-	-	(10.0)	(100.0)%
Bonds of the Province of Buenos Aires – due March 14, 2023	151	9,042.5	81	6,782.8	(2,259.7)	(25.0)%
Bonds of the Province of Buenos Aires – due January 10, 2024.....	68	4,069.7	48	4,069.7	-	-
Treasury Bills	178	10,686.9	293	24,694.2	14,007.3	131.1%
Local Bond due 2022	254	15,182.4	180	15,182.4	-	-
Local Bond due 2025	501	30,000.0	357	30,000.0	-	-
PBA Notes due on February 28, 2020	23	1,381.9	-	-	(1,381.9)	(100.0)%
PBA Notes due on April 30, 2020	25	1,479.4	-	-	(1,479.4)	(100.0)%
Bonds of the Province of Buenos Aires – due July 23, 2024....	-	-	24	2,000.0	2,000.0	-
Suppliers Bond 2020	-	-	101	8,482.5	8,482.5	-
Total Debt in pesos	1,753	105,001.1	1,402	118,016.0	13,014.9	12.4%
Debt in Foreign Currency						
Eurobonds.....	7,426	444,713.5	7,297	614,079.9	169,366.4	38.1%
USD - denominated Long Term Par Bond	488	29,208.2	488	41,039.8	11,831.5	40.5%
EUR - denominated Long Term Par Bond	649	38,865.7	707	59,459.2	20,593.5	53.0%
USD - denominated Medium Term Par Bond	11	635.8	11	893.4	257.6	40.5%
EUR - denominated Medium Term Par Bond	107	6,412.4	117	9,810.1	3,397.7	53.0%
Eurobonds (Untendered Holdings)	60	3,615.5	65	5,494.1	1,878.6	52.0%
USD 400 M - 9.625% bonds due 2028-	400	23,956.0	400	33,660.0	9,704.0	40.5%
USD 750 M – 10.875% bonds due 2021-.....	500	29,946.5	250	21,041.7	(8,904.8)	(29.7)%
USD 899 M – 9.95% bonds due 2021-.....	899	53,869.6	899	75,690.9	21,821.3	40.5%
USD 1.250 M – 9.125% bonds due 2024-.....	1,250	74,862.5	1,250	105,187.5	30,325.0	40.5%
USD 1,750 M – 7.875% bonds due 2027-.....	1,750	104,807.5	1,750	147,262.5	42,455.0	40.5%
USD 750 M – 6.50% bonds due 2023-.....	750	44,917.5	750	63,112.5	18,195.0	40.5%
EUR 500 M – 5.375% bonds due 2023-.....	561	33,616.3	611	51,428.3	17,812.0	53.0%
Local Bonds.....	1,004	60,121.5	1,044	87,890.8	27,769.3	46.2%
Refinancing to 2021 - USD250 M – 9.50% due 2020	250	14,972.5	265	22,305.5	7,333.0	49.0%
Refinancing to 2021 - USD250 M - 9.75% due 2020	250	14,972.5	250	21,037.5	6,065.0	40.5%
USD 244 M – 9.875% due 2021	244	14,613.2	244	20,532.6	5,919.4	40.5%
Refinancing to 2021 - USD250 M – 9.893% due 2019	260	15,563.4	285	24,015.2	8,451.8	54.3%
Multilateral Loans (IADB-IBRD-CAF-FONPLATA)	570	34,125.8	682	57,402.7	23,276.9	68.2%

Bilateral Loans	138	8,243.2	141	11,847.8	3,604.6	43.7%
USD	84	5,024.4	84	7,059.7	2,035.3	40.5%
JPY	43	2,605.1	46	3,849.2	1,244.1	47.8%
ITL	10	613.7	11	938.9	325.2	53.0%
Total Debt in Foreign Currencies.....	9,137	547,204.1	9,165	771,221.2	224,017.2	40.9%
TOTAL INDEBTEDNESS.....	10,913	653,584.7	10,693	899,819.8	246,235.1	37.7%

	<u>As of Dec. 31, 2019</u>	<u>As of Dec. 31, 2020</u>
Exchange rates		
ARS/USD	59.890	84.150
ARS/JPY	0.551	0.815
ARS/CHF	61.947	95.074
ARS/EUR	67.233	102.857
ARS/ITL	0.035	0.053
Accumulated CER	18.701	25.494

(1) Does not include past-due interest payments on the Eligible Bonds and other non-performing debt. See “—Debt Denominated in Foreign Currencies—Eligible Bonds.”

Source: Ministry of Treasury and Finance of the Province.

Causes of debt stock variation between December 31, 2019 and December 31, 2020

For the year ended December 31, 2020, the Province’s indebtedness, when measured in pesos, increased by ARS 246.2 billion, or 37.7%, as compared to December 31, 2019.

The following table describes the increases and decreases in the Province’s outstanding indebtedness that led to the net increase, when measured in pesos, in the provincial debt stock from December 31, 2019 to December 31, 2020.

Causes of Debt Stock Variation, December 31, 2020 vs. December 31, 2019 (in millions of ARS)

	<u>Variation</u>
Debt Increases	283,198.1
Exchange rate effect ⁽¹⁾	228,496.8
Issuances in local capital market	36,080.9
Disbursements of multilateral loans	13,515.0
Interest capitalization	2,633.6
Inflation effect	2,471.8
Debt Reduction	(36,963.1)
Amortization in local capital markets	(15,845.3)
Amortization in the international capital markets.....	(15,146.8)
Amortization of multilateral credit agencies	(5,832.2)
Amortization of federal government’s loans	(138.8)
Debt Stock Variation	246,235.1

(1) Includes the devaluation of the peso against the U.S. Dollar, Euro, Japanese Yen and Swiss Franc.

Source: Ministry of Treasury and Finance of the Province.

The increase in the Province’s indebtedness when measured in pesos during 2020 was mainly due to:

- the exchange rate depreciation of the ARS against the USD, EUR, JPY and CHF for an aggregate amount of ARS 228.5 billion, which accounted for 80.68% of the total gross increase;
- the Province’s issuance of ARS 36.1 billion of indebtedness, which accounted for 12.74% of the total gross increase, consisting mainly of the issuance of Treasury Bills for ARS 24.7 billion, the

issuance of 2020 Supplier Bonds for ARS 8.5 billion, the issuance of “Bonds of the Province of Buenos Aires - due July 23, 2024” for ARS 2.0 billion and ARS 0.9 billion of other small bonds;

- multilateral credit agencies’ disbursements totaling ARS 13.5 billion, which accounted for 4.77% of the total gross increase;
- interest capitalization totaling ARS 2.6 billion, which accounted for 0.93% of the total gross increase; and
- the impact of inflation on the debt denominated in ARS and adjusted by CER, which accounted for 0.87% of the total gross increase.

The increase was partially offset by the following decreases:

- amortization of debt issued in the local capital market amounting to ARS 15.8 billion, which accounted for 42.9% of the total gross decrease. This amount includes (i) ARS 10.7 billion in Treasury Bills amortization, (ii) ARS 2.9 billion in amortization payments under PBA Notes due February 28, 2020 and PBA Notes due April 30, 2020, (iii) ARS 2.3 billion in amortization payments under the “Bonds of the Province of Buenos Aires - due March 14, 2023” and (iv) ARS 0.04 billion in repayments of other debts;
- amortization of debt issued in the international capital markets amounting to ARS 15.1 billion, which accounted for 41.0% of the total gross decrease (see “—Debt Denominated in Foreign Currencies—Eligible Bonds” below and in Annex A hereto, as supplemented by “Recently Published Information and Events—The Provincial Economy—Measures Implemented by the Federal Government to Address the Outbreak of COVID-19”);
- amortization payments under multilateral agency credit lines for ARS 5.8 billion, which accounted for 15.8% of the total gross decrease; and
- amortization payments under debt owed to the federal government for ARS 0.1 billion.

Estimated Debt Service

The following table shows projected debt service by creditor and year based on the Province's outstanding indebtedness as of December 31, 2020. The outstanding amount as of December 31, 2020 includes the principal amount due on the Eligible Bonds as of such date.

Estimated Debt Service by Creditor ^{(1) (2)} (in millions of USD)

CREDITOR	Outstanding as of December 31, 2020	2021	2022	2023	2024	2025	2026- 2055
Federal Government	422						
<i>Amortization</i>		165	98	153	2	1	3
<i>Interest</i>		52	18	7	—	—	—
Bondholders ⁽³⁾	2,216						
<i>Amortization</i>		1,411	308	25	28	368	10
<i>Interest</i>		368	181	110	96	48	
USD	1,050						
<i>Amortization</i>		1,044					
<i>Interest</i>		65					
EUR	49						
<i>Amortization</i>							
<i>Interest</i>							
ARS.....	1,084						
<i>Amortization</i>		367	308	25	28	357	
<i>Interest</i>		303	181	110	96	48	
ARS + CER	22						
<i>Amortization</i>		0				12	10
<i>Interest</i>							
CHF.....	11						
<i>Amortization</i>							
<i>Interest</i>							
Multilateral	682						
<i>Amortization</i>		66	46	34	35	39	462
<i>Interest</i>		17	16	15	15	14	92
Bilateral	141						
<i>Amortization</i>							
<i>Interest</i>							
SUB-TOTAL	3,461						
<i>Total Amortization</i>		1,642	452	212	64	409	475
<i>Total Interest</i>		438	215	133	111	62	93
ELIGIBLE BONDS	7,232						
<i>Total Amortization⁽³⁾</i>		1,029	746	1,357	496	663	2,323
<i>Total Interest⁽⁴⁾</i>		511	371	313	231	186	301
USD	5,798						
<i>Amortization</i>		982	699	699	449	616	1,876
<i>Interest</i>		451	313	257	210	167	211
EUR	1,434						
<i>Amortization</i>		47	47	658	47	47	448
<i>Interest</i>		60	58	56	21	19	90
TOTAL	10,693						
<i>Total Amortization</i>		2,672	1,198	1,570	561	1,072	2,798
<i>Total Interest</i>		949	586	447	342	248	394

Exchange rates as of December 31, 2020

ARS/USD	84.150
ARS/JPY	0.815
ARS/CHF	95.074
ARS/EUR	102.857
ARS/ITL	0.053
Accumulated CER as of December 31, 2020.	25.494
Pesifications.....	1.40

- (1) Calculated based on the stock of debt, exchange rate and interest rates as of December 31, 2020. Data does not include any adjustment for inflation with respect to the debt denominated in CER adjusted, ICC adjusted pesos (pesos adjusted pursuant to the *Índice de Costos de la Construcción* (Construction Costs Index)) and non-performing debt (excluding the Eligible Bonds).
- (2) Does not reflect amortization or interest payments on debt issued or refinanced after December 31, 2020.
- (3) Does not include past-due amortization payments on the Eligible Bonds since April 2020, when the Invitation was launched and payments were discontinued.
- (4) Does not include past-due interest payments on the Eligible Bonds since April 2020, when the Invitation was launched and payments were discontinued.

Source: Ministry of Treasury and Finance of the Province.

Pledge of Tax Co-Participation Revenues

The following table sets forth the amount of federal tax transfers withheld to cover provincial debt service payments in 2020.

Withheld Federal Tax Transfers in 2020 (in millions of pesos)

	<u>For the year ended December 31, 2020</u>
Federal Tax Co-Participation.....	448,026
Federal Government Withholdings ⁽¹⁾	4,208
Percentage Withheld.....	0.9%

- (1) These secured debts consisted primarily of 2016, 2017, 2018 and 2019 FGS Loans and the 2019 Trust Fund for Provincial Development Loans.

Source: Ministry of Treasury and Finance of the Province and Banco de la Nación Argentina.

Debt Denominated in CER-adjusted Pesos

Trust Fund for Provincial Development Loan Refinancing Agreement

In March 2020, the Province and the federal government entered into a refinancing agreement to refinance the trust fund for provincial development loan entered into in December 2019. See “Public Sector Debt—Debt Denominated in CER-adjusted pesos.” Pursuant to the terms of this refinancing agreement, the loan will (i) be denominated in CER-adjusted pesos, (ii) be repaid in 36 monthly installments beginning in January 2021 and ending on December 31, 2023, and (iii) accrue interest at a 0.1% fixed annual rate. All of the payments due under this loan are secured by federal tax co-participation revenues funds that the Province is entitled to receive.

Debt Denominated in Pesos

Sustainable Guaranty Fund Loan (FGS Loan) - ANSeS

In August 2020, pursuant to ANSeS resolution No. 3/2020, the maturity of the 2016 FGS Loan was extended for forty-five days to October 15, 2020. See “Public Sector Debt—Debt Denominated in Pesos—Sustainable Guaranty Fund Loan – ANSeS.” In October 2020, pursuant to ANSeS resolution No. 8/2020, the maturity was further extended until December 15, 2020. On December 1, 2020, the Province and ANSeS entered into a new loan agreement to refinance the 2016 and 2017 FGS Loans, for a total amount of ARS 11.2 billion to be repaid in a single installment on August 1, 2021, which accrues interest at the BADLAR rate.

On July 15, 2021, pursuant to National Decree No. 458/2021, the maturity of the refinancing of the 2016 and 2017 FGS Loans was extended until March 15, 2022. Additionally, the Province has the opportunity to extend the maturity of the 2018 FGS Loan, which in January 26, 2022 is scheduled to mature for an amount of ARS 4.99 billion, with the same conditions of the 2016 and 2017 refinancing: a single installment on March 15, 2022 which accrues interest at the BADLAR rate. The amount to be paid on March 15, 2022 equals ARS 16.19 billion. In addition, the Province has the right to convert the March 15, 2022 amortization payment into a bond with final maturity on March 15, 2031 at the BADLAR rate.

Trust Fund for Provincial Development Loan

On April 8, 2020, the federal government created the Provincial Financial Assistance Emergency Program to meet the financial needs of the provincial jurisdictions amid the health emergency originated by the COVID-19 pandemic.

On May 12, 2020, the Ministry of Economy enacted Resolution No. 223/2020 instructing the Trust Fund for Provincial Development to refinance, partially or totally, the provincial debts as of March 31, 2020 from the Provincial Financial Assistance Emergency Program, created by Decree No. 352/2020. Under this framework, the Province has requested the refinancing of the debt owed to the Trust Fund for Provincial Development, which had been previously refinanced in March 2020. See “—Debt Denominated in CER-adjusted Pesos—Trust Fund for Provincial Development Loan Refinancing Agreement.”

Provincial Treasury Bills

As of December 31, 2020, the nominal amount of Provincial Treasury Bills that had not been repaid within each relevant fiscal year and were accounted for as outstanding indebtedness due in 2021 amounted to ARS 24.7 billion.

For 2021, Article 31 of the 2021 Budget Law (N° 15,225) authorized the Province to issue up to ARS 10.0 billion in Provincial Treasury Bills. In addition, the Permanent Complementary Budget Law authorized the issuance of additional ARS 24.7 billion in Provincial Treasury Bills to refinance the Provincial Treasury Bills issued in 2020. Further, Resolution No. 5/2021 of the General Treasury authorized the issuance of Provincial Treasury Bills for up to an outstanding amount of ARS 34.7 billion.

From January 1, 2021 to the date of this invitation memorandum, the Province has issued the following Provincial Treasury Bills:

First Tranche 2021 (issued on January 28, 2021):

Type	Rate	Amount	Maturity
Discount	34.9000%	ARS 4,282.62 million	February 26, 2021
Discount	37.5000%	ARS 7,605.15 million	March 31, 2021
Coupon	BADLAR + 5.00%	ARS 454.85 million	July 30, 2021

Second Tranche 2021 (issued on February 26, 2021):

Type	Rate	Amount	Maturity
Discount	35.0000%	ARS 4,940.63 million	April 29, 2021
Discount	37.0000%	ARS 4,299.13 million	May 28, 2021
Coupon	BADLAR + 5.00%	ARS 2,271.67 million	August 27, 2021

Private Placement (issued on March 15, 2021)

Type	Rate	Amount	Maturity
Coupon	BADLAR + 5.00%	ARS 1,349.13 million	December 17, 2021

Third Tranche 2021 (issued on March 31, 2021):

Type	Rate	Amount	Maturity
Discount	33.0000%	ARS 1,027.10 million	April 29, 2021
Discount	37.5000%	ARS 8,670.37 million	June 25, 2021
Coupon	BADLAR + 5.00%	ARS 4,624.22 million	September 29, 2021

Fourth Tranche 2021 (issued on April 29, 2021):

Type	Rate	Amount	Maturity
Discount	33.5000%	ARS 517.67 million	May 28, 2021
Discount	36.5000%	ARS 4,803.74 million	July 29, 2021
Coupon	BADLAR + 5.50%	ARS 736.90 million	October 28, 2021

Fifth Tranche 2021 (issued on May 28, 2021):

Type	Rate	Amount	Maturity
Discount	36.0000%	ARS 1,382.41 million	July 29, 2021
Discount	37.5000%	ARS 3,368.05 million	August 27, 2021
Coupon	BADLAR + 5.75%	ARS 1,955.26 million	November 26, 2021

Private Placement (issued on June 14, 2021)

Type	Rate	Amount	Maturity
Coupon	BADLAR + 5.75%	ARS 1,270.00 million	November 26, 2021

Sixth Tranche 2021 (issued on June 25, 2021):

Type	Rate	Amount	Maturity
Discount	36.0000%	ARS 5,470.71 million	August 27, 2021
Discount	37.0000%	ARS 3,977.14 million	September 29, 2021

Seventh Tranche 2021 (issued on July 27, 2021):

Type	Rate	Amount	Maturity
Discount	37.5002%	ARS 4,536.83 million	October 28, 2021
Discount	38.2500%	ARS 1,571.26 million	November 26, 2021

Source: Ministry of Treasury and Finance of the Province.

As of the date of this invitation memorandum, the principal amount outstanding of Provincial Treasury Bills is ARS 31.14 billion.

Bonds of the Province of Buenos Aires – Due July 23, 2024

In July 2020, pursuant to Article 1 of Law No. 15,077, the Province issued bonds in an aggregate principal amount of ARS 2.0 billion to repay funds advanced by Banco Provincia to the pension fund of the Province to cover 2020 financial imbalances. The bonds were originally scheduled to mature in one installment on December 23, 2020, with an option for the Province to extend the maturity until 2024, which the Province exercised in December 2020. These bonds accrue interest at the BADLAR rate.

Suppliers Bond 2020

On September 7, 2020, pursuant to Provincial Law No. 15,181, which allows the Province to issue up to ARS 20 billion bonds with the purpose of cancelling amounts due to suppliers, the Province issued a bond for a nominal value of ARS 15 billion. The bonds have a term of 2 years, mature in four equal installments after a one year grace period and accrue interest at the BADLAR rate.

As of the date of this invitation memorandum, there have been subscriptions of ARS 14.62 billion for these bonds.

Debt Denominated in Foreign Currencies

Eligible Bonds

On April 24, 2020, the Province launched the Invitation relating to the Eligible Bonds. Given the social and economic emergency that the Province is undergoing, and taking into account the fact that, to date, the Invitation remains open, the Province has not made any payments on the Eligible Bonds since April 24, 2020.

Bond Issuance in the Local Capital Markets

During 2020 and 2021, our four series of FGS bonds (*i.e.*, 7.893% Bonds due 2019, 9.50% Bonds due 2020, 9.75% Bonds due 2020 and 9.875% Bonds due 2021) were extended several times for three-months periods. See “Public Sector Debt—Bond Issuance in the Local Capital Markets.” Given these refinancings, as of the date of this invitation memorandum, the Province has not made any payment on these bonds. As extended, these FGS bonds pay rates that are consistent with the ones offered in this Invitation to holders of Eligible Bonds, using as one of the parameters the average rate set for USD bonds with a shorter term offered by the Province pursuant to this invitation memorandum. All extensions are set to expire in 2021.

Multilateral Loans

In November 2020, the Province entered into two loans agreement, one for USD 120 million and the other for USD 100 million, with the *Corporación Andina de Fomento* (the “CAF”) to finance the Implementation Project of the Integral Management Plan on the Luján River—Stage II and the Regional Electric Transportation Program of the Province of Buenos Aires, respectively. As of June 30, 2021, no disbursements had been made under these loan agreements.

In December 2020, the Province entered into a USD 100 million loan agreement with the World Bank to finance the Metropolitan Buenos Aires Urban Transformation Project. As of June 30, 2021, the World Bank had disbursed USD 250,000 under this loan agreement.

In December 2020, the Province entered into a USD 100 million loans agreement with the Inter-American Development Bank (“IADB”) to finance the Social and Urban Integration Program in the Province of Buenos Aires. As of June 30, 2021, no disbursements had been made under this loan agreement.

The table below provides a summary of the total disbursements made under outstanding multilateral loans as of June 30, 2021.

Disbursements of Loans as of June 30, 2021
(in millions of USD)

Loan Agreement	Program	Use of Funds	Year	Contractual Amount	Amount disbursed as of June 30, 2021
IDB 3256	Program Sanitation and Flood Control in the Reconquista River Basin	Infrastructure	2014	230.0	90
IDB 4427	Drainage and Flood Control Program in the Province of Buenos Aires	Infrastructure	2018	150.0	6.0
IDB 4435	Program for the Strengthening the Management Capacity of the Province of Buenos Aires	Institutional Strengthening	2018	20.0	2.4
IDB 4416	Connectivity and Security in road corridors	Infrastructure	2019	200.0	0.2
IDB 4821	Program for Strengthening and Integrating the Health Networks in the Province	Health	2020	150	95.6
CAF 10059	Program of Infrastructure Rehabilitation of the Province of Buenos Aires	Infrastructure	2017	10.0	4.1
CAF 10061	Implementation Project of the Integral Management Plan on the Lujan River – Stage I	Infrastructure	2017	100.0	17.1
CAF 10209	Construction of a water treatment plant that will provide water to the cities of La Plata, Berisso and Ensenada	Infrastructure	2018	119.0	1.0
IBRD 8707	Metropolitan Buenos Aires Urban Transformation Project - Province of Buenos Aires	Infrastructure	2017	30.0	7.3
IBRD 8736	Salado Integrated River Basin Management Support Project	Infrastructure	2017	300.0	77.8
IBRD 9007	Support for the Implementation of the Social Electricity Rate in the province of Buenos Aires	Social	2019	150.0	91.0
IBRD 8991	Metropolitan Buenos Aires Urban Transformation Project – Province of Buenos Aires (AMBA II)	Infrastructure	2020	100.0	0.3
FONPLATA ARS-36/2017	Project for Connectivity of the Conurbano in the Province of Buenos Aires	Infrastructure	2018	50.0	15.3
FONPLATA 43/2019 - SAE	Program for the School Food Service of the Province of Buenos Aires.	Social	2019	50.0	49.8

Source: Ministry of Treasury and Finance of the Province.

BANCO PROVINCIA

Significant Changes in Accounting Policies

In preparing the financial statements as of March 31, 2021 and December 31, 2020, Banco Provincia applied the same accounting policies as those applied when preparing its financial statements as of December 31, 2019, with the following exceptions:

- the adoption of IAS 29 - Financial Reporting in Hyperinflationary Economies ("IAS 29"), as mandated by the Central Bank through Communication "A" 6651; and
- a change in the method applied to the calculation of the impairment of financial assets according to Communication "A" 6778 issued by the Central Bank, which established the adoption of the expected loss model set forth under paragraph 5.5 of IFRS 9 to calculate allowances for loan losses, excluding debt instruments issued by the non-financial government sector from its scope ("IFRS 9 as adjusted by the Central Bank").

IAS 29 requires that the financial statements of an entity whose functional currency is that of a hyperinflationary economy be stated in the measuring unit current at the reporting period end. IAS 29 provides certain qualitative and quantitative guidelines to determine the existence of a hyperinflationary economy. Accordingly, hyperinflation shall be deemed to exist where the last three years' cumulative inflation approaches or exceeds 100%. In Argentina, consensus has been reached among local professional associations in that, commencing July 1, 2018, the Argentine economy should be regarded as hyperinflationary based on the guidelines established by IAS 29. By means of Communication "A" 6651, as amended, the Central Bank mandated the retroactive application of IAS 29 to fiscal years beginning on or after January 1, 2020. Entities should rely on the following price indexes for such purposes:

- for items subsequent to December 2016: the CPI compiled by the INDEC; and
- for items previous to December 2016: the price index released by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE).

Under IAS 29, assets and liabilities which are not stated in the measuring unit current at the end of the reporting period should be adjusted for the pertinent price index. The adjusted value of a nonmonetary item is written down if it exceeds its recoverable value.

Banco Provincia recognized the impact of the adoption of IAS 29 at the beginning of the first comparative period (January 1, 2019) as unappropriated retained earnings. All items in the consolidated statements of income and other comprehensive income are restated into the measuring unit current at the end of the reporting period (December 31, 2020). The gain or loss on net monetary position is recognized in the (consolidated) statement of income.

The table below provides a summary of the main impacts of the application of IAS 29 on the shareholders' equity of Banco Provincia as of January 1, 2019 and December 31, 2019, recognized as unappropriated retained earnings:

**Impacts of the Application of IAS 29 on Shareholders' Equity
(in millions of pesos)**

	January 1, 2019	December 31, 2019
Equity before applying IAS 29.....	46,870	55,481
Adjustment for change in consolidation IFRS 10	-	(188)
Impact of application of IAS 29		
Non-monetary Asset	3,151	16,589
Initial adoption IFRS 9 - 5.5	(4,062)	-
Total Impact of application of IAS 29 + IFRS 9.....	(911)	16,589
Equity after applying IAS 29 and IFRS 9 as of January 1, 2019 / December 31, 2019...	45,960	71,881
Adjustment for restatement of equity to measuring unit current as of December 31, 2020....	50,317	26,226
Equity after applying IAS 29 and IFRS 9 as of December 31, 2020	96,277	98,107

Source: Banco Provincia

IFRS 9 as adjusted by the Central Bank became effective on January 1, 2020, with retroactive effects. The impact of this change in accounting policy is recognized as unappropriated retained earnings as of January 1, 2019.

In this context, because the financial information presented for December 31, 2019 is not restated in a currency homogeneous to that used for the results as of December 31, 2020, they are not comparable.

The table below provides a summary of the main impacts of the application of IAS 29 on Banco Provincia's statement of income for the year ended December 31, 2019:

Impacts of the Application of IAS 29 on Banco Provincia's Statement of Income
(in millions of pesos)

	December 31, 2019
Income for the period before applying IAS 29	7,874
Impact of application of IAS 29	
Loss from Net Monetary position	(5,960)
Impact of IFRS 29.....	713
Total Impact of application of IAS 29.....	(5,247)
Income for the period after applying IAS 29 and IFRS 9 as of December 31, 2019.....	2,627
Adjustment for restatement of income for the period to measuring unit current as of December 31, 2020	949
Income for the period after applying IAS 29 and IFRS 9 as of December 31, 2020.....	3,576

Source: Banco Provincia.

Selected Financial Information

The following selected financial information has been derived from Banco Provincia's audited financial statements prepared in accordance with IFRS for the periods indicated below.

Balance Sheet Data (in millions of pesos)

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Assets		
Cash and due from banks	157,646	179,009
Debt securities at fair value through profit & loss	195,743	212,103
Derivates	-	-
Repo Transactions	120,973	253,709
Other financial assets	2,847	3,334
Loans & other receivables	309,532	321,609
Other debt securities	52,046	54,351
Financial assets in guarantee	16,992	17,641
Investments in equity instruments	2,528	2,944
Investments in other companies (subsidiaries and joint ventures)	12,338	13,930
Property, plant and equipment	54,147	60,859
Intangible assets	370	545
Deferred income tax assets	-	-
Other non-financial assets	2,095	2,064
Non-current assets held for sale	537	606
Total Assets	927,794	1,122,704
Liabilities		
Deposits	770,197	947,999
Repo Transactions	470	-
Other financial liabilities	24,105	23,110
Financing received from Central Bank and Other Financial Institutions	15	7
Issued Corporate Bonds	4,915	4,927
Provisions	9,853	10,839
Deferred income tax liabilities	15	16
Other non-financial liabilities	18,358	20,293
Total Liabilities	827,928	1,007,191
Total del Shareholders' equity	99,866	115,513
Total Liabilities y Shareholders' equity	927,794	1,122,704

Source: Banco Provincia.

Income Statement Data
(in millions of pesos)

	As of and for the three- month period ended March 31, 2020	As of and for the three-month period ended March 31, 2021
Net Interest Income	5,058	7,553
Net Fee Income	3,295	4,264
Net Income from financial instruments at Fair Value Through Profit & Loss.....	11,029	19,697
Result from assets at amortized cost.....	-	1
Difference in quoted prices of gold and foreign currency.....	1,167	1,426
Other operating income.....	5,654	4,517
Provision for loan losses.....	3,754	2,924
Net Operating Income	22,448	34,533
Personal expenses.....	10,708	16,060
Administrative expenses.....	2,667	4,565
Depreciation and impairment of assets.....	415	507
Other operating expense.....	3,495	6,230
Operating Income	5,164	7,171
Income from associates and joint ventures.....	(2,552)	82
Income from the net monetary positions.....	(1,431)	(4,081)
Net Income before income tax on continuing operations	1,181	3,172
Income tax on continuing operations.....	47	6
Net Income from continuing operations.....	1,134	3,166
Net Income for the period	1,134	3,166
Other Comprehensive Income		
Net Income for the period.....	1,134	3,166
Components of Other comprehensive income that will be reclassified		
Foreign currency translation differences in financial statements conversion.....	(459)	(332)
Profits or losses from financial assets measured at fair value through other comprehensive income.....	(123)	(118)
Total	(582)	(450)
Total comprehensive income for the period	(582)	(450)
Total Integral Income	552	2,716

Source: Banco Provincia.

Consolidated Assets

Public Sector Exposure

As of March 31, 2021, Banco Provincia had a public sector exposure in Argentina of approximately ARS 85.1 billion, which represented 7.6% of its total assets. This public sector exposure came primarily from national and provincial government bonds.

The following table shows the total exposure of Banco Provincia to the Argentine public sector, both national and provincial, at the dates indicated:

Banco Provincia's Public Sector Exposure
(in millions of pesos)

	As of and for the year ended December 31, 2020	As of and for the three- month period ended March 31, 2021
Government Securities		
Bote 2022	26,228	28,427
Bote April 2022	1,137	1,109
Bonar USD Step Up 2030	64	52
Bonar USD 2029	5	4
Boncer 2021	242	267
Bonar USD Step Up 2035	20,069	22,126
Bono PBA 2023	6,605	5,890
Bono PBA 2024	3,981	5,995
Letras del Tesoro	7,752	5,503
Bote 2021	4,676	4,494
Bono PBA 2020	1,778	-
Bono Buenos Aires 9,95 PBJ21	94	103
Bono Ciudad Buenos Aires	31	-
Others	263	249
Total Government Securities	72,925	74,230
Public Sector Loans	5,965	6,409
Other receivables from financial brokerage activities	3,436	3,436
Others Assets		
Banco Provincia Retirement Fund	-	-
Guarantee	151	167
Others	736	847
Total Others Assets	887	1,014
Total	83,213	85,089

Source: Banco Provincia.

Loan Portfolio

The following table shows Banco Provincia's loan portfolio by type of client as of and for the periods indicated, prepared in accordance with IFRS:

Banco Provincia's Loan Portfolio by Type of Client (in millions of pesos)

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Public	9.401	9.845
Financial	48	31
Private	325.760	337.518
Total	335.209	347.395
Allowances	(25.677)	(25.785)
Total Net Loans	309.532	321.609

Source: Banco Provincia.

As of March 31, 2020, loans increased by 3.9% to ARS 321.6 billion as compared to December 31, 2020, mainly as a result of an increase of 3.6% in loans to non-financial private sector and residents abroad.

Loan Loss Rates

The following table shows the loan loss rates for loans in Banco Provincia's portfolio for the periods indicated:

Banco Provincia's Loan Loss Rates

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Loan Loss Rates	5.8%	5.9%

Source: Banco Provincia.

Between December 31, 2020 and March 31, 2021, the loan loss rates increased from 5.8% to 5.9%.

Sources of Funds

Banco Provincia's main funding source has been deposits, particularly from the private sector. As of March 31, 2021, deposits represented 94.1% of its total liabilities.

Deposits

The table below shows the evolution of Banco Provincia's total deposits by sector as of and for the periods indicated:

Evolution of Deposits of Banco Provincia (in millions of pesos)

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Non-Financial Public Sector.....	160,005	216,987
Financial Sector.....	3,552	1,634
Non-Financial Private Sector	606,640	729,378
Checking Accounts	91,431	160,743
Savings Accounts.....	214,006	220,559
Fixed Term Deposits.....	244,060	286,935
Others ⁽¹⁾	51,196	52,455
Accrued Interest, adjustments and quotation differences payable.....	5,947	8,686
Total.....	770,197	947,999

(1) Includes investment accounts and others.

Source: Banco Provincia.

As of March 31, 2021, deposits increased by 23.1% to ARS 948.0 billion as compared to December 31, 2020. This increase was mainly due to an increase in deposits of the non-financial public sector of 35.6%, to ARS 217.0 billion, and an increase in deposits of the non-financial private sector of 20.2%, to ARS 729.4 billion.

Issuance of Bonds

The table below shows the book value of Banco Provincia's bond issuances as of the dates specified below:

Banco Provincia's Bond Issuances (in millions of pesos)

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Bonds due April 19, 2021	285	286
Bonds due April 18, 2022	2,928	2,928
Bonds due April 18, 2021	5,184	5,796
Total	8,397	9,010

Source: Banco Provincia.

Provisions

The table below shows Banco Provincia's provisions as of the dates specified below:

Banco Provincia's Provisions (in millions of pesos)

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Provisions	9,853	10,839
Provisions for eventual commitments.....	25	27
Provisions for onerous contracts.....	126	138
Provisions for post-employment benefit plans.....	3,192	3,875
Others.....	6,510	6,798

Source: Banco Provincia.

Liquidity and Financial Position

The table below shows Banco Provincia's liquidity ratios for the periods specified below:

Liquidity Ratios

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Cash and due from banks/ Deposits.....	20.5%	18.9%
Net Loans / Assets	33.4%	28.7%

Source: Banco Provincia.

The table below shows Banco Provincia's solvency ratios for the periods specified below:

Solvency Ratios

	As of and for the year ended December 31, 2020	As of and for the three-month period ended March 31, 2021
Net Equity / Assets	10.8%	10.3%
Net Equity / Loans	32.3%	35.9%

Source: Banco Provincia.

Net Income

Banco Provincia recorded net income of ARS 3.16 billion as of March 31, 2021.

TERMS OF THE INVITATION

General

The Province hereby invites Eligible Holders of:

1. any series of 2006 Indenture Eligible Bonds to deliver a Consent to the actions proposed in this Invitation, including to authorize and direct the 2006 Indenture Trustee to modify the 2006 Indenture Eligible Bonds by substituting them for (i) New USD 2037 C Bonds (in the case of any 2006 Indenture Eligible Bonds denominated in U.S. dollars), or (ii) New Euro 2037 C Bonds (in the case of any 2006 Indenture Eligible Bonds denominated in euros) and, in conjunction with such Consent, to submit (i) Tender Orders to exchange such Eligible Bonds, or (ii) if any Substitution Proposed Modification affecting the 2006 Indenture Eligible Bonds becomes effective, Tender Orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications, for the corresponding amount of the New Bonds selected by such Eligible Holder, as detailed in the table on the cover of this invitation memorandum, and
2. any series of 2015 Indenture Eligible Bonds to submit orders to exchange their 2015 Indenture Eligible Bonds for the corresponding amount of the applicable New Bonds selected by such Eligible Holder as detailed in the table on the cover of this invitation memorandum and in conjunction with such Tender Orders, to deliver a Consent to the actions related to such Eligible Bonds proposed in this Invitation, including to authorize and direct the 2015 Indenture Trustee to modify any Eligible Bonds of the relevant series that would remain outstanding after giving effect to the Exchange Offers by substituting them for the relevant amount of (i) New USD 2037 C Bonds (in the case of any Eligible Bonds denominated in U.S. dollars), and (ii) New Euro 2037 C Bonds (in the case of Euro 2023 Bonds),

in each case, on the terms and subject to the conditions described in this invitation memorandum.

By delivering (and not revoking) valid Consents to the actions proposed in the Invitation, each Eligible Holder of 2006 Indenture Eligible Bonds thereby also submits (i) Tender Orders to exchange such Eligible Bonds, or (ii) if any Substitution Proposed Modification affecting the 2006 Indenture Eligible Bonds becomes effective, Tender Orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications, for the applicable amount of New Bonds selected by such Eligible Holder as detailed in the table on the cover of this invitation memorandum. By delivering (and not revoking) valid Tender Orders, each Eligible Holder of 2015 Indenture Eligible Bonds thereby also consents to the actions proposed in this Invitation. For the avoidance of doubt, if the Province accepts a Consent pursuant to this Invitation, it will also accept the corresponding Tender Order.

The New Bonds have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction. Unless they are registered, the New Bonds may be offered only in transactions that are exempt from registration under the Securities Act or the securities law of any other jurisdiction. Accordingly, the Invitation is being directed only to: (A) a “qualified institutional buyer” as defined in Rule 144A under the Securities Act or (B) (x) outside the United States in reliance on Regulation S under the Securities Act under the Securities Act, (y) if located within a member state of the European Economic Area or in the United Kingdom, a “qualified investor” as defined in the Prospectus Regulation or the UK Prospectus Regulation, respectively and (z) if outside the EEA or the UK, is eligible to receive this offer under the laws of its jurisdiction. For further details about eligible offerees and resale restrictions, see “Jurisdictional Restrictions” and “Transfer Restrictions.”

After completion of the Invitation, the Province may in its sole discretion, subject to applicable regulations, propose one or more Subsequent Modifications that are “uniformly applicable” (as defined in this invitation memorandum) and that would affect one or more series of New Bonds and one or more series of 2015 Indenture Eligible Bonds that are not successfully modified and substituted pursuant to the Invitation. Under the terms of the 2015 Indenture, if the Province proposes modifications on that basis, the Holders of more than 75% of the aggregate principal amount of any series of New Bonds and any series of Eligible Bonds affected by the proposed modifications, taken in the aggregate, may approve the Subsequent Modifications.

This invitation memorandum is being provided to Holders of the Eligible Bonds in connection with their consideration of the matters set forth herein. Each Holder delivering Instructions will represent and warrant that it (i) has full power and authority to deliver such Instruction, (ii) has not relied on the Trustees, the Dealer Managers, the Information, Tabulation and Exchange Agent or any of their respective affiliates in connection with its investigation of the accuracy of the information contained in this invitation memorandum, (iii) acknowledges that the information contained in this invitation memorandum has not been independently verified by the Trustees, the Dealer Managers or the Information, Tabulation and Exchange Agent and has been provided by us and other sources that we deem reliable, and (iv) makes the representations and acknowledgements described under “Representations and Acknowledgements of the Holders of the Eligible Bonds” herein. Use of this invitation memorandum for any other purpose is not authorized.

This invitation memorandum describes the possible effects of and procedures for delivering and revoking Tender Orders. Please read it carefully. See “Tender Procedures” for information on the procedures.

Eligible Holders who submit valid and accepted Instructions will receive the Additional Consent Consideration and will not receive any payments in respect of accrued and unpaid interest on their Eligible Bonds tendered and accepted.

Holders who did not submit valid Instructions, including Ineligible Holders, or whose Instructions were not accepted, will not be entitled to receive any cash or in-kind payment for any interest accrued and unpaid on any Eligible Bond that is modified and substituted for a New Bond pursuant to the Substitution Proposed Modifications, if those modifications become effective, and will not be entitled to receive any Additional Consent Consideration.

Purpose of the Invitation

The purpose of the Invitation is to achieve a sustainable debt profile for the Province.

Consideration to Be Received Pursuant to Instructions

Consideration to be Received Pursuant to Instructions for 2006 Indenture Eligible Bonds

Subject to the terms of the Invitation, Holders of 2006 Indenture Eligible Bonds whose Instructions are accepted will receive on the Settlement Date:

For each U.S.\$100 outstanding principal amount of the U.S. dollar-denominated 2006 Indenture Eligible Bonds (after taking into account amortization payments to date), other than the USD 2035 Bonds:

- U.S.\$100 principal amount of the New USD 2037 A Bonds, or
- New Euro 2037 A Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each €100 outstanding principal amount of the Euro 2020 Bonds (after taking into account amortization payments to date):

- €100 principal amount of the New Euro 2037 A Bonds, or
- New USD 2037 A Bonds in a principal amount equal to the Dollar Equivalent of €100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each U.S.\$100 outstanding principal amount of the USD 2035 Bonds:

- U.S.\$100 principal amount of the New USD 2037 B Bonds, or
- New Euro 2037 B Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each €100 outstanding principal amount of the Euro 2035 Bonds:

- €100 principal amount of the New Euro 2037 B Bonds, or
- New USD 2037 B Bonds in a principal amount equal to the Dollar Equivalent of €100,

in each case as such Eligible Holder shall have specified in its Instructions.

Notwithstanding the foregoing, Eligible Holders of USD 2035 Bonds and Euro 2035 Bonds whose Instructions are accepted will receive on the Settlement Date a pro rata share of the Remaining A Bonds, if any, in lieu of the equivalent aggregate principal amount of the New USD 2037 B Bonds or New Euro 2037 B Bonds, as applicable, to which they would otherwise be entitled pursuant to the table in the cover of this invitation memorandum (without taking into account the reduction by the Remaining A Bonds described in such table). Eligible Holders that selected New USD 2037 B Bonds in their Instructions will receive their pro rata share of the Remaining A Bonds in the form of New USD 2037 A Bonds and Eligible Holders that selected New Euro 2037 B Bonds in their Instructions will receive their pro rata share of the Remaining A Bonds in the form of New Euro 2037 A Bonds.

In addition, Eligible Holders who submit valid Instructions that are accepted pursuant to the Invitation will receive the Additional Consent Consideration.

The principal amount of New Bonds to be received by Eligible Holders pursuant to the Invitation will be rounded down to the nearest \$1 or €1, as appropriate. No additional cash will be paid in lieu of any fractional amount of New Bonds not received as a result of such rounding.

Holders of 2006 Indenture Eligible Bonds who chose to receive either the New USD 2037 A Bonds or New Euro 2037 A Bonds, which will be issued pursuant to the terms of the 2015 Indenture, should carefully consider the information provided under “Description of the New Bonds—Certain Differences Between the 2006 Indenture and the 2015 Indenture.

We will settle Eligible Bonds (or New Bonds substituted therefor) accepted for exchange in the Exchange Offers for which the conditions to the Invitation, as applicable, have been met or waived (where applicable) on the Settlement Date.

Consideration to be Received Pursuant to Instructions for 2015 Indenture Eligible Bonds

Subject to the terms of the Invitation, Holders of 2015 Indenture Eligible Bonds whose Instructions are accepted will receive on the Settlement Date:

For each U.S.\$100 outstanding principal amount of the U.S. dollar-denominated 2015 Indenture Eligible Bonds (after taking into account amortization payments to date):

- U.S.\$100 principal amount of the New USD 2037 A Bonds, or
- New Euro 2037 A Bonds in a principal amount equal to the Euro Equivalent of U.S.\$100,

in each case as such Eligible Holder shall have specified in its Instructions.

For each €100 outstanding principal amount of the euro-denominated 2015 Indenture Eligible Bonds:

- €100 principal amount of the New Euro 2037 A Bonds, or
- New USD 2037 A Bonds in a principal amount equal to the Dollar Equivalent of €100,

in each case as such Eligible Holder shall have specified in its Instructions.

In addition, Eligible Holders who submit valid Instructions that are accepted pursuant to the Invitation will receive the Additional Consent Consideration.

The principal amount of New Bonds to be received by Eligible Holders pursuant to the Invitation will be rounded down to the nearest \$1 or €1, as appropriate. No additional cash will be paid in lieu of any fractional amount of New Bonds not received as a result of such rounding

We will settle Eligible Bonds (or New Bonds substituted therefor) accepted for exchange in the Exchange Offers for which the conditions to the Invitation, as applicable, have been met or waived (where applicable) on the Settlement Date.

Additional Consent Consideration

We are offering to pay each Eligible Holder of Eligible Bonds that validly delivers an Instruction at or prior to the Expiration that is accepted by the Province, (i) the PDI Consideration (as defined below) corresponding to such Eligible Bonds and (ii) a pro rata share of the Remaining PDI Consideration (as defined below) based on the principal amount of the Eligible Bonds for which an Instruction is delivered by such Eligible Holder and accepted by the Province.

As used herein,

- **“Additional Consent Consideration”** means the sum of the PDI Consideration and the pro rata share of the Remaining PDI Consideration.
- **“PDI Consideration”** means an amount equal to 100% of the interest accrued and unpaid under the relevant Eligible Bond for which Instructions were delivered and accepted from and including the last interest payment date on such Eligible Bonds up to and excluding June 30, 2021, to be paid to Eligible Holders that validly consent and submit Instructions as follows:
 - 10% of the PDI will be paid in cash at Settlement, subject to the deduction of the Closing Payment, it being understood that Holders that deliver Instructions are deemed to consent to such deduction; and
 - 90% of the PDI will be paid by the issuance and delivery of additional New Bonds of the same series selected by such Eligible Holder in its Instructions, and converting U.S. dollars into euros based on the Euro Equivalent and euros into U.S. dollars based on the Dollar Equivalent, if necessary.

The table below details the aggregate amount of PDI Consideration per series of Eligible Bonds and the PDI Consideration for each U.S.\$100 outstanding principal amount of the U.S. dollar-denominated Eligible Bonds or €100 outstanding principal amount of the euro-denominated Eligible Bonds, as applicable, in each case, after taking into account amortization payments to date and rounded to four decimal places.

Series of Eligible Bond	Aggregate PDI Consideration per Series	PDI Consideration per U.S.\$100 or €100, as applicable⁽¹⁾
4.000% USD MTN Due 2020	U.S.\$ 706,592.11	6.6556
10.875% USD Bonds Due 2021	U.S.\$ 38,825,471.88	15.5271
9.625% USD Bonds Due 2028	U.S.\$ 65,450,000.00	16.3625
4.000% USD Bonds Due 2035	U.S.\$ 31,747,817.60	6.5000
4.000% EUR MTN Due 2020	€ 6,347,861.78	6.6556
4.000% EUR Bonds Due 2035	€ 37,586,159.85	6.5000
9.950% USD Bonds Due 2021	U.S.\$ 139,467,487.35	15.5054
6.500% USD Bonds Due 2023	U.S.\$ 67,031,250.00	8.9375
9.125% USD Bonds Due 2024	U.S.\$ 147,013,888.89	11.7611
7.875% USD Bonds Due 2027	U.S.\$ 212,460,937.50	12.1406
5.375% EUR Bonds Due 2023	€ 38,803,082.19	7.7606

(1) After taking into account amortization payments to date and rounded to four decimal places. These amounts are presented for illustrative purposes only, final entitlements might differ due to rounding.

- **“Remaining PDI Consideration”** means an amount equal to the interest accrued and unpaid under all Eligible Bonds that are not validly tendered and accepted pursuant to the Invitation and are substituted pursuant to the Substitution Proposed Modification, to be paid to Eligible Holders that validly submit Instructions as follows:
 - 10% of the Remaining PDI will be paid in cash at Settlement; and
 - 90% of the Remaining PDI will be paid by the issuance and delivery of additional New Bonds of the same series selected by such Eligible Holder in its Instructions, and converting U.S. dollars into euros based on the Euro Equivalent and euros into U.S. dollars based on the Dollar Equivalent, if necessary.

Holders of U.S. dollars-denominated Eligible Bonds for which Instructions were delivered and accepted will receive any amount of cash corresponding to the PDI or the Remaining PDI in U.S. dollars and Holders of euro-denominated Eligible Bonds for which Instructions were delivered and accepted will receive any amount of cash corresponding to the PDI or the Remaining PDI in euros.

Notwithstanding anything to the contrary in this Invitation Memorandum, a portion of the cash to be paid as Additional Consent Consideration, not to exceed U.S.\$6,500,000, will instead be allocated at the instruction of White & Case LLP to pay certain fees and expenses of certain institutional Holders of the Eligible Bonds and certain fees and expenses of U.S. Bank as indenture trustee under the 2015 Indenture and The Bank of New York Mellon as indenture trustee under the 2006 Indenture in connection with the Eligible Bonds. For the avoidance of doubt, the Province will not bear any fees and expenses of any Holders of the Eligible Bonds or their advisors in connection with this Invitation, as the Closing Payment will (i) not increase the cash amount to be paid by the Province pursuant to this Invitation and (ii) reduce pro rata the cash payment that each Holder would otherwise be entitled to receive pursuant to this Invitation.

Eligible Holders whose Instructions are delivered at or prior to the Expiration and accepted pursuant to the Invitation will not receive any payments in respect of accrued and unpaid interest on their Eligible Bonds other than the Additional Consent Consideration.

Holders who did not submit valid Instructions, including Ineligible Holders, or whose Instructions were not accepted, will not be entitled to receive any cash or in-kind payment for any interest accrued and unpaid on any Eligible Bond that is modified and substituted for a New Bond pursuant to the Substitution Proposed Modifications, if those modifications become effective, and will not be entitled to receive any Additional Consent Consideration.

Proposed Modifications

In connection with the Exchange Offers, we are soliciting Consents from Holders to the Proposed Modifications. If you deliver Instructions for Eligible Bonds of any series, you are also giving us your Consent to the Proposed Modifications with respect to any Eligible Bonds of such series that are not exchanged in the Exchange Offers.

The Proposed Modifications will take effect for each Eligible Bond only if the Requisite Consents of the Holders applicable to such Proposed Modification pursuant to the applicable indenture, as described under “—Requisite Consents” and after giving effect to any re-designation, are received and accepted.

The Supplemental Indentures will be entered into with respect to the relevant series of Eligible Bonds for which the Proposed Modifications become effective.

Non-Reserve Matter Proposed Modifications

The modifications described below are collectively referred to as the “**Non-Reserve Matter Proposed Modifications**.” If Requisite Consents for the Non-Reserve Matter Proposed Modifications affecting a series of 2006 Indenture Eligible Bonds are obtained, the following modifications will be made to the terms of such 2006 Indenture Eligible Bonds:

- Eliminate the paragraph from the terms and conditions of the 2006 Indenture Eligible Bonds which states the following:

“If any Reserve Matter Modification pursuant to Paragraph [16](b)(ii) or Paragraph [16](c) is sought in the context of simultaneous offer to exchange the Securities for new debt instruments of the Province or any other Person, the Province shall ensure that the relevant provisions of the affected Securities, as amended by such Modification, are no less favorable to the Holders thereof than the provisions of the new instrument being offered in the exchange, or if more than one debt instrument is offered, no less favorable than the new debt instrument issued having the largest aggregate principal amount.

- Amend the terms and conditions of the 2006 Indenture Eligible Bonds of such series to (i) remove any requirement to maintain a trustee paying agent in Europe or in New York City and a registrar in New York City and (ii) give the Province the right to change the place or places of payments provided for in the 2006 Indenture Eligible Bonds and appoint a paying agent in such place or places of payment. If the Non-Reserve Matter Proposed Modifications become effective and operative, the following modifications will be made to the terms of the 2006 Indenture Eligible Bonds of the applicable series and the 2006 Indenture with respect to such series. In the paragraphs below, bolded italicized text denotes additions while strike-through text indicates deletions (when applicable).

1. Paragraph 2(a) of the Reverse of Security of such 2006 Indenture Eligible Bonds will be amended as follows:

“Principal of and interest on the Securities will be payable in [U.S. dollars][euro]. Principal of each Security and interest payable on the Maturity Date will be payable in [U.S. dollars][euro] in immediately available funds to the person in whose name such Security is registered on the Maturity Date, upon presentation and surrender of the Security at the Corporate Trust Office of the Trustee in the City of New York or, subject to applicable laws and regulations, at the office of any paying agent that shall be appointed by the Trustee, at the expense of the Province (each, a “trustee paying agent”). Principal and interest on each Security (other than principal and interest payable on the Maturity Date) will be payable to the person in whose name such Security is registered at the close of business on the Record Date (as defined below) for the relevant Payment Date. ***Notwithstanding the foregoing, if the Province exercises its right to terminate the book-entry system through the Depositary for the Securities and make Certificated Securities available to the Holders of Securities or their nominees pursuant to Section 2.5(f) of the Indenture, principal of and interest on the Securities will be payable in immediately available funds to the person in whose name such Security is registered on the Record Date, upon presentation and surrender of the Security at the office of any paying agent selected by the Province (each, a “Province paying agent”).*** The Province will make payments of principal of and interest on the Securities by providing the Trustee, ~~or~~ trustee paying agent ***or Province paying agent, as applicable,*** the amount of such payment, in [U.S. dollars][euro] in immediately available funds, not later than 1:00 P.M. local time on the Business Day prior to the Payment Date, and directing the Trustee ***or the Province paying agent, if applicable,*** to hold these funds in trust for the Trustee and the beneficial owners of the Securities in accordance with their respective interests and, ***for so long as the Province has not exercised its right to terminate the book-entry system through the Depositary for the Securities and make Certificated Securities available to the Holders of Securities or their nominees pursuant to Section 2.5(f) of the Indenture,*** to make a wire transfer of such amount in [U.S. dollars][euro] to The Bank of New York Depository (Nominees) Limited, as the registered owner of the Securities, which will receive the funds in trust for distribution to the beneficial owners of the Securities; provided that the Province may, subject to applicable laws and regulations, make payments of principal of and interest on the Securities by mailing, or directing the Trustee to mail, from funds made available by the Province for such purpose, a check to the person entitled thereto, on or before the due date for the payment at the address that appears on the security register maintained by the Registrar on the applicable record date. ***The Trustee, trustee paying agent or Province paying agent, as applicable, shall apply such amount to the payment due on such Payment Date and, pending such application, such amounts shall be held in trust by the Trustee, trustee paying agent or Province paying agent, as applicable, for the benefit of the Holders entitled thereto in accordance with their respective interests and the Province shall have no proprietary or other interest whatsoever in such amounts.*** The record date with respect to any Payment Date will be the 15th day prior

to such date (each such day, a “Record Date”), whether or not such day is a Business Day notwithstanding the cancellation of such Securities upon any transfer or exchange thereof subsequent to the Record Date and prior to such Payment Date. ~~Notwithstanding anything herein to the contrary, the Province’s obligation to make payments of principal of and interest on the Securities shall not have been satisfied until such payments are received by the Holders of the Securities.~~

None of the Province, the Trustee or any trustee paying agent *or Province paying agent, as applicable*, will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.”

- 2. All references to “trustee paying agent” in such 2006 Indenture Eligible Bonds will be replaced with “trustee paying agent or Province paying agent, as applicable,”.
- 3. Paragraph 2(d) or 2(e), as applicable, of the Reverse of Security of such 2006 Indenture Eligible Bonds will be amended as follows:

~~“So long as any of the Securities are outstanding, the Trustee shall appoint, at the expense of the Province, a trustee paying agent and a transfer agent in a Western European city for payment on and transfers of the Securities (which will be Luxembourg, so long as the Securities are listed on the Luxembourg Stock Exchange and the rules of such Exchange so require), a Registrar having a specified office in the City of New York and a trustee paying agent having a specified office in the City of New York. The Trustee has initially appointed The Bank of New York Mellon (Luxembourg) S.A. as Luxembourg Trustee Paying Agent and Transfer Agent for the Securities and The Bank of New York Mellon as Registrar and trustee paying agent. The Trustee shall also maintain a trustee paying agent in a member state of the European Union that is not obliged to deduct or withhold tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2002 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive. Subject to the foregoing, the~~ **The Province shall have the right at any time to instruct the Trustee to terminate any such appointment and to appoint any other paying agents or transfer agents in such other *place or* places as it may deem appropriate for the purpose of making payments for the exclusive benefit of Holders. *For the avoidance of doubt, if the Province selects Argentina as a place of payment, the Province may select any financial institution or entity in Argentina to act as paying agent and such financial institution or entity need not be an agent of the Trustee.*** ~~Notwithstanding the foregoing, the trustee paying agent and any trustee paying agent appointed hereunder shall be agents solely of the Trustee, and the Province shall have no authority over or any direct relationship with the trustee paying agent or any such trustee paying agent.”~~

- 4. Paragraph 2(e) or 2(f), as applicable, of the Reverse of Security of such 2006 Indenture Eligible Bonds will be amended as follows:

All money paid to the Trustee *or a paying agent* pursuant to these Terms shall be held by it in trust exclusively for ~~itself~~ **the Trustee** and the Holders of the Securities in accordance with their respective interests to be applied by the Trustee *or such paying agent* to payments due on the Securities or to the Trustee at the time and in the manner provided for in these Terms and in the Indenture, and the Holders of the Securities may, subject to the next sentence, look only to the Trustee *or such paying agent* for any payment to which the Holders may be entitled. Any monies deposited with the Trustee *or a paying agent* for the payment of the principal of or interest (including Additional Amounts) on any Security remaining unclaimed for ten years (in the case of principal) or five years (in the case of interest) or, in either case, any shorter prescription period provided by law after such principal or interest shall have become due and payable shall be repaid to the Province upon written request without interest, and the Holder of any such Security may thereafter look only to the Province for any payment to which such Holder may be entitled.

In addition, the Province intends to de-list all Eligible Bonds from the Luxembourg Stock Exchange and any other stock exchange.

Substitution Proposed Modifications

The modifications described below are collectively referred to as the “**Substitution Proposed Modifications.**” If the Substitution Proposed Modifications become effective with respect to any series of Eligible Bonds, the following modifications will be made to the terms of such Eligible Bonds:

- Each U.S.\$100 principal amount of U.S. dollar-denominated Eligible Bonds (after taking into account amortization payments to date), will be substituted for U.S.\$100 principal amount of New USD 2037 C Bonds.
- Each €100 outstanding principal amount of euro-denominated Eligible Bonds (after taking into account amortization payments to date), will be substituted for €100 principal amount of the New Euro 2037 C Bonds.

Such New USD 2037 C Bonds and New Euro 2037 C Bonds will be issued pursuant to the 2015 Indenture.

Notwithstanding the foregoing, by delivering (and not revoking) valid Instructions, Eligible Holders will also be delivering Tender Orders to exchange any New USD 2037 C Bonds or New Euro 2037 C Bonds, as applicable, to which they become entitled as a result of such Substitution Proposed Modifications affecting their series of Eligible Bonds, for the applicable amount of New Bonds selected by such Eligible Holder as detailed in the table on the cover of this invitation memorandum.

Holders who did not submit valid Instructions, including Ineligible Holders, or whose Instructions were not accepted, will not be entitled to receive any cash or in-kind payment for any interest accrued and unpaid on any Eligible Bond that is modified and substituted for a New Bond pursuant to the Substitution Proposed Modifications, if those modifications become effective, and will not be entitled to receive any Additional Consent Consideration.

Requisite Consents

If we receive and accept the Requisite Consents with respect to the Proposed Modifications to one or more series of Eligible Bonds (on an aggregated basis or single series basis), the other conditions to the effectiveness of the Proposed Modifications are met or waived (where applicable) and the Proposed Modifications become effective with respect to those series, then those Proposed Modifications will be conclusive and binding on all Holders of those series of Eligible Bonds, whether or not they have consented to the Proposed Modifications, including Ineligible Holders of those series of Eligible Bonds and Eligible Holders whose Instructions are not accepted.

Requisite Consents for the Substitution Proposed Modifications affecting 2006 Indenture Eligible Bonds

If we consider Consents on an aggregated basis to determine the effectiveness of the Substitution Proposed Modifications affecting 2006 Indenture Eligible Bonds, it is a condition to the effectiveness of the relevant Substitution Proposed Modifications that we receive and accept valid Consents (which are part of the Instructions) from Holders of (i) not less than 85% of the aggregate principal amount of 2006 Indenture Eligible Bonds (taken in the aggregate) then Outstanding, and (ii) not less than 66⅔% of the aggregate principal amount of each series of 2006 Indenture Eligible Bonds (taken individually) then Outstanding, subject to re-designation at our discretion. If we re-designate the series of Eligible Bonds affected by the Substitution Proposed Modifications as described below, any excluded series will not be considered for the purposes of either prong (i) or (ii) of the prior sentence.

In addition, if we re-designate the series of 2006 Indenture Eligible Bonds that will be aggregated for the Substitution Proposed Modifications by excluding one or more series of the initially designated series, it is a condition to the effectiveness of the Substitution Proposed Modifications with respect to an excluded series of 2006 Indenture Eligible Bonds that we receive and accept valid Consents (which are part of the Instructions) from Holders of not less than 75% of the Outstanding aggregate principal amount of that excluded series.

Notwithstanding anything to the contrary in the 2006 Indenture, including Section 11.3 of the 2006 Indenture, or in the terms and conditions of the 2006 Indenture Eligible Bonds, by submitting Instructions in respect of any series, each Eligible Holder will also be giving a Consent to allow us, in our sole discretion, to (A) re-designate at any time (including after the Expiration) the series of Eligible Bonds that will be subject to the

Substitution Proposed Modifications on an aggregated basis by excluding one or more series of the initially designated series, and (B) consider that Holders have consented to a single series reserve matter modification pursuant to Section 11.2(b) of the 2006 Indenture where Holders of not less than 75% of the aggregate principal amount of Eligible Bonds of any series of 2006 Indenture Eligible Bonds have granted their Consent to the applicable Substitution Proposed Modifications.

Subject to the satisfaction or waiver (where applicable) of the conditions to effectiveness indicated in this invitation memorandum, the Substitution Proposed Modifications will be conclusive and binding on all Holders of each series of Eligible Bonds affected by the Substitution Proposed Modifications (A) that we have not excluded as if we had originally solicited Consents only from Holders of those series, or (B) where Holders of not less than 75% of the aggregate principal amount of any excluded series have granted their Consent to the applicable Substitution Proposed Modifications.

The effectiveness of the Substitution Proposed Modifications as they relate to the 2006 Indenture Eligible Bonds is not conditioned on the effectiveness of the Substitution Proposed Modifications affecting 2015 Indenture Eligible Bonds.

Requisite Consents for the Substitution Proposed Modifications affecting 2015 Indenture Eligible Bonds

If we consider Consents on an aggregated basis to determine the effectiveness of the Substitution Proposed Modifications affecting 2015 Indenture Eligible Bonds, it is a condition to the effectiveness of the relevant Substitution Proposed Modifications that we receive and accept valid Consents (which are included in the Instructions) from Holders of (i) more than 66⅔% of the aggregate principal amount of 2015 Indenture Eligible Bonds and 2006 Indenture Eligible Bonds (taken in the aggregate) then Outstanding, **and** (ii) more than 50% of the aggregate principal amount of each series of 2015 Indenture Eligible Bonds (taken individually) then Outstanding, in each case, subject to re-designation at our discretion.

If we re-designate the series of Eligible Bonds affected by the Substitution Proposed Modifications, any excluded series will not be considered for the purposes of either prong (i) or (ii).

For the avoidance of doubt, Consents to the Substitution Proposed Modifications affecting one or more series of 2006 Indenture Eligible Bonds may be taken into account for purposes of determining whether the majorities (taken in the aggregate across series) of the aggregate principal amount of Eligible Bonds have consented to the Substitution Proposed Modifications, pursuant to Section 11.6(c) of the 2015 Indenture; *provided, however*, that no such Consent provided by a Holder of any series of 2006 Indenture Eligible Bonds as to the 2015 Indenture Eligible Bonds will be recorded unless the Substitution Proposed Modifications as to such series of 2006 Indenture Eligible Bonds is effective.

If we re-designate the series of Eligible Bonds that will be aggregated for the Substitution Proposed Modifications by excluding one or more series of the initially designated series, it is a condition to the effectiveness of the Substitution Proposed Modifications with respect to an excluded series of 2015 Indenture Eligible Bonds that we receive and accept valid Consents (which are part of the Instructions) from Holders of more than 75% of the Outstanding aggregate principal amount of that excluded series.

Notwithstanding anything to the contrary in the 2015 Indenture, including Section 11.3, or in the terms and conditions of the 2015 Indenture Eligible Bonds, by tendering Eligible Bonds for exchange and thereby delivering a Consent to the Substitution Proposed Modifications applicable to that series of Eligible Bonds, each Eligible Holder will also be giving a Consent to allow us, in our sole discretion, to (A) re-designate at any time (including after the Expiration) the series of Eligible Bonds that will be subject to the Substitution Proposed Modifications on an aggregated basis by excluding one or more series of the initially designated series, and (B) consider that Holders have consented to a single series reserve matter modification pursuant to Section 11.4 of the 2015 Indenture where Holders of more than 75% of the aggregate principal amount of Eligible Bonds of any series of 2015 Indenture Eligible Bonds have granted their Consent to the applicable Substitution Proposed Modifications.

Subject to the satisfaction or waiver (where applicable) of the conditions to effectiveness indicated in this invitation memorandum, the Substitution Proposed Modifications will be conclusive and binding on all Holders of each series of Eligible Bonds affected by the Substitution Proposed Modifications (A) that we have not excluded as

if we had originally solicited Consents only from Holders of those series, or (B) where Holders of more than 75% of the aggregate principal amount of any excluded series have granted their Consent to the applicable Substitution Proposed Modifications.

Requisite Consents to the Non-Reserve Matter Proposed Modifications

It is a condition to the effectiveness of the relevant Non-Reserve Matter Proposed Modifications affecting any series of 2006 Indenture Eligible Bonds that we receive and accept valid Consents (which are included in the Instructions) from Holders of not less than a majority in aggregate principal amount of the 2006 Indenture Eligible Bonds of such series then Outstanding.

Outstanding Amounts

As of the date of this invitation memorandum, the following principal amounts of 2006 Indenture Eligible Bonds were Outstanding:

Series of Eligible Bond	ISIN	Principal Amount Outstanding⁽¹⁾
USD 2020 Bonds	XS0234086196 / XS0234086436	U.S.\$10,616,350.67
10.875% USD 2021 Bonds	XS0584493349 / XS0584497175	U.S.\$247,416,140.00
USD 2028 Bonds	XS0290125391 / XS0290124154	U.S.\$400,000,000.00
USD 2035 Bonds	XS0234084738 / XS0234085032	U.S.\$480,445,406.00
Euro 2020 Bonds	XS0234085461 / XS0234085891	€95,376,888.15
Euro 2035 Bonds	XS0234082872 / XS0234084142	€577,388,900.00

(1) Excludes 2006 Indenture Eligible Bonds owned or controlled by the Province or any public sector instrumentality of the Province.

As of the date of this invitation memorandum, the following principal amounts of 2015 Indenture Eligible Bonds were Outstanding:

Series of Eligible Bond	ISIN	Principal Amount Outstanding⁽¹⁾
9.950% USD 2021 Bonds	XS1244682487 / XS1244682057	U.S.\$898,380,908.00
USD 2023 Bonds	XS1566193295 / XS1566193378	U.S.\$746,875,000.00
USD 2024 Bonds	XS1380274735 / XS1380327368	U.S.\$1,243,557,000.00
USD 2027 Bonds	XS1433314314 / XS1433314587	U.S.\$1,749,400,000.00
Euro 2023 Bonds	XS1649634034 / XS1649634380	€ 500,000,000.00

(1) Excludes 2015 Indenture Eligible Bonds owned or controlled by the Province or any public sector instrumentality of the Province.

The term “**Outstanding**” for each series of 2006 Indenture Eligible Bonds and 2015 Indenture Eligible Bonds has the meaning ascribed to it in the 2006 Indenture or 2015 Indenture, as applicable. See “Description of the New Bonds—General Terms Common to all 2006 Indenture New Bonds—Meetings, Amendments and Waivers” and “Description of the New Bonds—General Terms Common to all 2015 Indenture New Bonds—Meetings, Amendments and Waivers.”

For purposes of determining if the requisite majorities have been met, the Outstanding principal amount of 2015 Indenture Eligible Bonds and 2006 Indenture Eligible Bonds denominated in euros will be calculated using the exchange rate specified below under “—Currency Exchange Rates.”

Rescission of Acceleration

In addition to the Proposed Modifications to the Eligible Bonds referred to above, by submitting and not revoking Instructions each Holder hereby agrees, as of the Settlement Date, in respect of each series of Eligible Bonds that may have been accelerated on or before the Settlement Date, to:

- (i) consent to a rescission and annulment of such acceleration, effective as of the time of closing on the Settlement Date,

- (ii) consent to an amendment of the event of default section in each affected Eligible Bond to delete the requirement that all payment defaults thereunder have been cured, waived or otherwise remedied as a condition to any rescission and annulment of acceleration,
- (iii) instruct the Information, Tabulation and Exchange Agent, on behalf of such Holder, to provide written notice to us and the relevant Trustee of the aggregate principal amount of Eligible Bonds for which Instructions have been received and not revoked containing the consent of the Holders submitting those Instructions to the rescission and annulment of such acceleration, and
- (iv) waive any other defaults or events of default that may have occurred under the relevant Eligible Bond on or prior to the Settlement Date that might otherwise interfere with the effectiveness of such rescission and annulment of acceleration.

Waiver of Defaults and Claims

By delivering their Instruction, Eligible Holders whose Eligible Bonds are accepted by us agree, as of the Settlement Date, to (i) waive any and all defaults and events of default, as applicable, that may have occurred or will occur under the Eligible Bonds (prior to the effectiveness of the Proposed Modifications and consummation of the Invitation with respect to such Eligible Bonds) as a result of (A) a default or event of default under any series of Eligible Bonds for which the Requisite Consents are not obtained at or prior to the Expiration, and (B) the entering or issuance of judgments or arbitral awards relating to any series of Eligible Bonds for which the Requisite Consents are not obtained at or prior to the Expiration, and (ii) waive and release the Province from any and all claims such Eligible Holders may have now or in the future in connection with or arising out of any such defaults and events of default, as applicable, and acknowledge and agree that any such defaults and events of default shall be deemed cured upon the effectiveness of the Proposed Modifications and consummation of the Invitation, as described herein. Notwithstanding anything to the contrary herein, the effectiveness of the foregoing waiver (A) with respect to individual Eligible Holders, will not be subject to any conditions, and (B) with respect to a series, will only be contingent upon receiving the Requisite Consents for such series.

Currency Exchange Rates

Holders of U.S. dollar-denominated Eligible Bonds tendering their bonds for euro-denominated New Bonds will receive an amount of New Bonds based on the Euro Equivalent.

Holders of euro-denominated Eligible Bonds tendering their bonds for U.S. dollar-denominated New Bonds will receive an amount of New Bonds based on Dollar Equivalent.

In addition, for the purposes of determining whether the Requisite Consents have been received, as specified above in “—Requisite Consents,” the Outstanding principal amount of Eligible Bonds denominated in a currency other than U.S. dollars will be determined using the relevant exchange rate determined by the Dealer Managers based on the bid-side price as shown on the FXC page displayed on the Bloomberg Pricing Monitor, or by any recognized quotation source selected by the Dealer Managers in their sole and absolute discretion if Bloomberg is not available or is manifestly erroneous, at or around 9:00 a.m. New York City time on the date of Expiration. Such rate will be rounded to 4 decimal places.

Acceptance of Tenders

We reserve the right not to accept Instructions of Eligible Bonds of any series in our sole discretion, if and to the extent permitted by applicable laws, rules and regulations in each jurisdiction where we are making the Invitation. However, if in our discretion we accept valid Instructions of any series of Eligible Bonds, we will accept valid Instructions of all series of Eligible Bonds, subject to the terms of this Invitation.

If we terminate the Invitation without accepting any Instructions, all “blocking” instructions will be automatically revoked, and if we do not accept your Instruction, your “blocking” instructions will be automatically revoked, as provided below under “Tender Procedures.”

Conditions to the Invitation

The Invitation is conditional upon the satisfaction of the following conditions:

1. the Legality Condition;
2. the Material Adverse Change Condition; and
3. the Minimum Participation Condition;

and the effectiveness of the Proposed Modifications for a series of Eligible Bonds is conditional upon the satisfaction of the following conditions:

4. receipt of the Requisite Consents for the Non-Reserve Matter Proposed Modifications affecting 2006 Indenture Eligible Bonds or Substitution Proposed Modifications, as applicable, affecting such series of Eligible Bonds, after giving effect to any exclusion by us of any series of Eligible Bonds, as applicable; and
5. the execution of the applicable Supplemental Indentures.

We reserve the right to waive or modify any term of, or terminate, the Invitation at any time and in our sole discretion; provided that we cannot modify or waive the conditions number 3, 4 and 5 described above. The Province shall not terminate the Invitation if the (i) Minimum Participation Condition is satisfied on the date of Expiration and (ii) the Legality Condition and the Material Adverse Change Condition are met on the Settlement Date.

Notwithstanding anything to the contrary in the 2015 Indenture, including Section 10.2 of the 2015 Indenture, by tendering (and not revoking) Eligible Bonds for exchange and thereby delivering a Consent to the Proposed Modifications applicable to that series of Eligible Bonds, each Eligible Holder will be waiving the requirement that the Province solicits Consents to the Proposed Modifications not more than 30 days prior to the Expiration.

Minimum Level of Overall Participation Required for Completion of the Invitation

References in this invitation memorandum to the “**Minimum Participation Condition**” refers to either:

- (i) receipt of Instructions sufficient to exchange or substitute, pursuant to the terms of this Invitation, Eligible Bonds representing at least **90%** of the aggregate principal amount outstanding of all Eligible Bonds, in which case, subject to the other conditions to the Invitation, the Province will accept such Instructions, or
- (ii) receipt of Instructions sufficient to exchange or substitute, pursuant to the terms of this Invitation, Eligible Bonds representing at least (i) **80%** of the aggregate principal amount outstanding of all Eligible Bonds, (ii) **50%** of the aggregate principal amount outstanding of the USD 2035 Bonds and Euro 2035 Bonds and (iii) **50%** of the aggregate principal amount outstanding of the USD 2028 Bonds, in which case, subject to the other conditions to the Invitation, the Province reserves the right to complete the Invitation, in its sole discretion, *provided that*, in such case, holders of New USD 2037 B Bonds and New Euro 2037 B Bonds will have a Right Upon Future Offers (as defined below).

In calculating the level of overall participation, the Information, Tabulation and Exchange Agent will convert to U.S. dollars all principal amounts of Eligible Bonds denominated in Euros, using the same currency exchange rates specified under “—Currency Exchange Rates.”

Rights Upon Future Offers

As used in this invitation memorandum, a “**Right Upon Future Offers**” means a right providing that if, following the Expiration and on or prior to the third anniversary of the Settlement Date, the Province voluntarily

makes an offer to purchase or exchange or solicits consents to amend any USD 2035 Bonds or Euro 2035 Bonds, other than any such offer or solicitation that is made in satisfaction of a final, non-appealable court order or arbitral award (a “**Qualifying Offer**”), the Province will take all steps necessary so that each Holder of (i) New USD 2037 B Bonds, in the case of an offer to purchase or exchange or solicitation to consent to amend any USD 2035 Bonds or (ii) New Euro 2037 B Bonds in the case of an offer to purchase or exchange or solicitation to consent to amend any Euro 2035 Bonds, will have the right, for a period of at least 30 calendar days following the commencement of such Qualifying Offer, to exchange any of such Holder’s New USD 2037 B Bonds or New Euro 2037 B Bonds, as applicable, for:

- the consideration in cash or in kind to be offered in connection with such Qualifying Offer, or
- securities having terms substantially the same as those that holders of USD 2035 Bonds or Euro 2035 Bonds denominated in the same currency as such Holder’s New USD 2037 B Bonds or New Euro 2037 B Bonds would hold upon consummation of such Qualifying Offer,

in each case in accordance with the terms and conditions of such Qualifying Offer, as if such Holder held a principal amount of USD 2035 Bonds or Euro 2035 Bonds, as applicable, at least equal to (a) the principal amount of such Holder’s New USD 2037 B Bonds or New Euro 2037 B Bonds, as applicable, minus (b) an amount equal to the sum of the aggregate amount of interest, if any, previously paid on such New USD 2037 B Bonds or New Euro 2037 B Bonds, as applicable.

Denominations; Rounding; Calculations

Eligible Bonds may be tendered only in the authorized denomination set forth in the terms of such Eligible Bonds and in the “Summary of the Invitation.” To the extent any Eligible Holder tenders less than all Eligible Bonds of a series owned by such Eligible Holder, the principal amount not tendered by such Eligible Holder must also be an authorized denomination.

In order to be eligible to receive New Bonds and the Additional Consent Consideration pursuant to the Invitation, Eligible Holders must submit a valid Tender Order for at least \$1 or €1 principal amount of the Eligible Bonds.

The principal amount of New Bonds to be received by Eligible Holders pursuant to the Invitation will be rounded down to the nearest \$1 or €1, as appropriate, and the portion of cash to be received pursuant to the Additional Consent Consideration, if applicable, will be rounded to the nearest \$0.01 or €0.01, as appropriate, with half a cent being rounded upwards. This rounded amount will be the principal amount of New Bonds and Additional Consent Consideration, as applicable, received, and no additional cash will be paid in lieu of any fractional amount of New Bonds not received as a result of such rounding.

Expiration; Extension; Termination; and Amendment

For the purposes of the Invitation, the term “**Expiration**” means 5:00 p.m. CET, on August 27, 2021, subject to our right to extend such date and time in our absolute discretion, in which case the Expiration means the latest date and time to which the Invitation is extended.

After the Expiration, you may no longer deliver or revoke Instructions.

We reserve the right for any reason, in our sole discretion, to: (i) extend the Expiration, (ii) terminate the Invitation or (iii) amend the Invitation at any time and from time to time by giving written notice thereof to the Information, Tabulation and Exchange Agent; provided that we do not have the right to terminate the Invitation if (i) the Minimum Participation Condition is satisfied on the date of Expiration and (ii) the Legality Condition and the Material Adverse Change Condition are met on the Settlement Date.

At any time before we announce the acceptance of any tenders on the Results Announcement Date (in the manner specified above under “—Acceptance of Tenders”), we may, in our sole discretion and to the extent permitted by the applicable laws, rules and regulations in each jurisdiction where we are making the Invitation:

- terminate the Invitation (including with respect to Instructions submitted prior to the time of the termination),
- extend the Invitation past the originally scheduled Expiration,
- withdraw the Invitation from any one or more jurisdictions, or
- amend the Invitation in any one or more jurisdictions, by giving written notice thereof to the Information, Tabulation and Exchange Agent.

Notwithstanding the foregoing, we may not amend the Invitation in any manner that is materially adverse to the Holders after the date which is eight calendar days prior to the Expiration. Any extension, amendment or termination of the Invitation by us will be followed as promptly as practicable by press release or other public announcement of such extension, amendment or termination. Failure of any Holder of the Eligible Bonds to be so notified will not affect the extension, termination or amendment of the Invitation, as applicable.

If we make a material change to the terms of, or waive a material condition of, this Invitation in a manner that is in either case adverse to the interests of the Holders, we will (i) notify the Information, Tabulation and Exchange Agent and the Trustees of that material change or waiver of a material condition and any related extension of the Expiration by written notice, (ii) make a public announcement thereof as described below, and (iii) extend the Expiration to the extent, if any, we deem appropriate in our sole discretion or otherwise to the extent required by applicable law. We may also extend the Expiration if we deem it appropriate in our sole discretion. If we extend, terminate or amend this Invitation, we expect to announce publicly such extension, termination or amendment, including, if applicable, the new Expiration and/or applicable revocation rights. We undertake no obligation to give any notice other than by press release. Failure of any Holder of the Eligible Bonds to be so notified will not affect the extension, termination or amendment of the Invitation.

If we elect to terminate the Invitation, any Instructions previously delivered will be of no further force or effect. Failure of any Holder of the Eligible Bonds to be so notified will not affect the termination or amendment of the Invitation.

Results Announcement

On August 30, 2021, or as soon as practicable thereafter, we will publicly announce the results of the Invitation. If we receive and accept the Requisite Consents with respect to one or more Proposed Modifications for one or more series of Eligible Bonds at or prior to the Expiration, after giving effect to any re-designation of any series of Eligible Bonds on the Execution Date, we and the Trustees will execute the Supplemental Indentures as necessary to give effect to the Proposed Modifications and, in the case of effectiveness the Substitution Proposed Modifications as they relate to one or more series, substitute the Eligible Bonds of such series for New Bonds, as described under “—Proposed Modifications.” Any Proposed Modifications for any series of Eligible Bonds will become effective upon execution of the applicable Supplemental Indentures on the Settlement Date. Upon a Proposed Modification becoming effective, (i) all Holders of the Eligible Bonds affected by such Proposed Modification will be bound thereby, including any Holder that did not deliver (or that has revoked) its Instruction, and (ii) such Holders that tendered their Eligible Bonds in the Exchange Offers will receive the applicable New Bonds.

Settlement

The Settlement Date for the Exchange Offers is expected to be September 3, 2021, unless the Invitation is extended, in which case a new Settlement Date, if necessary, will be announced by press release, it being understood that the Settlement Date will be September 3, 2021, or as soon as practicable thereafter, but in no event later than September 17, 2021.

Settlement will be made on the date when we notify the Information, Tabulation and Exchange Agent that all conditions to settlement have been met or waived (where applicable) and that we are prepared to issue the New Bonds. If we accept your Instruction and the conditions to the Invitation are met or waived (where applicable), you will receive on the Settlement Date (or as promptly as practicable thereafter as the clearing systems’ procedures

permit) the applicable New Bonds and Additional Consent Consideration by credit to the same account at the principal clearing system from which your Eligible Bonds were tendered.

If you did not validly deliver Instructions, if you validly revoked your Instructions, if your Instructions were not accepted by the Province or if you are an Ineligible Holder and your Eligible Bonds are being modified and substituted pursuant to the Substitution Proposed Modifications, you will receive on the Settlement Date (or as promptly as practicable thereafter as the clearing systems' procedures permit) the New Bonds by credit to the same account at the principal clearing system in which you held your Eligible Bonds on the Settlement Date.

All Eligible Bonds exchanged or substituted pursuant to the Invitation will be cancelled. If any court or arbitral order or administrative or legal proceeding prohibits or delays the delivery of the tendered or modified and substituted Eligible Bonds, we will postpone the Settlement Date until such court or arbitral order or administrative or legal proceeding no longer prohibits the delivery of the Eligible Bonds. If in our judgment, delivery cannot be effected without unreasonable delay, we will cancel the Invitation (or, if we consider that the Eligible Bonds affected thereby are, in our sole judgment, immaterial, we may cancel the Invitation with respect to the affected Eligible Bonds only).

Our determination of the exchange ratios and any other calculation or quotation made with respect to the Exchange Offers shall be conclusive and binding on you, absent manifest error.

No Recommendation

None of us, the Dealer Managers, the Trustees, the Information, Tabulation and Exchange Agent nor any of their respective directors, employees, affiliates, agents or representatives makes any recommendation as to whether Holders should deliver Instructions, and no one has been authorized by any of them to make such a recommendation. Each Holder must make its own decision as to whether to deliver Instructions.

Repurchases of Eligible Bonds That Remain Outstanding; Subsequent Exchange Offers

The Province reserves the right, in its absolute discretion, to purchase, amend, exchange, offer to purchase, amend or exchange, or enter into a settlement in respect of any Eligible Bonds that are not modified and substituted or exchanged pursuant to the Invitation (in accordance with their respective terms) and, to the extent permitted by applicable law, purchase, amend or offer to purchase Eligible Bonds in the open market, in privately negotiated transactions or otherwise. Any such purchase, amendment, exchange, offer to purchase, amend or exchange or settlement will be made in accordance with applicable law. The terms of any such purchases, amendments, exchanges, offers or settlements could differ from the terms of the Invitation.

Market for the Eligible Bonds and New Bonds

All Eligible Bonds exchanged or modified and substituted pursuant to the Invitation shall be cancelled. Accordingly, the aggregate principal amount of each series of Eligible Bonds will be reduced substantially if the Substitution Proposed Modifications and the Exchange Offers are consummated. This is likely to affect adversely the liquidity and market value of any Eligible Bonds not modified and substituted or exchanged pursuant to the Invitation. Eligible Bonds not exchanged pursuant to the Exchange Offers will remain outstanding.

Each series of New Bonds is a new issue of securities with no established trading market. We have been advised by the Dealer Managers that they may make a market in the New Bonds but they are not obligated to do so and may discontinue market making at any time without notice. The Province expects to list each series of New Bonds on the Luxembourg Stock Exchange and the ByMA and to have each series of New Bonds admitted for trading on the Euro MTF Market and MAE as early as reasonably practicable after the Settlement Date. No assurance can be given as to the liquidity of the trading market for any series of the New Bonds. The price at which each series of the New Bonds will trade in the secondary market is uncertain.

Information, Tabulation and Exchange Agent

D.F. King has been retained as Information, Tabulation and Exchange Agent in connection with this Invitation. In its capacity as Information, Tabulation and Exchange Agent, D.F. King will (i) distribute this

invitation memorandum and assist with the delivery of Tender Orders, (ii) calculate the U.S. dollars amount equivalent to the Outstanding principal amount of Eligible Bonds pursuant to the methodology described in this invitation memorandum and (iii) be responsible for collecting Instructions and certifying to the Trustees the aggregate principal amount of the Eligible Bonds covered by Consents received (and not revoked). The Information, Tabulation and Exchange Agent will receive customary fees for such services and reimbursement of its reasonable out-of-pocket expenses.

Any questions or requests for assistance concerning this Invitation should be directed to the Information, Tabulation and Exchange Agent and the Dealer Managers at their address and telephone number set forth on the back cover of this invitation memorandum. If you have any questions about how to deliver Instructions pursuant to this invitation memorandum, you should contact the Information, Tabulation and Exchange Agent. Requests for additional copies of this invitation memorandum or any other related documents may be directed to the Information, Tabulation and Exchange Agent. All documents relating to the offer, together with any updates, will be available via the Invitation Website: <https://sites.dfkingltd.com/PBA>.

DESCRIPTION OF THE NEW BONDS

This section of this invitation memorandum is only a summary of the material provisions of the New Bonds, the 2006 Indenture and the 2015 Indenture. In addition, the Province urges you to read the 2006 Indenture or 2015 Indenture, as applicable, and the form of terms and conditions of the New Bonds included as Annex B or Annex C, as applicable, for a complete description of the Province's obligations and your rights as a holder of the New Bonds. Copies of the 2006 Indenture and 2015 Indenture are available free of charge at the offices of the relevant Trustee.

For purposes of this section, the term “**Holder**” means a registered holder of New Bonds.

Specific Terms of Each Series of New Bonds

In this invitation memorandum, “**New USD 2037 A Bonds**” refers to bonds that will:

- mature on September 1, 2037;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
June 30, 2021	September 1, 2021	2.500%
September 1, 2021	September 1, 2022	3.900%
September 1, 2022	September 1, 2023	5.250%
September 1, 2023	September 1, 2024	6.375%
September 1, 2024	September 1, 2037	6.625%

computed on the basis of a 360 day year comprised of twelve 30-day months;

- pay interest in U.S. dollars semi-annually in arrears (i) with regards to accrued interest from and including June 30, 2021 to but excluding September 1, 2021, on the date that is five business days after the Settlement Date and (ii) with regards to accrued interest from and including September 1, 2021 to but excluding September 1, 2037, on March 1 and September 1 of each year, beginning on March 1, 2022, to persons in whose names the New USD 2037 A Bonds are registered at the close of business on the calendar day immediately prior to such interest payment date;
- pay principal in U.S. dollars in 28 installments starting on March 1, 2024 through maturity to persons in whose names the New USD 2037 A Bonds are registered at the close of business on the calendar day immediately prior to such principal payment date, pursuant to the following schedule:
 - 1.83% of the original principal amount will be repaid on each of March 1, 2024 and September 1, 2024;
 - 2.25% of the original principal amount will be repaid on each of March 1, 2025 and September 1, 2025;
 - 2.90% of the original principal amount will be repaid on each of March 1, 2026 and September 1, 2026;
 - 3.28% of the original principal amount will be repaid on each of March 1, 2027 and September 1, 2027;
 - 3.47% of the original principal amount will be repaid on each of March 1, 2028 and September 1, 2028;
 - 3.79% of the original principal amount will be repaid on each of March 1, 2029 and September 1, 2029;
 - 3.08% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030;
 - 3.59% of the original principal amount will be repaid on each of March 1, 2031 and September 1, 2031;

- 3.77% of the original principal amount will be repaid on each of March 1, 2032 and September 1, 2032;
- 3.94% of the original principal amount will be repaid on each of March 1, 2033 and September 1, 2033;
- 4.20% of the original principal amount will be repaid on each of March 1, 2034 and September 1, 2034;
- 4.40% of the original principal amount will be repaid on each of March 1, 2035 and September 1, 2035;
- 4.67% of the original principal amount will be repaid on each of March 1, 2036 and September 1, 2036; and
- 4.83% of the original principal amount will be repaid on each of March 1, 2037 and September 1, 2037.
- be issued in one series and in denominations of U.S.\$1.00 and integral multiples thereof; and
- be issued under the 2015 Indenture.

In this invitation memorandum, “**New Euro 2037 A Bonds**” refers to bonds that will:

- mature on September 1, 2037;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
June 30, 2021	September 1, 2021	1.500%
September 1, 2021	September 1, 2022	2.850%
September 1, 2022	September 1, 2023	4.000%
September 1, 2023	September 1, 2024	4.500%
September 1, 2024	September 1, 2037	5.125%

- computed on the basis of a 360 day year comprised of twelve 30-day months;
- pay interest in euros semi-annually in arrears (i) with regards to accrued interest from and including June 30, 2021 to but excluding September 1, 2021, on the date that is five business days after the Settlement Date and (ii) with regards to accrued interest from and including September 1, 2021 to but excluding September 1, 2037, on March 1 and September 1 of each year, beginning on March 1, 2022, to persons in whose names the New Euro 2037 A Bonds are registered at the close of business on the calendar day immediately prior to such interest payment date;
- pay principal in euros in 28 installments starting on March 1, 2024 through maturity to persons in whose names the New Euro 2037 A Bonds are registered at the close of business on the calendar day immediately prior to such principal payment date, pursuant to the following schedule:
 - 1.83% of the original principal amount will be repaid on each of March 1, 2024 and September 1, 2024;
 - 2.25% of the original principal amount will be repaid on each of March 1, 2025 and September 1, 2025;
 - 2.90% of the original principal amount will be repaid on each of March 1, 2026 and September 1, 2026;
 - 3.28% of the original principal amount will be repaid on each of March 1, 2027 and September 1, 2027;
 - 3.47% of the original principal amount will be repaid on each of March 1, 2028 and September 1, 2028;

- 3.79% of the original principal amount will be repaid on each of March 1, 2029 and September 1, 2029;
- 3.08% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030;
- 3.59% of the original principal amount will be repaid on each of March 1, 2031 and September 1, 2031;
- 3.77% of the original principal amount will be repaid on each of March 1, 2032 and September 1, 2032;
- 3.94% of the original principal amount will be repaid on each of March 1, 2033 and September 1, 2033;
- 4.20% of the original principal amount will be repaid on each of March 1, 2034 and September 1, 2034;
- 4.40% of the original principal amount will be repaid on each of March 1, 2035 and September 1, 2035;
- 4.67% of the original principal amount will be repaid on each of March 1, 2036 and September 1, 2036; and
- 4.83% of the original principal amount will be repaid on each of March 1, 2037 and September 1, 2037.
- be issued in one series and in denominations of €1.00 and integral multiples thereof; and
- be issued under the 2015 Indenture.

In this invitation memorandum, “**New USD 2037 B Bonds**” refers to bonds that will:

- mature on September 1, 2037;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
June 30, 2021	September 1, 2021	2.500%
September 1, 2021	September 1, 2022	3.500%
September 1, 2022	September 1, 2023	4.500%
September 1, 2023	September 1, 2024	5.500%
September 1, 2024	September 1, 2037	5.875%

computed on the basis of a 360 day year comprised of twelve 30-day months;

- pay interest in U.S. dollars semi-annually in arrears (i) with regards to accrued interest from and including June 30, 2021 to but excluding September 1, 2021, on the date that is five business days after the Settlement Date and (ii) with regards to accrued interest from and including September 1, 2021 to but excluding September 1, 2037, on March 1 and September 1 of each year, beginning on March 1, 2022, to persons in whose names the New USD 2037 B Bonds are registered at the close of business on the calendar day immediately prior to such interest payment date;
- pay principal in U.S. dollars in 19 installments starting on September 1, 2028 through maturity to persons in whose names the New USD 2037 B Bonds are registered at the close of business on the calendar day immediately prior to such principal payment date, pursuant to the following schedule:
 - 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029;
 - 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030;

- 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033;
- 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036;
- 5.98% of the original principal amount will be repaid on March 1, 2037; and
- 5.97% of the original principal amount will be repaid on September 1, 2037.
- be issued in one series and in denominations of U.S.\$1.00 and integral multiples thereof; and
- be issued under the 2006 Indenture.

In this invitation memorandum, “**New Euro 2037 B Bonds**” refers to bonds that will:

- mature on September 1, 2037;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
June 30, 2021	September 1, 2021	1.500%
September 1, 2021	September 1, 2022	2.500%
September 1, 2022	September 1, 2023	3.500%
September 1, 2023	September 1, 2024	4.500%
September 1, 2024	September 1, 2037	5.125%

computed on the basis of a 360 day year comprised of twelve 30-day months;

- pay interest in euros semi-annually in arrears (i) with regards to accrued interest from and including June 30, 2021 to but excluding September 1, 2021, on the date that is five business days after the Settlement Date and (ii) with regards to accrued interest from and including September 1, 2021 to but excluding September 1, 2037, on March 1 and September 1 of each year, beginning on March 1, 2022, to persons in whose names the New Euro 2037 B Bonds are registered at the close of business on the calendar day immediately prior to such interest payment date;
- pay principal in euros in 19 installments starting on September 1, 2028 through maturity to persons in whose names the New Euro 2037 B Bonds are registered at the close of business on the calendar day immediately prior to such principal payment date, pursuant to the following schedule:
 - 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029;
 - 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030;
 - 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033;
 - 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036;
 - 5.98% of the original principal amount will be repaid on March 1, 2037; and
 - 5.97% of the original principal amount will be repaid on September 1, 2037.
- be issued in one series and in denominations of €1.00 and integral multiples thereof; and
- be issued under the 2006 Indenture.

In this invitation memorandum, “**New USD 2037 C Bonds**” refers to bonds that will:

- mature on September 1, 2037;

- accrue interest at the following annual rates:

From and including	To but excluding	Rate
June 30, 2021	September 1, 2021	2.000%
September 1, 2021	September 1, 2022	3.000%
September 1, 2022	September 1, 2023	4.000%
September 1, 2023	September 1, 2024	5.000%
September 1, 2024	September 1, 2037	5.250%

computed on the basis of a 360 day year comprised of twelve 30-day months;

- pay interest in U.S. dollars semi-annually in arrears (i) with regards to accrued interest from and including June 30, 2021 to but excluding September 1, 2021, on the date that is five business days after the Settlement Date and (ii) with regards to accrued interest from and including September 1, 2021 to but excluding September 1, 2037, on March 1 and September 1 of each year, beginning on March 1, 2022, to persons in whose names the New USD 2037 C Bonds are registered at the close of business on the calendar day immediately prior to such interest payment date;
- pay principal in U.S. dollars in 19 installments starting on September 1, 2028 through maturity to persons in whose names the New USD 2037 C Bonds are registered at the close of business on the calendar day immediately prior to such principal payment date, pursuant to the following schedule:
 - 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029;
 - 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030;
 - 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033;
 - 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036;
 - 5.98% of the original principal amount will be repaid on March 1, 2037; and
 - 5.97% of the original principal amount will be repaid on September 1, 2037.
- be issued in one series and in denominations of U.S.\$1.00 and integral multiples thereof; and
- be issued under the 2015 Indenture.

In this invitation memorandum, “**New Euro 2037 C Bonds**” refers to bonds that will:

- mature on September 1, 2037;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
June 30, 2021	September 1, 2021	1.000%
September 1, 2021	September 1, 2022	2.000%
September 1, 2022	September 1, 2023	3.000%
September 1, 2023	September 1, 2024	4.000%
September 1, 2024	September 1, 2037	4.500%

computed on the basis of a 360 day year comprised of twelve 30-day months;

- pay interest in euros semi-annually in arrears (i) with regards to accrued interest from and including June 30, 2021 to but excluding September 1, 2021, on the date that is five business days after the Settlement Date and (ii) with regards to accrued interest from and including September 1, 2021 to but excluding September 1, 2037, on March 1 and September 1 of each year, beginning on March 1, 2022,

to persons in whose names the New Euro 2037 C Bonds are registered at the close of business on the calendar day immediately prior to such interest payment date;

- pay principal in euros in 19 installments starting on September 1, 2028 through maturity to persons in whose names the New Euro 2037 C Bonds are registered at the close of business on the calendar day immediately prior to such principal payment date, pursuant to the following schedule:
 - 0.75% of the original principal amount will be repaid on each of September 1, 2028, March 1, 2029 and September 1, 2029;
 - 6.15% of the original principal amount will be repaid on each of March 1, 2030 and September 1, 2030;
 - 6.35% of the original principal amount will be repaid on each of March 1, 2031, September 1, 2031, March 1, 2032, September 1, 2032, March 1, 2033, September 1, 2033;
 - 5.90% of the original principal amount will be repaid on each of March 1, 2034, September 1, 2034, March 1, 2035, September 1, 2035, March 1, 2036, September 1, 2036;
 - 5.98% of the original principal amount will be repaid on March 1, 2037; and
 - 5.97% of the original principal amount will be repaid on September 1, 2037.
- be issued in one series and in denominations of €1.00 and integral multiples thereof; and
- be issued under the 2015 Indenture.

General Terms Common to the New Bonds

The New Bonds will:

- not be redeemable at our option prior to maturity;
- initially issued and held as global securities, in fully registered form;
- be eligible for settlement in Euroclear and Clearstream; and
- contain collective action clauses under which the Province may amend certain key terms of each series of the New Bonds, including the maturity date, interest rate and other terms, with the consent of less than all of the holders of such series of the New Bonds, as further described below.

Publication of Debt Information

The Province will publish on an annual basis and no later than November 30 of the relevant year (by posting to a publicly available website maintained by the Province), (i) the following data as of the close of the preceding fiscal year of the Province: (a) the total public debt stock of the Province, setting forth the amounts which have been issued under local law and the amounts which have been issued under foreign law; (b) the total debt stock guaranteed by the Province or collateralized with assets of the Province; and (c) the title, date of issue, date of maturity, interest rate, and amount outstanding, together with the currency or currencies in which payable, of each issue of in foreign-law governed debt securities issued by the Province, and (ii) a summary in English of the Province's budget law for such year.

Trustee; Paying Agents; Transfer Agents; Registrars

The Province will maintain a principal paying agent, a transfer agent and a registrar in New York City and a paying agent in London or in a Member State of the EEA. Initially, U.S. Bank National Association will act as New York City paying agent for the New USD 2037 A Bonds and New USD 2037 C Bonds, Elavon Financial Services DAC, UK Branch, will act as London paying agent for the New Euro 2037 A Bonds and New Euro 2037 C Bonds, and The Bank of New York Mellon, London Branch will act as London paying agent for the 2006 Indenture New Bonds. The Province will give prompt notice to all Holders of New Bonds of any future appointment or any

resignation or removal of any paying agent, transfer agent or registrar or of any change by any paying agent, transfer agent or registrar in any of its specified offices.

Notices

The Province will mail notices to Holders of certificated securities at their registered addresses as reflected in the books and records of the trustee. The Province will consider any mailed notice to have been given when mailed. The Province will give notices to the Holders of a global security in accordance with the procedures and practices of the depositary and such notices shall be deemed given upon actual receipt thereof by the depositary.

The Province will also publish notices to the Holders of any applicable series of New Bonds (a) by means of press releases published in an international news service and (b) if and so long as such New Bonds are listed on the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the exchange so require, in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>. If publication in a leading newspaper in Luxembourg or in the Luxembourg Stock Exchange is not practicable, the Province will give notices in another way consistent with the rules of the Luxembourg Stock Exchange. The Province will consider any published notice to be given on the date of its first publication.

Registration and Book-Entry System

The New Bonds will be initially issued and held as global securities, in fully registered form, without interest coupons attached, to, and registered in the name of, a nominee of a common depositary of Euroclear and Clearstream, Luxembourg. Financial institutions, acting as direct and indirect participants in either Euroclear or Clearstream, Luxembourg, will represent your beneficial interests in the global security. These financial institutions will record the ownership and transfer of your beneficial interests through book-entry accounts, eliminating the need for physical movement of securities.

If you wish to hold securities through the Euroclear or the Clearstream, Luxembourg system, you must either be a direct participant in Euroclear or Clearstream, Luxembourg or hold securities through a direct participant in Euroclear or Clearstream, Luxembourg. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations that have accounts with Euroclear or Clearstream, Luxembourg. Indirect participants are securities brokers and dealers, banks, trust companies and trustees that do not have an account with Euroclear or Clearstream, Luxembourg, but that clear through or maintain a custodial relationship with a direct participant. Thus, indirect participants have access to the Euroclear or Clearstream, Luxembourg system through direct participants.

The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Such laws may impair the ability to transfer beneficial interests in these New Bonds to such persons.

As an owner of a beneficial interest in the global securities, you will generally not be considered the Holder of any New Bonds under the Indenture.

Additional Amounts

All payments by the Province in respect of the New Bonds will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Argentina or the Province or any political subdivision or taxing authority or agency therein or thereof having the power to tax (for purposes of this paragraph, a “**Relevant Tax**”), unless the withholding or deduction of such Relevant Tax is required by law. In that event, the Province will pay such additional amounts (“**Additional Amounts**”) as may be necessary to ensure that the amounts received by the Holders after such withholding or deduction will equal the respective amounts of principal and interest that would have been receivable in respect of the New Bonds in the absence of such withholding or deduction; except that no such Additional Amounts will be payable with respect to any New Bond:

- (i) to a Holder (or to a third party on behalf of a Holder) where such Holder or beneficial owner or Responsible Person is liable for such Relevant Taxes in respect of a New Bond by reason of his having

some connection with the Province or Argentina other than the mere holding of such New Bond, the receipt of principal, premium or interest in respect thereof, or the enforcement of rights thereunder; or

- (ii) presented for payment by or on behalf of a Holder who would have been able to avoid the withholding or deduction by presenting the relevant New Bond to another paying agent in a member state of the European Union; or
- (iii) presented for payment more than 30 days after the Relevant Date, as defined herein, except to the extent that the Holder thereof would have been entitled to Additional Amounts on presenting the same for payment on the last day of such period of 30 days; or
- (iv) to a Holder of the New Bond (or a third party on behalf of a Holder) where such Holder or beneficial owner or Responsible Person of the New Bond would not be liable for or subject to such deduction or withholding by making a declaration of non-residence or other claim for exemption or reduction to the relevant tax authorities if such Holder or beneficial owner or Responsible Person of the New Bond is eligible to make such declaration or other claim and, after having been requested to make such a declaration or claim, such Holder of the New Bond fails to timely do so, provided that (x) the Province has provided the Holder with at least 60 days' prior written notice (in accordance with the terms of the New Bonds) of an opportunity to satisfy such a requirement or make such a declaration or claim, and (y) in no event shall such Holder or beneficial owner or Responsible Person's obligation to satisfy such a requirement or to make such a declaration or claim require such Holder or beneficial owner or Responsible Person to provide any materially more onerous information, documents or other evidence than would be required to be provided had such Holder been required to file IRS Forms W-8BEN, W-8BEN-E, W-8ECI, W-8EXP and/or W-8IMY.

As used in the preceding paragraph,

"Relevant Date" in respect of a New Bonds means the date on which payment in respect thereof becomes due or (if the full amount of the money payable on such date has not been received by the trustee on or prior to such due date) the date on which notice is duly given to the Holders that such moneys have been so received and are available for payment.

"Responsible Person" means an individual, corporation, partnership, limited liability company, limited liability partnership, association, trust or any other entity or organization (including a government or political subdivision or an agency or instrumentality thereof), other than a Holder or beneficial owner, which, as a result of applicable Argentine tax regulations in force from time to time, qualifies as statutorily responsible for the payment of any Argentine Taxes.

All references in this invitation memorandum to principal of or interest on the New Bonds will include any Additional Amounts payable by the Province in respect of such principal or interest.

Events of Default and Acceleration of Maturity

Each of the following is an event of default with respect to the New Bonds of each series:

- (a) The Province fails to pay any principal due on the New Bonds of such series when due and payable and such failure continues for 10 days after the applicable payment date;
- (b) The Province fails to pay any interest or Additional Amounts due on the New Bonds of such series when due and payable and such failure continues for 30 days after the applicable payment date;
- (c) The Province fails to duly perform or observe any term or obligation contained in the New Bonds of such series or the relevant Indenture insofar as it relates to such New Bonds, which failure continues unremedied for 60 days after written notice thereof has been given to the Province by the relevant Trustee;

- (d) The Province fails to make any payment when due, after any applicable grace periods, on any of its Indebtedness (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to U.S.\$15,000,000 (or its equivalent in other currencies);
- (e) Any Indebtedness of the Province (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to U.S.\$15,000,000 (or its equivalent in other currencies) is accelerated due to an event of default, unless the acceleration is rescinded or annulled;
- (f) The Province declares a moratorium of payment of its Indebtedness (other than Excluded Indebtedness);
- (g) There has been entered against the Province or a provincial agency a final judgment, decree or order by a court of competent jurisdiction from which no appeal may be or is taken for the payment of money in excess of U.S.\$15,000,000 (or the equivalent thereof in another currency or currencies) (other than a final judgment, decree or order in respect of any Excluded Indebtedness) and 90 days shall have passed since the entry of such final judgment, decree or order without it having been satisfied or stayed;
- (h) The validity of the New Bonds of such series or the 2006 Indenture or 2015 Indenture, as applicable, is contested by the Province; or
- (i) (A) Any constitutional provision, law, regulation, ordinance or decree necessary to enable the Province to perform its obligations under the New Bonds of such series or the relevant Indenture, or for the validity or enforceability thereof, shall expire, is withheld, revoked or terminated or otherwise ceases to remain in full force and effect, or is modified in a manner which materially adversely affects, or may reasonably be expected to materially adversely affect, any rights or claims of any of the Holders of the New Bonds of such series, or (B) any final decision by any court in Argentina having jurisdiction from which no appeal may be or is taken shall purport to render any material provision of the New Bonds of such series or any material provision of the 2006 Indenture or 2015 Indenture, as applicable, invalid or unenforceable or purport to prevent or delay the performance or observance by the Province of its obligations under the New Bonds of such series or under the Indenture, and, in each case, such expiration, withholding, revocation, termination, cessation, invalidity, unenforceability or delay shall continue in effect for a period of 90 days.

If any of the events of default described above occurs and is continuing, Holders of not less than 25% of the aggregate principal amount, as applicable, of the New Bonds of such series then Outstanding may declare all of the New Bonds of such series then outstanding to be immediately due and payable by giving written notice to the Province, with a copy to the relevant Trustee.

If, at any time after the relevant series of New Bonds shall have been declared due and payable, the Province shall pay or shall deposit (or cause to be paid or deposited) with the relevant Trustee a sum sufficient to pay all amounts of interest and principal due upon all the New Bonds of such series (with interest on overdue amounts of interest, to the extent permitted by law, and on such principal of each New Bonds of such series at the rate of interest specified in such New Bonds, to the date of such payment) and such amount as shall be sufficient to cover the reasonable fees and expenses of the relevant Trustee, including, without limitation, the fees and expenses of its counsel, and if any and all events of default under the relevant series of New Bonds, other than the non-payment of principal on such New Bonds which shall have become due solely by declaration of acceleration, shall have been remedied, then, and in every such case, the Holders of at least 50% in principal amount of the New Bonds of such series then Outstanding, by written notice to the Province and to the relevant Trustee, may, on behalf of the Holders of all of the New Bonds of such series, waive all defaults and rescind and annul such declaration and its consequences; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default, or shall impair any right consequent on any subsequent default.

As used herein, “**Excluded Indebtedness**” means (i) any series of Existing Bonds and (ii) any indebtedness incurred prior to the issue date of the New Bonds under credit facilities extended or guaranteed by member states of the OECD or any agency or instrumentality thereof.

As used herein, “**Existing Bonds**” means (a) USD Zero Coupon Notes due 2002, (b) USD 12.50% Notes due 2002, (c) Euro 7.875% Notes due 2002, (d) Euro 9% Notes due 2002, (e) Euro 10.25% Notes due 2003, (f) USD 12.75% Notes due 2003, (g) SFr 7.75% Notes due 2003, (h) Euro 10.375% Notes due 2004, (i) Euro 9.75% Notes due 2004, (j) Euro 10% Notes due 2004, (k) Euro 10.75% Notes due 2005, (l) EUR 10.625% Notes due 2006, (m) USD 13.75% Notes due 2007, (n) USD 13.25% Notes due 2010 and (o) the Eligible Bonds.

Suits for Enforcement and Limitations on Suits by Holders

If an event of default for a series of the New Bonds has occurred and is continuing, the relevant Trustee may, in its discretion, institute judicial action to enforce the rights of the Holders. With the exception of a suit brought by a Holder on or after the stated maturity date to enforce its absolute right to receive payment of the principal of and interest on the New Bonds on the stated maturity date therefor (as that date may be amended or modified pursuant to the terms of the New Bonds, but without giving effect to any acceleration), a Holder has no right to bring a suit, action or proceeding with respect to the New Bonds unless: (1) such Holder has given written notice to the relevant Trustee that a default with respect to the New Bonds has occurred and is continuing; (2) Holders of at least 25% of the aggregate principal amount Outstanding of the New Bonds of such series have instructed the relevant Trustee by specific written request to institute an action or proceeding and provided an indemnity satisfactory to the relevant Trustee; and (3) 60 days have passed since the relevant Trustee received the instruction, the relevant Trustee has failed to institute an action or proceeding as directed, and no direction inconsistent with such written request shall have been given to the relevant Trustee by a majority of Holders of the New Bonds of such series. Moreover, any such action commenced by a Holder must be for the equal, ratable and common benefit of all Holders of the New Bonds.

Payment Procedure in the Event of Foreign Exchange Restrictions in Argentina

The Province has agreed that, if it is unable to obtain the full amount of the specified currency or to transfer such amounts outside of Argentina in order to make a scheduled payment of principal or interest (including Additional Amounts) on the New Bonds due to a restriction or prohibition on access to the foreign exchange market in Argentina, to the extent permitted by such restriction or prohibition or any other law or regulation applicable, the Province will pay all such amounts then due in U.S. dollars by means of any legal mechanism for the acquisition of the specified currency in any foreign exchange market. All costs, including any taxes, relative to such operations to obtain the specified currency will be borne by the Province.

Submission to Jurisdiction

Under U.S. law, the Province is a political subdivision of a sovereign state. Consequently, it may be difficult for Holders of New Bonds to obtain or realize judgments from courts in the United States or elsewhere against the Province. Attachment prior to judgment or attachment in aid of execution will not be ordered by courts of Argentina or the Province with respect to public property if such property is located in Argentina and is included within the provisions of Articles 234 and 235 of the Argentine Civil and Commercial Code or directly provides an essential public service. Furthermore, it may be difficult for the relevant Trustee or Holders to enforce, in the United States or elsewhere, the judgments of U.S. or foreign courts against the Province.

In connection with any legal action or proceeding arising out of or relating to New Bonds (subject to the exceptions described below), the Province has agreed:

- to submit to the jurisdiction of any New York State and/or U.S. federal court sitting in New York City in the Borough of Manhattan and any appellate court of either thereof;
- that all claims in respect of such legal action or proceeding may be heard and determined in such New York State or U.S. federal court and the Province will waive, to the fullest extent permitted by law, any objection to venue or the defense of an inconvenient forum to the maintenance of such action or proceeding; and

- to appoint Corporation Service Company as its authorized agent, which is presently located at 1133 Avenue of the Americas, Suite 3100, New York, New York, 10036, United States of America.

The process agent will receive, on behalf of the Province and its property, service of copies of any summons and complaint and any other process that may be served in any such legal action or proceeding brought in such New York State or U.S. federal court sitting in New York City in the Borough of Manhattan. Service may be made by mailing or delivering a copy of such process to the Province at the address specified above for the process agent.

A final non-appealable judgment in any of the above legal actions or proceedings will be conclusive and may be enforced by a suit upon such judgment in any other courts that may have jurisdiction over the Province.

In addition to the foregoing, Holders of New Bonds may serve legal process in any other manner permitted by applicable law. The above provisions do not limit the right of any Holder to bring any action or proceeding against the Province or its property in other courts where jurisdiction is independently established.

To the extent that the Province has or hereafter may acquire any immunity (sovereign or otherwise) in respect of its obligations under the New Bonds or the Indenture from jurisdiction of any court or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property (except for property considered of the public domain or dedicated to the purpose of an essential public service under applicable Argentine and provincial law), the Province hereby irrevocably waives such immunity in respect of its obligations under the Indenture, and, without limiting the generality of the foregoing, the Province agrees that the waivers set forth in the Indenture shall have the fullest scope permitted under the Foreign Sovereign Immunities Act of 1976 of the United States, as amended, and are intended to be irrevocable for purposes of such Act. Notwithstanding the foregoing, the Province reserves the right to plead sovereign immunity under the U.S. Foreign Sovereign Immunities Act of 1976 with respect to actions or proceedings brought against it under U.S. federal securities laws or any state securities laws, and the Province's appointment of a process agent is not intended to extend to such actions or proceedings.

Holders may be required to post a bond or other security with the Argentine courts as a condition to the institution, prosecution or completion of any action or proceeding (including appeals) arising out of or relating to the New Bonds filed in those courts.

A judgment obtained against the Province in a foreign court may be enforced in the Supreme Court of the Republic of Argentina. Based on current law, the Supreme Court of the Republic of Argentina will enforce such a judgment in accordance with the terms and conditions of the treaties entered into between Argentina and the country in which the judgment was issued. In the event there are no such treaties, the Supreme Court of the Republic of Argentina will enforce the judgment if it:

- complies with all formalities required for the enforceability thereof under the laws of the country in which it was issued;
- has been translated into Spanish, together with all related documents, and it satisfies the authentication requirements of the laws of Argentina;
- was issued by a competent court, according to Argentine principles of international law, as a consequence of a personal action (action *in personam*) or a real action (action *in rem*) over a movable property if it has been moved to Argentina during or after the time the trial was held before a foreign court;
- was issued after serving due notice and giving an opportunity to the defendant to present its case;
- is not subject to further appeal;
- is not against Argentine public policy; and
- is not incompatible with another judgment previously or simultaneously issued by an Argentine Court.

Governing Law

The 2006 Indenture and the 2015 Indenture are, and the New Bonds will be, governed by and construed in accordance with the laws of the State of New York, except with respect to the authorization and execution of the New Bonds by and on behalf of the Province, which shall be governed by and construed in accordance with the laws of Argentina.

Currency Indemnity

The obligation of the Province to any Holder under the New Bonds that has obtained a court judgment affecting New Bonds will be discharged only to the extent that the Holder may purchase USD or euros, as applicable, referred to as the “**agreement currency**,” with any other currency paid to that Holder in accordance with the judgment currency. If the Holder cannot purchase the agreement currency in the amount originally to be paid, the Province agrees to pay the difference. The Holder, however, agrees that, if the amount of the agreement currency purchased exceeds the amount originally to be paid to such Holder, the Holder will reimburse the excess to the Province. The Holder, however, will not be obligated to make this reimbursement if the Province is in default of its obligations under the New Bonds.

General Terms Common to all 2006 Indenture New Bonds

Status; Ranking

The 2006 Indenture New Bonds will be direct, unconditional, unsecured and unsubordinated obligations of the Province, ranking, except as otherwise provided by law, *pari passu*, without any preference, among themselves and with all other present and future unsecured and unsubordinated Indebtedness (as defined in “Negative Pledge Covenant” below) from time to time outstanding of the Province.

Payment of Principal and Interest

The trustee will make payments to the registered Holders of the 2006 Indenture New Bonds.

While the 2006 Indenture New Bonds are held in global form, Holders of beneficial interests in the 2006 Indenture New Bonds will be paid in accordance with the procedures of the relevant clearing system and its direct participants, if applicable. Neither the Province nor the trustee shall have any responsibility or liability for any aspect of the records of, or payments made by, the relevant clearing system or its nominee or direct participants, or any failure on the part of the relevant clearing system or its direct participants in making payments to Holders of the 2006 Indenture New Bonds from the funds they receive.

If any date for an interest or principal payment is not a business day, the Province will make the payment on the next business day. Such payments will be deemed to have been made on the due date, and no interest on the 2006 Indenture New Bonds will accrue as a result of the delay in payment. As used herein, “**business day**” means any day that is not a Saturday or Sunday, and that is not a day on which banking or trust institutions are authorized generally or obligated by law, regulation or executive order to close in New York City or Buenos Aires.

Prescription

All claims against the Province for payment of principal of or interest on or in respect of the 2006 Indenture New Bonds shall be prescribed unless made within ten years (in the case of principal) and four years (in the case of interest) from the date on which such payment first became due, or a shorter period if provided by law.

Certificated Securities

The Province will issue securities in definitive form in exchange for interests in a global security only if:

- a clearing system for such series of 2006 Indenture New Bonds notifies the Province that it is unwilling or unable to continue as depository for such, is closed for a continuous period of 14 days,

announces an intention permanently to cease business or does in fact do so, or is not registered or ceases to be exempt from registration under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”); or

- the trustee determines, upon the advice of counsel, that it is necessary to obtain possession of such 2006 Indenture New Bonds in definitive form in connection with any proceedings to enforce the rights of Holders of such 2006 Indenture New Bonds.

In connection with the exchange of interests in a global security for securities in definitive form under any of the conditions described above, such global security will be deemed to be surrendered to the trustee for cancellation, and the Province will execute, and will instruct the trustee to authenticate and deliver, to each beneficial owner identified by the relevant clearing system, in exchange for its beneficial interest in such global security, an equal aggregate principal amount of definitive securities.

If the Province issues definitive securities, they will have the same terms and authorized denominations as the 2006 Indenture New Bonds. You will receive payment of principal and interest in respect of definitive securities at the offices of the trustee in New York City and, if applicable, at the offices of any other trustee or paying agent appointed by the trustee. You may present definitive securities for transfer or exchange according to the procedures in the Trust Indenture at the corporate trust office of the trustee in New York City and, if applicable, at the offices of any other transfer agent appointed by the trustee.

If the global security is listed with the Luxembourg Stock Exchange, the Luxembourg Stock Exchange will be informed before the Province issues definitive securities in exchange for the global security held by the common depositary. If the Province issues such definitive securities, it will publish notices in a newspaper with general circulation in Luxembourg (which the Province expects to be the *Luxemburger Wort* or the *Tageblatt*), or, alternatively, on the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>, announcing procedures for payments of principal and interest in respect of or transfer of definitive securities in Luxembourg.

You may be charged for any stamp, tax or other governmental or insurance charges that must be paid in connection with the transfer, exchange or registration of transfer of 2006 Indenture New Bonds. The Province, the trustee and any other agent appointed by the trustee or the Province may treat the person in whose name any 2006 Indenture New Bond is registered as the owner of such 2006 Indenture New Bond for all purposes.

If any 2006 Indenture New Bond becomes mutilated, destroyed, stolen or lost, you can replace it by delivering the 2006 Indenture New Bond or evidence of its loss, theft or destruction to the 2006 Indenture Trustee. The Province and the trustee may require you to sign an indemnity under which you agree to pay the Province, the trustee or any other agent appointed by the trustee for any losses they may suffer relating to the 2006 Indenture New Bond that was mutilated, destroyed, stolen or lost. The Province and the trustee may also require you to present other documents or proof. After you deliver these documents, if neither the Province nor the trustee has notice that a bona fide purchaser has acquired the 2006 Indenture New Bond that you are exchanging, the Province will execute, and the trustee will authenticate and deliver to you, a substitute note with the same terms as the 2006 Indenture New Bond you are exchanging. You will be required to pay all expenses and reasonable charges associated with the replacement of this definitive security.

In case any mutilated, destroyed, stolen or lost 2006 Indenture New Bond has become or will become due and payable within 15 calendar days following its delivery to the trustee for replacement, the Province may pay such 2006 Indenture New Bond instead of replacing it.

Further Issues

The Province may from time to time, without the consent of the Holders of the 2006 Indenture New Bonds, create and issue additional 2006 Indenture New Bonds of a series ranking *pari passu* with the 2006 Indenture New Bonds and having terms and conditions which are the same as those of any then outstanding series of 2006 Indenture New Bonds in all respects, except for the amount of the first payment of interest on such additional notes. The Province may also consolidate the additional notes to form a single series with the relevant series of 2006 Indenture Eligible Bonds. Additional 2006 Indenture New Bonds issued in a qualified reopening for U.S. federal income tax purposes will be consolidated with and will form a single series with the previously outstanding 2006 Indenture New Bonds of that series.

Negative Pledge Covenant

The Province has agreed that, subject to the exceptions described below, it will not, for so long as any 2006 Indenture New Bond remains outstanding or any amount payable by the Province under the 2006 Indenture shall remain unpaid, incur, issue or assume any Indebtedness secured by a Lien on any property or assets of the Province without making effective provision to secure the 2006 Indenture New Bonds equally and ratably (or prior to) such Indebtedness for so long as such Indebtedness shall be so secured, unless, after giving effect thereto, the aggregate amount then outstanding of all such Indebtedness so secured would not exceed 8.0% of the Province's annual revenues for the fiscal year most recently ended prior to the incurrence of the Lien.

The Province may, however, create or permit to subsist:

- (a) any Lien in existence on the date of the 2006 Indenture;
- (b) any Lien upon bank accounts, deposits or proceeds thereof (or arising from the existence of rights of set-off against such accounts, deposits or proceeds) securing Indebtedness of the Province incurred in connection with letters of credit issued by, or trade finance transactions with, a bank to which such Lien is granted or holding such rights, and which Indebtedness has a final maturity of not greater than 180 days from the date on which payment under such letter of credit or in connection with such trade finance transactions is due and payable;
- (c) any Lien upon any property to secure Indebtedness of the Province incurred specifically for the purpose of financing the acquisition of the property subject to such Lien;
- (d) any Lien existing on any property at the time of its acquisition to secure Indebtedness of the Province;
- (e) any Lien securing Indebtedness incurred for the purpose of financing all or part of the costs of the acquisition, construction or development of a project, provided that the property over which such Lien is granted consists solely of the assets and revenues of such project or the ownership interest therein;
- (f) any Lien securing Indebtedness incurred for the purpose of financing all or part of the cost of personal property sold or services provided to the Province;
- (g) any replacement, renewal or extension of any Lien permitted by clauses (a) through (f) above upon the same property theretofore subject to such Lien, including any replacement, renewal or extension of such Lien resulting from the refinancing (without increase in the principal amount) of the Indebtedness secured by such Lien; provided that the Province shall not be permitted to replace, renew or extend any Lien in respect of Indebtedness to the federal government unless the federal government remains the creditor;
- (h) any Lien to secure public or statutory obligations or otherwise arising by law to secure claims other than for borrowed money;

- (i) any Lien securing Indebtedness of the Province to the federal government encumbering the right of the Province to receive Co-Participation Payments, provided that the incurrence of such Indebtedness so secured will not cause the Co-Participation Secured Indebtedness Ratio to exceed 50.0% in any fiscal year;

provided that any Lien described in clauses (a) through (i) above may not secure any payment obligation, including any contingent liability of any Person, arising from bonds, debentures, notes or other securities which are, or were intended at the time of issue to be, quoted, listed or traded on any stock exchange, automated trading system, or over-the-counter or other securities market or sold in whole or in part pursuant to a private placement exemption in any jurisdiction.

As used herein, the term “Co-Participation Payments” means any transfers made by the federal government to the Province pursuant to federal law No. 23,548, as amended or replaced from time to time and any other law, decree or regulation governing the obligation of the federal government to distribute taxes collected by it to the Argentine provinces.

As used herein, the term “Indebtedness” means, with respect to any person, whether outstanding on the original issuance date of a series of 2006 Indenture New Bonds or at any time thereafter: (i) all indebtedness of such person for borrowed money; (ii) all reimbursement obligations of such person (to the extent no longer contingent) under or in respect of letters of credit or bankers’ acceptances; (iii) all obligations of such person to repay deposits with or advances to such person; (iv) all obligations of such person (other than those specified in clauses (i) and (ii) above) evidenced by bonds, debentures, notes or similar instruments; and (v) to the extent no longer contingent, all direct guarantees, endorsements, *avales* or similar obligations of such person in respect of, and all direct obligations of such person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of any other person specified in clause (i), (ii), (iii) or (iv) above.

As used herein, the term “Lien” means any lien, pledge, mortgage, security interest, deed of trust, charge or other encumbrance on or with respect to, or any preferential arrangement which has the practical effect of constituting a security interest with respect to the payment of any obligation with or from the proceeds of, any currently existing or future asset or revenues of any kind under the laws of Argentina.

As used herein, the term “Co-Participation Secured Indebtedness Ratio” is the percentage that is equal to (A) in any fiscal year, the aggregate amount of payments of principal and interest that will become due in such fiscal year (after giving pro forma effect to the incurrence of Indebtedness secured by a Lien on the Province’s right to receive Co-Participation Payments), in respect of Indebtedness that is secured by a Lien on the Province’s right to receive Co-Participation Payments, divided by (B) the aggregate amount of Co-Participation Payments actually received by the Province for the fiscal year most recently ended prior to the incurrence of the Lien, multiplied by (C) 100; provided that, with respect to the calculation of payments to be made in respect of principal and interest, inflation adjustment accrued through the most recent fiscal year on such principal and interest shall be given effect, but no effect shall be given for inflation adjustment for the current and any future fiscal years, and provided further, that the Co-Participation Secured Indebtedness Ratio is to be calculated for each future fiscal year on a standalone basis and not by aggregating the principal and interest payments for more than one fiscal year.

Meetings, Amendments and Waivers

The Province, or the trustee in its discretion, may call a meeting of the Holders of one or more series of 2006 Indenture New Bonds at any time and from time to time regarding such 2006 Indenture New Bonds or the 2006 Indenture. The trustee will determine the time and place of the meeting and will notify the Holders of the time, place, purpose and requirements to attend the meeting not fewer than 30 days prior to the date fixed for the meeting. In addition, the trustee will call a meeting of the Holders of one or more series of 2006 Indenture New Bonds if Holders of not less than 10.0% of the aggregate principal amount of the Outstanding 2006 Indenture New Bonds of such series have delivered a written request to the trustee setting forth the action they propose to take.

Only Holders and their proxies are entitled to vote at a meeting of Holders of 2006 Indenture New Bonds. Meetings are subject to first and second calls. The quorum for the first call will be persons holding or representing a

majority of the Outstanding 2006 Indenture New Bonds of such series and, if such call fails in attaining such quorum, any number of persons holding or representing an Outstanding 2006 Indenture New Bond of such series will constitute a quorum for the meeting convened on the second call. Notice of the reconvening of any meeting need be given only once, but must be given not fewer than 30 days and not more than 60 days prior to the reconvened meeting. For purposes of a meeting of Holders that proposes to discuss “reserve matters” (specified below), Holders or proxies representing not less than 75.0% of the aggregate principal amount of the Outstanding 2006 Indenture New Bonds of a series (66⅔% of the aggregate principal amount of the Outstanding 2006 Indenture New Bonds of each affected series issued under the 2006 Indenture in the case of reserve matters with respect to one or more series of 2006 Indenture New Bonds issued under the 2006 Indenture) will constitute a quorum. The trustee will set the procedures governing the conduct of any meeting.

The Province, the trustee and the Holders of 2006 Indenture New Bonds may generally modify or take actions with respect to the terms of the 2006 Indenture New Bonds or the 2006 Indenture:

- with the affirmative vote of the Holders of not less than a majority in aggregate principal amount of the Outstanding 2006 Indenture New Bonds that are represented at a duly called and held meeting; or
- with the written consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding 2006 Indenture New Bonds of the relevant series (without the need for a meeting of Holders or a vote of such Holders at a meeting).

However, special requirements apply with respect to any amendment, modification, change or waiver with respect to the 2006 Indenture New Bonds or the 2006 Indenture that would:

- change the due date or dates for the payment of principal of, or any installment of interest on, the 2006 Indenture New Bonds;
- reduce the principal amount of the 2006 Indenture New Bonds or the interest rate thereon;
- reduce the principal amount of the 2006 Indenture New Bonds that is payable upon acceleration of the maturity date;
- change the currency or place of payment of any amount payable on the 2006 Indenture New Bonds;
- change the identity of the obligor under the 2006 Indenture New Bonds;
- reduce the percentage of the aggregate principal amount of the Outstanding 2006 Indenture New Bonds held by Holders whose vote or consent is needed to modify, amend or supplement the terms and conditions of the 2006 Indenture New Bonds or the 2006 Indenture or to make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action;
- change the definition of “Outstanding” with respect to the 2006 Indenture New Bonds;
- change the Province’s obligation to pay any additional amounts in respect of the 2006 Indenture New Bonds as set forth under “—Additional Amounts;”
- change the governing law provision of the 2006 Indenture New Bonds;
- change the courts of the jurisdiction of which the Province has submitted, the Province’s obligation to appoint and maintain an agent for the service of process in New York City or the Province’s agreement not to claim, and to waive irrevocably, immunity (sovereign or otherwise) in respect of any suit, actions or proceedings arising out of or relating to the 2006 Indenture or to the 2006 Indenture New Bonds;

- authorize the trustee, on behalf of all Holders of the 2006 Indenture New Bonds of a series, to exchange or substitute all the 2006 Indenture New Bonds of such series for, or convert all the 2006 Indenture New Bonds of such series into, other obligations or securities of the Province or any other person;
- in connection with an exchange offer for, or offer to acquire all or any portion of, any series of 2006 Indenture New Bonds, amend any event of default under the 2006 Indenture New Bonds of such series;
- change the ranking of the 2006 Indenture New Bonds, as described under “—Ranking”;
- increase the percentage of the aggregate principal amount then Outstanding required to be held by Holders to declare the debt securities of such series due and payable immediately, or reduce the percentage of the aggregate principal amount then Outstanding required to be held by Holders to waive any existing defaults or rescind or annul any notice of acceleration and its consequences; or
- amend the provisions of the Indenture or any series of 2006 Indenture New Bonds that govern the re-designation of series of debt securities in the context of a reserve matter modification.

The above-listed matters are “reserve matters” and any amendment, modification, change or waiver with respect to a reserve matter is a “reserve matter modification.” A reserve matter modification, including a change to the payment terms of the 2006 Indenture New Bonds, may be made without a Holder’s consent, as long as the requisite supermajority of the Holders (set forth below) agrees to the reserve matter modification.

Any reserve matter modification to the terms of the 2006 Indenture New Bonds or to the 2006 Indenture insofar as it affects the 2006 Indenture New Bonds may generally be made, and future compliance therewith may be waived, with the consent of the Holders of not less than 75.0% in aggregate principal amount of the 2006 Indenture New Bonds affected at the time Outstanding by that modification.

If the Province proposes any reserve matter modification to the terms of the 2006 Indenture New Bonds of two or more series issued under the 2006 Indenture or to the 2006 Indenture insofar as it affects the 2006 Indenture New Bonds of such series issued thereunder, in either case as part of a single transaction, the Province may elect to proceed pursuant to provisions of the 2006 Indenture providing that such reserve matter modifications may be made, and future compliance therewith may be waived, for any affected series if made with the consent of the Province and of:

- Holders of not less than 85.0% in aggregate principal amount of the Outstanding 2006 Indenture New Bonds of all series that would be affected by that reserve matter modification (taken in aggregate); and
- Holders of not less than 66⅔% in aggregate principal amount of the Outstanding 2006 Indenture New Bonds of each series (taken individually).

At the time the Province proposes a modification constituting a reserve matter, the Province shall specify to Holders of each series of debt securities issued on or after the Settlement Date to be affected the modification method(s) it has selected for such modification. The Province shall have the discretion to select the modification method(s) for a proposed reserve matter modification and to designate which series of debt securities will be included in the aggregated voting for a proposed modification constituting a reserve matter to the terms and conditions of the debt securities of two or more series (the “initially designated series”); *provided, however* that, except as set forth in the following sentence, once the Province selects the modification method(s) and the initially designated series, such selection may not be changed, modified or supplemented without providing written notice of such change, modification or supplement to Holders of debt securities to be affected (specifying which series, if any, have been excluded from the list of initially designated series) and granting such Holders no less than five business days from the date of such notice to cast, revoke or change any vote or consent delivered in connection with such proposed modification. Notwithstanding the foregoing, at any time prior to the effectiveness of the modification constituting a reserve matter and without prior notice to Holders of any debt securities of the initially designated series, the Province shall have discretion to re-designate which series of debt securities will be included in the aggregated voting for a proposed modification constituting a reserve matter to the terms and conditions of the debt

securities of two or more series if at the time of such re-designation the Province has received the affirmative vote or consent of Holders of more than 66⅔% of the aggregate principal amount of the Outstanding debt securities of all the initially designated series.

The Province agrees that it will not issue any subsequent series of bonds under the 2006 Indenture or reopen any existing series of 2006 Indenture New Bonds with the intention of placing any 2006 Indenture New Bonds with Holders expected to support any modification proposed or to be proposed by the Province for approval pursuant to the modification provisions of the Trust Indenture or the terms of any series of 2006 Indenture New Bonds.

Any modification consented to or approved by the Holders of the 2006 Indenture New Bonds of one or more series pursuant to the above provisions will be conclusive and binding on all Holders of the 2006 Indenture New Bonds of such series (whether or not such Holders have given such consent or were present at a meeting of Holders at which such action was taken) and on all future Holders of the 2006 Indenture New Bonds of such series (whether or not notation of such modification is made upon the 2006 Indenture New Bonds of such series). Any instrument given by or on behalf of any Holder of a 2006 Indenture New Bond in connection with any consent to or approval of any such modification will be conclusive and binding on all subsequent Holders of that 2006 Indenture New Bond.

Other Amendments

The Province and the trustee may, without the vote or consent of any Holder of the 2006 Indenture New Bonds, modify, amend or supplement the 2006 Indenture New Bonds or the 2006 Indenture insofar as it affects the 2006 Indenture New Bonds for any of the following purposes:

- to add to the Province's covenants for the benefit of the Holders of the 2006 Indenture New Bonds;
- to surrender any of the Province's rights or powers;
- to provide security or collateral for the 2006 Indenture New Bonds;
- to modify the restrictions on, and procedures for, resale and other transfers of the 2006 Indenture New Bonds to the extent required by any change in applicable law or regulation (or the interpretation thereof) or in practices relating to the resale or transfer of restricted securities generally;
- to accommodate the issuance, if any, of 2006 Indenture New Bonds in book-entry or certificated form and matters related thereto;
- to cure any ambiguity or correct or supplement any defective provision contained in the 2006 Indenture New Bonds or the 2006 Indenture; or
- to change the terms and conditions of the 2006 Indenture New Bonds or the 2006 Indenture in any manner which the Province and the trustee may determine, so long as any such change does not, and will not, adversely affect the interests of the Holders of the 2006 Indenture New Bonds.

The term "Outstanding," when used with respect to the 2006 Indenture New Bonds, means, as of the date of determination, all 2006 Indenture New Bonds theretofore authenticated and delivered under the 2006 Indenture, except:

- 2006 Indenture New Bonds theretofore canceled by the trustee or delivered to the trustee for cancellation;
- 2006 Indenture New Bonds, or portions thereof, for whose payment, redemption or purchase, money in the necessary amount has been theretofore deposited with the trustee or any paying agent for the Holders of such 2006 Indenture New Bonds; provided that if such 2006 Indenture New Bonds are to be redeemed, notice of such redemption has been duly given pursuant to the terms of the 2006 Indenture or provision therefor satisfactory to the trustee has been made; and

- 2006 Indenture New Bonds in exchange for or in lieu of which other 2006 Indenture New Bonds have been authenticated and delivered pursuant to the 2006 Indenture, other than any such 2006 Indenture New Bonds in respect of which there shall have been presented to the trustee proof satisfactory to it that such 2006 Indenture New Bonds are held by a bona fide purchaser in whose hands the 2006 Indenture New Bonds are valid obligations of the Province;

provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding 2006 Indenture New Bonds have consented to or voted in favor of any modification or other action or instruction or, in the case of a meeting, whether sufficient Holders are present for quorum purposes, 2006 Indenture New Bonds owned by the Province, Banco Provincia, any department, ministry or agency of the government of the Province, or any corporation, trust, financial institution or other entity controlled by the government of the Province or any of the foregoing shall be disregarded and deemed not to be “Outstanding,” except that, in determining whether the trustee shall be protected in relying upon such determination as to quorum or upon any such request, demand, direction, consent or waiver, only 2006 Indenture New Bonds which a responsible officer of the trustee actually knows to be so owned or controlled shall be so disregarded. 2006 Indenture New Bonds so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the trustee the pledgee’s right so to act with respect to such 2006 Indenture New Bonds and that the pledgee is not the Province. The term “responsible officer,” when used with respect to the trustee, means any officer within the corporate trust department of the trustee (or any successor group), including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other trust officer or assistant trust officer of the trustee who customarily performs functions similar to those performed by any of the above designated officers, or to whom any corporate trust matter is referred because of such person’s knowledge of an familiarity with the particular subject and who shall have direct responsibility for the administration of the 2006 Indenture.

Prior to any vote or consent on a reserve matter modification affecting any series of 2006 Indenture New Bonds, the Province will deliver to the trustee a certificate signed by an authorized representative of the Province, specifying, for the Province and each relevant public sector instrumentality, any 2006 Indenture New Bonds of that series deemed to not be Outstanding as described above or, if no 2006 Indenture New Bonds of that series are owned or controlled by the Province or any public sector instrumentality, a certificate signed by an authorized representative of the Province to that effect.

Concerning the Trustee

The 2006 Indenture contains provisions relating to the obligations, rights, duties and protections of the trustee, to the indemnification of the trustee and the liability and responsibility, including limitations, for actions that the trustee takes. The trustee is entitled to enter into business transactions with the Province or any of its affiliates without accounting for any profit resulting from such transactions.

General Terms Common to all 2015 Indenture New Bonds

Status

The 2015 Indenture New Bonds will be direct, general, unconditional and unsubordinated Public External Indebtedness of the Province. The 2015 Indenture New Bonds will rank without any preference among themselves and equally with all other unsubordinated Public External Indebtedness of the Province. It is understood that this provision shall not be construed so as to require the Province to make payments under the 2015 Indenture New Bonds ratably with payments being made under any other Public External Indebtedness of the Province.

For purposes of the preceding paragraph, (A) “**Public External Indebtedness**” means any External Indebtedness of, or guaranteed by, the Province which (i) is publicly offered or privately placed in securities markets, (ii) is in the form of, or represented by, bonds, notes or other securities or any guarantees thereof and (iii) is, or was intended at the time of issue to be, quoted, listed or traded on any stock exchange, automated trading system or over-the-counter securities market (including securities eligible for sale pursuant to Rule 144A under the Securities Act, as amended (or any successor law or regulation of similar effect)), and (B) “**External Indebtedness**” means obligations for borrowed money or evidenced by securities, debentures, notes or other similar instruments denominated and payable, or which at the option of the Holder thereof may be payable, in a currency other than the

lawful currency of Argentina, regardless of whether that obligation is incurred or entered into within or outside Argentina.

Payment of Principal and Interest

The trustee will make payments to the registered Holders of the 2015 Indenture New Bonds.

While the 2015 Indenture New Bonds are held in global form, Holders of beneficial interests in the 2015 Indenture New Bonds will be paid in accordance with the procedures of the relevant clearing system and its direct participants, if applicable. Neither the Province nor the trustee shall have any responsibility or liability for any aspect of the records of, or payments made by, the relevant clearing system or its nominee or direct participants, or any failure on the part of the relevant clearing system or its direct participants in making payments to Holders of the 2015 Indenture New Bonds from the funds they receive.

If any date for payments of interest, principal or other amounts contemplated herein is not a business day, the Province will make the payment on the next business day. Such payments will be deemed to have been made on the due date, and no interest on the 2015 Indenture New Bonds will accrue as a result of the delay in payment. As used herein, “**business day**” means any day that is not a Saturday or Sunday, and that is not a day on which banking or trust institutions are authorized generally or obligated by law, regulation or executive order to close in New York City or in the City of Buenos Aires (or in the city where the relevant paying or transfer agent is located).

If any money that the Province pays to the trustee or any paying agent to make payments on any 2015 Indenture New Bonds is not claimed at the end of two years after the applicable payment was due and payable, then the money will be repaid to the Province on the Province’s written request. The Province will hold such unclaimed money in trust for the relevant Holders of those 2015 Indenture New Bonds. After any such repayment, neither the trustee nor any paying agent will be liable for the payment. However, the Province’s obligations to make payments on the 2015 Indenture New Bonds as they become due will not be affected until the expiration of the prescription period specified in the 2015 Indenture New Bonds.

Prescription

To the extent permitted by law, claims against the Province for the payment of principal of, premium, if any, or interest or other amounts due on, the 2015 Indenture New Bonds (including Additional Amounts) will become void unless made within four years of the date on which that payment first became due.

Certificated Securities

The Province will issue securities in certificated form in exchange for interests in a global security only if:

- the depositary notifies the Province that it is unwilling or unable to continue as depositary, is ineligible to act as depositary or ceases to be a clearing agency registered under any applicable statute or regulation and the Province does not appoint a successor depositary or clearing agency within 90 days; or
- the trustee determines, upon the advice of counsel, that it is necessary to obtain possession of such notes in certificated form in connection with any proceedings to enforce the rights of Holders of such notes.

In connection with the exchange of interests in a global security for securities in certificated form under any of the conditions described above, such global security will be deemed to be surrendered to the trustee for cancellation, and the Province will execute, and will instruct the trustee to authenticate and deliver, to each beneficial owner identified by the relevant clearing system, in exchange for its beneficial interest in such global security, an equal aggregate principal amount of certificated securities.

If the Province issues certificated securities, they will have the same terms and authorized denominations as the 2015 Indenture New Bonds. You will receive payment of principal, interest and premiums, if any, in respect of certificated securities at the offices of the trustee in New York City and, if applicable, at the offices of any paying

agent. You may present certificated securities for transfer or exchange according to the procedures in the Indenture at the corporate trust office of the trustee in New York City and, if applicable, at the offices of any other transfer agent appointed by the Province.

If the global security is listed with the Luxembourg Stock Exchange, the Luxembourg Stock Exchange will be informed before the Province issues certificated securities in exchange for the global security held by the common depositary or its nominee. If the Province issues such certificated securities, it will publish notices in a newspaper with general circulation in Luxembourg (which the Province expects to be *Luxemburger Wort*), or on the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>, announcing procedures for payments of principal, interest and premiums, if any, in respect of or transfer of certificated securities in Luxembourg. If publication in a leading newspaper in Luxembourg or in the Luxembourg Stock Exchange is not practicable, the Province will give notices in another way consistent with the rules of the Luxembourg Stock Exchange. The Province will consider any published notice to be given on the date of its first publication.

You may be charged for any stamp duty, tax or other governmental charge that must be paid in connection with the transfer, exchange or registration of transfer of 2015 Indenture New Bonds and any other expenses (including the fees and expenses of the trustee) connected with the preparation and issuance of the substitute 2015 Indenture New Bond. The Province, the trustee and any agent appointed by either the Province or the trustee may treat the person in whose name any 2015 Indenture New Bond is registered as the owner of such 2015 Indenture New Bond for all purposes.

If any 2015 Indenture New Bond becomes mutilated, destroyed, stolen or lost, you can replace it by delivering the 2015 Indenture New Bond or evidence of its loss, theft or destruction to the trustee. The Province and the trustee may require you to provide an indemnity satisfactory to the Province and the trustee under which you agree to pay the Province, the trustee or any agent appointed by the Province or the trustee for any losses they may suffer relating to the 2015 Indenture New Bond that was mutilated, destroyed, stolen or lost. The Province and the trustee may also require you to present other documents or proof. After you deliver these documents, if neither the Province nor the trustee has notice that a bona fide purchaser has acquired the 2015 Indenture New Bond that you are exchanging, the Province will execute, and the trustee will authenticate and deliver to you, a substitute note with the same terms as the 2015 Indenture New Bond you are exchanging. You will be required to pay all expenses and reasonable charges associated with the replacement of this certificated security.

Further Issues

The Province may from time to time, without the consent of the Holders of the relevant series of 2015 Indenture New Bonds, create and issue additional 2015 Indenture New Bonds having terms and conditions which are the same as those of any then outstanding series of 2015 Indenture New Bonds in all respects, except for the issue date, issue price and first payment date of interest on the 2015 Indenture New Bonds; provided, however, that any such additional 2015 Indenture New Bonds subsequently issued that are not fungible with the previously outstanding 2015 Indenture New Bonds for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number from such previously outstanding 2015 Indenture New Bonds. Additional 2015 Indenture New Bonds issued in a qualified reopening for U.S. federal income tax purposes will be consolidated with and will form a single series with the previously outstanding 2015 Indenture New Bonds.

Negative Pledge Covenant

The Province has agreed that it will not, for so long as any 2015 Indenture New Bond remains outstanding create or permit to subsist any Lien, other than a Permitted Lien, upon the whole or any part of its property or assets to secure any Indebtedness of the Province unless the 2015 Indenture New Bonds are secured equally and ratably with such Indebtedness.

As used herein, the term “**Indebtedness**” means, with respect to any person, whether outstanding on the original issuance date of a series of debt securities or at any time thereafter: (i) all indebtedness of such person for borrowed money; (ii) all reimbursement obligations of such person (to the extent no longer contingent) under or in respect of letters of credit or bankers’ acceptances; (iii) all obligations of such person to repay deposits with or advances to such person; (iv) all obligations of such person (other than those specified in clauses (i) and (ii) above)

evidenced by securities, debentures, notes or similar instruments; and (v) to the extent no longer contingent, all direct guarantees, endorsements, *avales* or similar obligations of such person in respect of, and all direct obligations of such person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of any other person specified in clause (i), (ii), (iii) or (iv) above.

As used herein, the term “**Lien**” means any lien, pledge, mortgage, security interest, deed of trust, charge or other encumbrance on or with respect to, any currently existing or future asset or revenues of any kind under the laws of Argentina.

As used herein, the term “**Permitted Lien**” means:

- (a) any Lien in existence on the date of the Indenture;
- (b) any Lien upon bank accounts, deposits or proceeds thereof (or arising from the existence of rights of set-off against such accounts, deposits or proceeds) securing Indebtedness of the Province incurred in connection with letters of credit issued by, or trade finance transactions with, a bank to which such Lien is granted or holding such rights, and which Indebtedness has a final maturity of not greater than 365 days from the date on which payment under such letter of credit or in connection with such trade finance transactions is due and payable;
- (c) any Lien upon any property to secure Indebtedness of the Province incurred specifically for the purpose of financing the acquisition of the property subject to such Lien;
- (d) any Lien existing on any property at the time of its acquisition to secure Indebtedness of the Province;
- (e) any Lien securing Indebtedness incurred for the purpose of financing all or part of the costs of the acquisition, construction or development of a project, provided that the property over which such Lien is granted consists solely of the assets and revenues of such project or the ownership interest therein;
- (f) any Lien securing Indebtedness incurred for the purpose of financing all or part of the cost of personal property sold or services provided to the Province;
- (g) any replacement, renewal or extension of any Lien permitted by clauses (a) through (f) above upon the same property theretofore subject to such Lien, including any replacement, renewal or extension of such Lien resulting from the refinancing (without increase in the principal amount) of the Indebtedness secured by such Lien; provided that the Province shall not be permitted to replace, renew or extend any Lien in respect of Indebtedness to the federal government unless the federal government remains the creditor;
- (h) any Lien to secure public or statutory obligations or otherwise arising by law to secure claims other than for borrowed money;
- (i) any Lien securing Indebtedness of the Province to the federal government encumbering the right of the Province to receive Co-Participation Payments, provided that the incurrence of such Indebtedness so secured will not cause the Co-Participation Secured Indebtedness Ratio to exceed 50.0% in the period that includes the most recent four consecutive fiscal quarters ending prior to the date of calculation;
- (j) any Lien to secure any indebtedness with the financial public sector of the Province; and
- (k) any other Liens different from those permitted by clauses (a) through (j) above, securing Indebtedness of the Province in an outstanding aggregate principal amount not exceeding at any time 10% of the Province’s annual revenues for the period that includes the most recent four consecutive fiscal quarters ending prior to the incurrence of such Lien.

As used herein, the term “**Co-Participation Payments**” means any transfers made by the federal government to the Province pursuant to the Federal Tax Co-Participation Law, as amended or replaced from time to time and any other law, decree or regulation governing the obligation of the federal government to distribute taxes collected by it to the Argentine provinces.

As used herein, the term “**Co-Participation Secured Indebtedness Ratio**” is the percentage that is equal to (A) for the period that includes the most recent four consecutive fiscal quarters ending prior to the date of calculation, the aggregate amount of payments of principal and interest that became due in such periods (after giving pro forma effect to the incurrence of Indebtedness secured by a Lien on the Province’s right to receive Co-Participation Payments), in respect of Indebtedness that is secured by a Lien on the Province’s right to receive Co-Participation Payments, divided by (B) the aggregate amount of Co-Participation Payments actually received by the Province during such period, (C) multiplied by 100.

Meetings, Amendments and Waivers – Collective Action

The Province, in its discretion, may call a meeting of the Holders of debt securities (including the 2015 Indenture New Bonds) at any time and from time to time regarding the debt securities or the Indenture. The Province will determine the time and place of the meeting and will notify the Holders (and the trustee) of the time, place and purpose of the meeting not less than 30 days and not more than 60 days prior to the date fixed for the meeting.

In addition, the Province or the trustee will call a meeting of the Holders of a series of debt securities if the Holders of at least 10% in aggregate principal amount of all debt securities of the series then Outstanding have delivered a written request to the Province or the trustee (with a copy to the Province) setting out the purpose of the meeting. The Province shall notify the trustee, and the trustee shall notify the Holders within 10 days of receipt of such written request of the time and place of the meeting, which shall take place not less than 30 and not more than 60 days after the date on which such notification is given.

Only Holders of debt securities of the relevant series and their proxies are entitled to vote at a meeting of Holders. The Province will set out the procedures governing the conduct of the meeting and if additional procedures are required, the Province, in consultation with the trustee, will establish such procedures as are customary in the market.

Modifications may also be approved by Holders of the 2015 Indenture New Bonds pursuant to a written action consented to by Holders of the requisite percentage of the 2015 Indenture New Bonds. If a proposed modification is to be approved by a written action, the Province shall solicit the consent of the relevant Holders of the 2015 Indenture New Bonds to the proposed modification not less than 10, and not more than 30 days prior to the expiration date for the receipt of such consents as specified by the Province.

The Holders of the Outstanding 2015 Indenture New Bonds may generally approve any proposal by the Province to modify or take action with respect to the Indenture or the terms of the 2015 Indenture New Bonds with the affirmative vote (if approved at a meeting of the Holders) or consent (if approved by written action) of Holders of more than 50% of the Outstanding principal amount of the 2015 Indenture New Bonds of the series affected by such modification or action.

However, Holders of any series of debt securities (including the 2015 Indenture New Bonds) may approve, by vote or consent through one of three modification methods described below, any modification, amendment, supplement or waiver proposed by the Province that would do any of the following (such subjects referred to as “**reserve matters**” as it relates to the series of debt securities on or after the Settlement Date) with respect to such series of debt securities:

- change the date on which any amount is payable on the 2015 Indenture New Bonds;
- reduce the principal amount of the 2015 Indenture New Bonds (other than in accordance with the express terms of the debt securities of that series and the Indenture);
- reduce the interest rate on the 2015 Indenture New Bonds;

- change the method used to calculate any amount payable on the 2015 Indenture New Bonds (other than in accordance with the express terms of the debt securities of that series and the Indenture);
- change the currency or place of payment of any amount payable on the 2015 Indenture New Bonds;
- modify the Province's obligation to make any payments on the 2015 Indenture New Bonds (including any redemption price therefor);
- change the identity of the obligor under the 2015 Indenture New Bonds;
- change the definition of "Outstanding" 2015 Indenture New Bonds or the percentage of affirmative votes or written consents, as the case may be, required to make a "reserve matter modification";
- change the definition of "uniformly applicable" or "reserve matter modification";
- authorize the trustee, on behalf of all Holders of the 2015 Indenture New Bonds, to exchange or substitute all the 2015 Indenture New Bonds for, or convert all the debt securities into, other obligations or securities of the Province or any other person;
- change the legal ranking, governing law, submission to jurisdiction or waiver of immunities provisions of the terms of the 2015 Indenture New Bonds;
- increase the percentage of the aggregate principal amount then Outstanding required to be held by Holders to declare the debt securities of such series due and payable immediately, or reduce the percentage of the aggregate principal amount then Outstanding required to be held by Holders to waive any existing defaults or rescind or annul any notice of acceleration and its consequences;
- amend the provisions of the Indenture or any series of 2015 Indenture New Bonds that govern the re-designation of series of debt securities in the context of a reserve matter modification; or
- amend the provisions of the Indenture or any series of 2015 Indenture New Bonds, including the definition of "restructuring exchange offer," that govern the restrictions on the Province's ability to conduct a reserve matter modification with single aggregated voting following a reserve matter modification with two-tier voting or a restructuring exchange offer.

A change to a reserve matter, including the payment terms of any series of debt securities (including the 2015 Indenture New Bonds), can be made without your consent, as long as the change is approved, pursuant to one of the three following modification methods, by vote or consent by:

- the Holders of more than 75% of the aggregate principal amount of the Outstanding 2015 Indenture New Bonds of a single series insofar as the change affects such series (but does not modify the terms of any other debt securities);
- where such proposed modification would affect the Outstanding debt securities of any two or more series, the Holders of more than 75% of the aggregate principal amount of the then Outstanding debt securities of all of the series affected by the proposed modification, taken in the aggregate, such modification method defined in the 2015 Indenture as "cross-series modification with single aggregated voting", provided that the proposed modification is "uniformly applicable" (as defined below) to all series being modified; or
- where such proposed modification would affect the Outstanding debt securities of any two or more series, whether or not the "uniformly applicable" requirements are met, the Holders of more than $66\frac{2}{3}\%$ of the aggregate principal amount of the Outstanding debt securities of the series affected by the proposed modification, taken in the aggregate, *and* the Holders of more than 50% of the aggregate principal amount of the Outstanding debt securities of each series affected by the modification, taken individually (a "cross-series modification with two-tier voting").

“Uniformly applicable” means a modification by which Holders of debt securities of all series affected by that modification are invited to exchange, convert or substitute their debt securities on the same terms for (x) the same new instruments or other consideration or (y) new instruments or other consideration from an identical menu of instruments or other consideration. It is understood that a modification will not be considered to be uniformly applicable if each exchanging, converting or substituting Holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting Holder of debt securities of any series affected by that modification (or, where a menu of instruments or other consideration is offered, each exchanging, converting or substituting Holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting Holder of debt securities of any series affected by that modification electing the same option under such menu of instruments).

Any modification consented to or approved by the Holders of debt securities pursuant to the above provisions will be conclusive and binding on all Holders of the relevant series of debt securities or all Holders of all series of debt securities affected by a cross-series modification, as the case may be, whether or not they have given such consent or approval, and on all future Holders of those debt securities whether or not notation of such modification is made upon the debt securities. Any instrument given by or on behalf of any Holder of a debt security in connection with any consent to or approval of any such modification will be conclusive and binding on all subsequent Holders of that debt security.

For so long as any series of debt securities issued under the 2006 Indenture (**“2006 debt securities”**) are outstanding, if the Province certifies to the relevant trustee that a cross-series modification is being sought simultaneously with a “2006 indenture reserve matter modification” (as defined below), the 2006 debt securities affected by such 2006 indenture reserve matter modification shall be treated as “series affected by that proposed modification” as that phrase is used in the 2015 Indenture with respect to both cross-series modifications with single aggregated voting and cross-series modifications with two-tier voting; provided, that if the Province seeks a cross-series modification with single aggregated voting, in determining whether such modification will be considered uniformly applicable, the Holders of any series of 2006 debt securities affected by the 2006 indenture reserve matter modification shall be deemed “Holders of debt securities of all series affected by that modification, for the purpose of the uniformly applicable definition.” It is the intention that in such circumstances, described in respect of any cross-series modification, the votes of the Holders of the affected 2006 debt securities be counted for purposes of the voting thresholds specified in the 2015 Indenture for the applicable cross-series modification as though those 2006 debt securities had been affected by that cross-series modification although the effectiveness of any modification, as it relates to the 2006 debt securities, shall be governed exclusively by the terms and conditions of those 2006 debt securities and by the 2006 indenture; provided, however, that no such modification as to the 2015 Indenture New Bonds will be effective unless such modification shall have also been adopted by the Holders of the 2006 debt securities pursuant to the amendment and modification provisions of such 2006 debt securities.

“2006 indenture reserve matter modification” means any modification to a reserve matter affecting the terms and conditions of one or more series of the 2006 debt securities, pursuant to the 2006 Indenture.

At the time the Province proposes a modification constituting a reserve matter, the Province shall specify to Holders of each series of debt securities issued on or after the Settlement Date to be affected the modification method(s) it has selected for such modification. The Province shall have the discretion to select the modification method(s) for a proposed reserve matter modification and to designate which series of debt securities will be included in the aggregated voting for a proposed modification constituting a reserve matter to the terms and conditions of the debt securities of two or more series (the “initially designated series”); *provided, however* that, except as set forth in the following sentence, once the Province selects the modification method(s) and the initially designated series, such selection may not be changed, modified or supplemented without providing written notice of such change, modification or supplement to Holders of debt securities to be affected (specifying which series, if any, have been excluded from the list of initially designated series) and granting such Holders no less than five business days from the date of such notice to cast, revoke or change any vote or consent delivered in connection with such proposed modification. Notwithstanding the foregoing, at any time prior to the effectiveness of the modification

constituting a reserve matter and without prior notice to Holders of any debt securities of the initially designated series, the Province shall have discretion to re-designate which series of debt securities will be included in the aggregated voting for a proposed modification constituting a reserve matter to the terms and conditions of the debt securities of two or more series if at the time of such re-designation the Province has received the affirmative vote or consent of Holders of more than 66⅔% of the aggregate principal amount of the Outstanding debt securities of all the initially designated series.

If after the Settlement Date the Province (A) selects a cross-series modification with two-tier voting as the modification method for a modification constituting a reserve matter to the terms and conditions of the debt securities of two or more series or (B) launches a “restructuring exchange offer” (as defined below), in each case of (A) and/or (B), the Province will not, for a period of thirty-six (36) months following the effectiveness of such modification or the settlement of such restructuring exchange offer, select a cross-series modification with single aggregated voting as the modification method for a proposed reserve matter affecting (i) any of the New Bonds of the initially designated series that were not successfully modified pursuant to such cross-series modification or any series of New Bonds invited to be exchanged pursuant to the restructuring exchange offer and (ii) any series of debt securities successfully modified, exchanged or substituted for pursuant to such modification or any series of debt securities into which debt securities were exchanged pursuant to such restructuring exchange offer (or any series of debt securities into which any of the foregoing is subsequently modified, exchanged or substituted), unless such prior modification or restructuring exchange offer received the affirmative vote or consent or participation, as the case may be, of Holders of more than 75% of the aggregate principal amount of the Outstanding debt securities of all the initially designated series to be included in that modification or invited in such restructuring exchange offer. The foregoing limitation shall not be modified pursuant to a cross-series modification with single aggregated voting.

“Restructuring exchange offer” means an offer inviting Holders of more than one series of debt securities to exchange such debt securities for new debt securities (other than an invitation to exchange where (i) the debt securities to be exchanged are trading above 90% of their par value (or accreted value in the case of debt securities initially issued at a discount) on an internationally recognized financial information platform (such as Bloomberg) at 4:00 p.m., New York City time, as reported on the business day immediately prior to the date on which the offer is launched, and (ii) the sum of the net present values of the new debt securities and any other consideration delivered in the exchange is not less than 90% of the sum of the net present values of the debt securities and any other consideration to be exchanged, in each case, discounted at the same rate of return).

Before soliciting any consent or vote of any Holder of the debt securities (including the 2015 Indenture New Bonds) for any change to a reserve matter, the Province will provide the following information to the trustee for distribution to the Holders of debt securities of any series that would be affected by the proposed modification:

- a description of the Province’s economic and financial circumstances that are in the Province’s opinion relevant to the request for the proposed modification, a description of the Province’s existing debts and description of its broad policy reform program and provisional macroeconomic outlook;
- if the Province shall at the time have entered into an arrangement for financial assistance with multilateral and/or other major creditors or creditor groups and/or an agreement with any such creditors regarding debt relief, (x) a description of any such arrangement or agreement and (y) where permitted under the information disclosure policies of the multilateral or other creditors, as applicable, a copy of the arrangement or agreement;
- a description of the Province’s proposed treatment of foreign debt instruments that are not affected by the proposed modification and its intentions with respect to any other major creditor groups; and
- if the Province is then seeking any reserve matter modification affecting any other series of debt securities, a description of that proposed modification.

For purposes of determining whether the required percentage of Holders of the 2015 Indenture New Bonds or any series of debt securities has approved any amendment, modification or change to, or waiver of, the 2015 Indenture New Bonds, such other series of debt securities or the 2015 Indenture, or whether the required percentage of Holders has delivered a notice of acceleration of the debt securities of that series, debt securities will be

disregarded and deemed not to be Outstanding and may not be counted in a vote or consent solicitation for or against a proposed modification if on the record date for the proposed modification or other action or instruction hereunder, the debt security is held by the Province or by a public sector instrumentality, or by a corporation, trust or other legal entity that is controlled by the Province or a public sector instrumentality, except that (x) debt securities held by the Province or any public sector instrumentality of the Province or by a corporation, trust or other legal entity that is controlled by the Province or a public sector instrumentality which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes, to the satisfaction of the trustee, the pledgee's right so to act with respect to such debt securities and that the pledgee is not the Province, or a public sector instrumentality, or a corporation, trust or other legal entity that is controlled by the Province or a public sector instrumentality, and in case of a dispute concerning such right, the advice of counsel shall be full protection in respect of any decision made by the trustee in accordance with such advice and any certificate, statement or opinion of counsel may be based, insofar as it relates to factual matters or information that is in the possession of the trustee, upon the certificate, statement or opinion of or representations by the trustee; and (y) in determining whether the trustee will be protected in relying upon any such action or instructions hereunder, or any notice from Holders, only debt securities that a responsible officer of the trustee knows to be so owned or controlled will be so disregarded. Upon request of the trustee, the Province must furnish to the trustee promptly one or more officer's certificates listing and identifying all debt securities, if any, known by the Province to be owned or held by or for the account of the Province or any public sector instrumentality; or any corporation, trust or legal entity controlled by the Province or a public sector instrumentality and the Trustee shall be entitled to accept such officer's certificates as conclusive evidence of the that all debt securities not listed therein are Outstanding for the purpose of any such determination.

As used in the preceding paragraph, "**public sector instrumentality**" means any department, secretary, ministry or agency of the Province, and "**control**" means the power, directly or indirectly, through the ownership of voting securities or other ownership interests, by contract or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of that legal entity.

Other Amendments

The Province and the trustee may, without the vote or consent of any Holder of debt securities (including the 2015 Indenture New Bonds) of a series, amend the 2015 Indenture or the debt securities of that series for the purpose of:

- adding to the Province's covenants for the benefit of the Holders;
- surrendering any of the Province's rights or powers with respect to the debt securities of that series;
- securing the debt securities of that series;
- curing any ambiguity or curing, correcting or supplementing any defective provision in the debt securities of that series or the 2015 Indenture;
- amending the debt securities of that series or the Indenture in any manner that the Province and the trustee may determine and that does not materially adversely affect the interests of any Holders of the debt securities of that series; or
- correcting a manifest error of a formal, minor or technical nature.

Certain Differences Between the 2006 Indenture and the 2015 Indenture

There are certain differences between the 2006 Indenture and the 2015 Indenture relating to collective action clauses and ranking of the debt securities. For the convenience of the readers, a description of such differences is included below.

Collective Action Clauses

The 2006 Indenture and the 2015 Indenture contain provisions commonly known as “**collective action clauses**” regarding future modifications to the terms of the debt securities. Under these provisions, the Province may amend the payment provisions of any series of debt securities issued under each of the Indentures and other reserve matters listed in each of the Indentures with the consent of less than all of the Holders of the affected series of debt securities. These modification provisions and the requisite consents required for reserve and non-reserve matter modification in the 2015 Indenture differ from those in the 2006 Indenture.

2006 Indenture	2015 Indenture
The Indenture 2006 permits the Province to amend the payment provisions of debt securities and other reserve matters listed in the 2006 Indenture:	The Indenture 2015 permits the Province to amend the payment provisions of debt securities and other reserve matters listed in the 2015 Indenture:
<ul style="list-style-type: none"> • in the case of a proposed modification to a single series of debt securities issued under the 2006 Indenture, with the consent of the Holders of not less than 75% of the aggregate principal amount of the Outstanding debt securities of that series; or • where such proposed modification would affect the Outstanding debt securities of any two or more series issued under the 2006 Indenture, with the consent of the Holders of not less than 85% of the aggregate principal amount of the Outstanding debt securities of all series affected by the proposed modification, taken in the aggregate, and the consent of Holders of not less than 66²/₃% of the aggregate principal amount of the Outstanding debt securities of each series affected by the modification, taken individually. 	<ul style="list-style-type: none"> • in the case of a proposed modification to a single series of debt securities issued under the 2015 Indenture, with the consent of the Holders of more than 75% of the aggregate principal amount of the Outstanding debt securities of that series; • where such proposed modification would affect the Outstanding debt securities of any two or more series issued under the 2015 Indenture, with the consent of the Holders of more than 75% of the aggregate principal amount of the Outstanding debt securities of all series affected by the proposed modification, taken in the aggregate, provided the proposed modifications are uniformly applicable; or • where such proposed modification would affect the Outstanding debt securities of any two or more series, whether or not the “uniformly applicable” requirements are met, the Holders of more than 66²/₃% of the aggregate principal amount of the Outstanding debt securities of the series affected by the proposed modification, taken in the aggregate, <i>and</i> the Holders of more than 50% of the aggregate principal amount of the Outstanding debt securities of each series affected by the modification, taken individually (a “cross-series modification with two-tier voting”).

For so long as any series of debt securities issued under the 2006 Indenture are Outstanding, if the Province certifies to the Trustees that a cross-series modification is being sought simultaneously with a “2006 indenture reserve matter modification,” the 2006 debt securities affected by such 2006 indenture reserve matter modification shall be treated as “series affected by that proposed modification” as that phrase is used in the 2015 Indenture with respect to both cross-series modifications with single aggregated voting and cross-series modifications with two-tier voting; provided, that if the Province seeks a cross-series modification with single aggregated voting, in determining whether such modification will be

considered uniformly applicable, the Holders of any series of 2006 debt securities affected by the 2006 indenture reserve matter modification shall be deemed “Holders of debt securities of all series affected by that modification,” for the purpose of the uniformly applicable definition. It is the intention that in the circumstances described in respect of any cross-series modification, the votes of the Holders of the affected 2006 debt securities be counted for purposes of the voting thresholds specified in the 2015 Indenture for the applicable cross-series modification as though those 2006 debt securities had been affected by that cross-series modification although the effectiveness of any modification, as it relates to the 2006 debt securities, shall be governed exclusively by the terms and conditions of those 2006 securities and by the 2006 Indenture; provided, however, that no such modification as to the debt securities will be effective unless such modification shall have also been adopted by the Holders of the 2006 debt securities pursuant to the amendment and modification provisions of such 2006 debt securities.

“Uniformly applicable,” as referred to above, means a modification by which Holders of debt securities of any series issued under the 2015 Indenture affected by that modification are invited to exchange, convert or substitute their debt securities on the same terms for (x) the same new instruments or other consideration or (y) new instruments or other consideration from an identical menu of instruments or other consideration. It is understood that a modification will not be considered to be uniformly applicable if each exchanging, converting or substituting Holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting Holder of debt securities of any series affected by that modification (or, where a menu of instruments or other consideration is offered, each exchanging, converting or substituting Holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting Holder of debt securities of any series affected by that modification electing the same option under such menu of instruments).

The definition of “reserve matters” under the 2006 The definition of “reserve matters” under the 2015

Indenture includes the following:

- change the date for payment of principal or premium of, or any installment of interest on, the debt securities of a series;
- reduce the principal amount or redemption price or premium, if any, payable under the debt securities of a series;
- reduce the portion of the principal amount which is payable in the event of an acceleration of the maturity of the debt securities of a series;
- reduce the interest rate on the debt securities of a series;
- change the currency of any amount payable under the debt securities of a series;
- change the obligation of the Province to pay additional amounts in respect of the debt securities of a series;
- change the definition of “Outstanding” or the percentage of votes required for the taking of any action pursuant to Article 11 of the 2006 Indenture (and the corresponding provision of the terms and conditions of the debt securities) in respect of the debt securities of a series;
- authorize the 2006 Indenture Trustee, on behalf of all Holders of the debt securities of a series, to exchange or substitute all the debt securities of that series for, or convert all the securities of that series into, other obligations or securities of the Province or any other person;
- change the ranking, governing law, submission to jurisdiction or waiver of immunities provisions of the terms and conditions of the debt securities of a series; or
- in connection with an exchange offer for the debt securities of any series, amend any event of default.

Ranking Provision

The 2006 Indenture and the 2015 Indenture contain provisions addressing the ranking of the debt securities issued thereunder. The latter expressly clarifies that the provision shall not be construed so as to require the Province to make payments under any series of debt securities issued under the 2015 Indenture ratably with payments being made under any other public external indebtedness.

Indenture includes the following:

- change the date on which any amount is payable on the debt securities;
- reduce the principal amount (other than in accordance with the express terms of the debt securities and the 2015 Indenture) on the debt securities;
- reduce the interest rate on the debt securities;
- change the method used to calculate any amount payable on the debt securities (other than in accordance with the express terms of the debt securities of that series and the 2015 Indenture);
- change the currency of any amount payable on the debt securities;
- modify the Province’s obligation to make any payments on the debt securities (including any redemption price therefor);
- change the identity of the obligor under the debt securities;
- change the definition of “Outstanding debt securities” or the percentage of affirmative votes or written consents, as the case may be, required to make a “reserve matter modification”;
- change the definition of “uniformly applicable” or “reserve matter modification”;
- authorize the 2015 Indenture Trustee, on behalf of all Holders of the debt securities, to exchange or substitute all the debt securities for, or convert all the debt securities into, other obligations or securities of the Province or any other person;
- change the legal ranking, governing law, submission to jurisdiction or waiver of immunities provisions of the terms of such debt securities; or
- change the place of payment to Holders.

2006 Indenture

2015 Indenture

The debt securities issued under the 2006 Indenture will constitute the direct, unconditional, unsecured and unsubordinated obligations of the Province. Each series will rank *pari passu* with each other series, without any preference one over the other by reason of priority of date of issue or currency of payment or otherwise, and at least equally with all other present and future unsecured and unsubordinated Indebtedness (as defined in the 2006 Indenture) of the Province.

The debt securities issued under the 2015 Indenture constitute and will constitute direct, general, unconditional and unsubordinated Public External Indebtedness (as defined herein) of the Province. The debt securities issued under the 2015 Indenture rank and will rank without any preference among themselves and equally with all other unsubordinated Public External Indebtedness of the Province. It is understood that this provision shall not be construed so as to require the Province to make payments under the debt securities issued under the 2015 Indenture ratably with payments being made under any other Public External Indebtedness.

Events of Default

Under both Indentures, the failure to make any payment when due, after any applicable grace periods, on any of the Province's Indebtedness (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to USD 15,000,000 (or its equivalent in other currencies) or the acceleration of any Indebtedness of the Province (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to USD 15,000,000 (or its equivalent in other currencies) is accelerated due to an event of default, unless the acceleration is rescinded or annulled. Eligible Bonds are Excluded Indebtedness for purposes of the New Bonds but not for purposes of the Eligible Bonds.

The Clearing Systems

The following description reflects the Province's understanding of the current rules and procedures of Euroclear and Clearstream, Luxembourg. The Province has obtained the information in this section from sources it believes to be reliable, including from Euroclear and Clearstream, Luxembourg. These systems could change their rules and procedures at any time, and the Province takes no responsibility for their actions.

Clearstream, Luxembourg

Clearstream, Luxembourg is incorporated under the laws of Luxembourg as a professional depositary.

Clearstream, Luxembourg holds securities for its participating organizations and facilitates the clearance and settlement of securities transactions between its participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing.

Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depositary, Clearstream, Luxembourg is subject to potential supervision by the Commission de Surveillance du Secteur Financier. Clearstream, Luxembourg participants are financial institutions around the world, including the other securities brokers and dealers, banks, trust companies and clearing corporations and certain other organizations. Indirect access to Clearstream, Luxembourg is also available to others that clear through or maintain a custodial relationship with a Clearstream, Luxembourg participant either directly or indirectly.

Euroclear

Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash.

Euroclear provides various other services, including securities lending and borrowing, and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S. A./N. V. (referred to as the

“Euroclear Operator”) under contract with Euro-Clear Clearance Systems, S.C., a Belgian cooperative corporation (referred to as the **“Cooperative”**). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Because the Euroclear Operator is a Belgian banking corporation, Euroclear is regulated and examined by the Belgian Banking Commission.

Trading Between Euroclear Participants and/or Clearstream Participants and/or Caja de Valores Participants

Participants in Euroclear, Clearstream and Caja de Valores will transfer interests in the New Bonds among themselves in the ordinary way according to the rules and operating procedures of Euroclear, Clearstream and Caja de Valores.

TENDER PROCEDURES

General

The Invitation is being made to all Eligible Holders and Instructions may be delivered only by or on behalf of Eligible Holders.

By submitting Instructions and consenting to the Proposed Modifications with respect to any series of Eligible Bonds, Holders are deemed to make certain acknowledgments, representations, warranties and undertakings to us, the Dealer Managers, the Trustees, and the Information, Tabulation and Exchange Agent as set forth under “Representations and Acknowledgements of the Beneficial Owners of the Eligible Bonds.”

The Invitation will expire at 5:00 p.m. (CET), August 27, 2021, unless we, in our sole discretion, extend or terminate it earlier, in accordance with the terms described in this invitation memorandum. We may terminate, withdraw or amend the Invitation at any time before we announce the acceptance of tenders on the Results Announcement Date as described in “Terms of the Invitation—Expiration; Extension; Termination; and Amendment.”

Tender of Eligible Bonds

In connection with the Exchange Offers, we are soliciting Consents from Eligible Holders to the Proposed Modifications. Eligible Holders may not deliver Tender Orders or tender their Eligible Bonds for exchange without delivering a Consent, and Eligible Holders may not consent to the Proposed Modifications without tendering their Eligible Bonds for exchange pursuant to the Exchange Offers. The delivery of Instructions by an Eligible Holder (and subsequent acceptance of such tender by us) pursuant to one of the procedures set forth below will constitute a binding agreement between such Eligible Holder and the Province in accordance with the terms and subject to the conditions set forth herein, which agreement will be governed by, and construed in accordance with, the laws of the State of New York.

Eligible Bonds may be tendered in the authorized denominations set forth in the terms of such Eligible Bonds. To the extent any Eligible Holder tenders less than all Eligible Bonds of a series owned by such Eligible Holder, the principal amount not tendered by such Eligible Holder must also be equal to an authorized denomination.

The procedures by which Eligible Bonds may be tendered by beneficial owners who are not registered Holders will depend upon the manner in which Eligible Bonds are held.

A separate Instruction must be submitted on behalf of each beneficial owner of the Eligible Bonds.

Eligible Bonds Held Through a Custodian

If you are a beneficial owner holding Eligible Bonds through a custodian, you may not deliver your Instruction directly. You should contact their custodian to deliver Instructions on your behalf. In the event that your custodian is unable to deliver your Instruction through the applicable clearing system, on your behalf, you should contact the Dealer Managers for assistance in delivering your Instructions. There can be no assurance that the Dealer Managers will be able to assist you in timely submitting its Instruction.

Eligible Bonds Held Through Euroclear or Clearstream

If beneficial owners hold their Eligible Bonds through Euroclear or Clearstream, such beneficial owners must submit their Instructions, which includes “blocking” instructions (as defined herein), to Euroclear or Clearstream in accordance with the procedures and deadlines specified by Euroclear or Clearstream at or prior to the Expiration.

If beneficial owners hold their Eligible Bonds through a financial institution or other intermediary, such beneficial owners must instruct that financial institution to submit their Instructions on your behalf to Euroclear or Clearstream.

“**Blocking**” instructions means:

- instructions to block any attempt to transfer a Holder’s Eligible Bonds on or prior to the Expiration;
- instructions to debit a Holder’s account on the Settlement Date in respect of all of a Holder’s Eligible Bonds, or in respect such lesser portion of a Holder’s Eligible Bonds as are accepted for exchange by us, and
- an authorization to disclose, to the Information, Tabulation and Exchange Agent, the identity of the participant account Holder and account information;

Upon revoking Instructions, “blocking” instructions will be automatically revoked.

A Holder’s Instruction, which includes Holder’s “blocking” instructions, or a revocation of Instruction must be delivered and received by Euroclear or Clearstream in accordance with the procedures established by them and on or prior to the deadlines established by each of those clearing systems. Holders are responsible for informing themselves of these deadlines and for arranging the due and timely delivery of “blocking” instructions to Euroclear or Clearstream.

Irregularities

All questions regarding the validity, form and eligibility, including time of receipt or revocation, of any Instruction will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject (i) any and all Instructions that are not in proper form and (ii) any and all Instructions for which any corresponding agreement by us to exchange would, in the opinion of our counsel, be unlawful. We reserve the absolute right to waive any of the conditions of the Invitation (to the extent waivable by us) or defects in Instructions. None of us, the Trustees, the Dealer Managers or the Information, Tabulation and Exchange Agent shall be under any duty to give notice to you, as the consenting or tendering Holder, of any irregularities in submission of Instructions, nor shall any of them incur any liability for the failure to give such notice.

Revocation of Instructions

Following the Expiration, Instructions may no longer be validly revoked. Any Instruction properly revoked prior to the Expiration will be deemed not validly delivered for purposes of the Invitation. Any permitted revocation of Instructions may not be rescinded; *provided, however*, that Holders of Eligible Bonds for which Instructions have been revoked may deliver a new Instruction with respect to such Eligible Bonds by following one of the appropriate procedures described in this invitation memorandum at any time prior to the Expiration.

A revocation of Instructions must be delivered and received by Euroclear or Clearstream in accordance with the procedures established by them and on or prior to the deadlines established by each of those clearing systems. Holders are responsible for informing themselves of these deadlines and for arranging the due and timely delivery of “blocking” instructions to Euroclear or Clearstream.

A valid withdrawal of Instructions will also constitute the revocation of the related Consent to the Proposed Modifications. Consents may only be revoked by validly withdrawing the corresponding Instruction prior to the Expiration. Instructions (and the accompanying Consent) cannot be withdrawn or revoked after the Expiration. In the event of a termination or withdrawal of the Invitation, Eligible Bonds tendered pursuant to the Instructions will be promptly unblocked in your relevant Clearing System account.

For Eligible Bonds held through a financial institution or other intermediary, a beneficial owner must contact that financial institution or intermediary and instruct it to submit Instructions or revocation instructions on behalf of the beneficial owner. The financial institution or intermediary may have earlier deadlines by which it must receive instructions in order to have adequate time to meet the deadlines of the Clearing System through which Instructions or revocation instructions in respect of the Eligible Bonds are submitted.

Revocation of Instructions can only be accomplished in accordance with the foregoing procedures.

All questions as to the form and validity (including time of receipt) of any notice of revocation of Instructions will be determined by us, which determination shall be final and binding. None of us, the Trustees, the Dealer Managers, the Information, Tabulation and Exchange Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of revocation or incur any liability for failure to give any such notification.

In addition, if we terminate any Exchange Offer without accepting any tenders for exchange, all Instructions and “blocking” instructions shall automatically be deemed to be revoked.

Publication

Information about the Invitation will be displayed on the Invitation Website. These notices will, among other things, set forth the names of the Dealer Managers and the Information, Tabulation and Exchange Agent. All documentation relating to the offer, together with any updates, will be available via the Invitation Website: <https://sites.dfkingltd.com/PBA>.

REPRESENTATIONS AND ACKNOWLEDGEMENT OF ELIGIBLE HOLDERS TENDERING ELIGIBLE BONDS

By delivering and not revoking your Instruction, you are deemed to acknowledge, represent, warrant and undertake to us, the Dealer Managers, the Trustees, and the Information, Tabulation and Exchange Agent that you are an Eligible Holder and that as of the Expiration (other than with respect to paragraphs (k), (l), and (n) through (s) below) and on the Settlement Date:

- a) you have received and reviewed this invitation memorandum and understand and agree to all terms and conditions, including to the allocation of a portion of the Additional Consent Consideration to make the Closing Payment;
- b) you understand that the delivery of your Instruction pursuant to the procedures set forth in this invitation memorandum will constitute your acceptance of the terms and conditions of the Invitation;
- c) in evaluating the Invitation and in making your decision whether to deliver your Instructions, you have made your own independent appraisal of the matters referred to herein and in any related communications and you are not relying on any statement, representation or warranty, express or implied, made to you by the Province, the Dealer Managers, the Information, Tabulation and Exchange Agent or any other person, other than those contained in this invitation memorandum (as supplemented prior to the Expiration);
- d) you have sought such accounting, legal and tax advice as you have considered necessary to make an informed investment decision with respect to delivering your Instruction;
- e) you understand and acknowledge that (i) participating in the Invitation involves a high degree of risk, (ii) you will be required to bear the financial and any other risks of investing in the New Bonds for an indefinite period of time and (iii) prior to delivering Instructions, you have concluded that you are able to bear those risks for an indefinite period;
- f) you may lawfully deliver the Instruction and you are an Eligible Holder;
- g) you expressly release the Trustees, the Dealer Managers and the Information, Tabulation and Exchange Agent from any and all liabilities arising from the failure by the Trustees, the Dealer Managers or the Information, Tabulation and Exchange Agent to disclose any information concerning the Eligible Bonds, the Proposed Modifications or the Exchange Offers to you, and you agree to make no claim against the Trustees, the Dealer Managers or the Information, Tabulation and Exchange Agent in respect thereof;
- h) you shall indemnify us, the Trustees, the Dealer Managers and the Information, Tabulation and Exchange Agent against all and any losses, costs claims, liabilities, expenses, charges, actions or demands that we or any of them may incur or which may be made against any of us or them as a result of your breach of any of the terms of, or any of the representations, warranties and/or undertakings given pursuant to, the Invitation;
- i) all authority conferred or agreed to be conferred pursuant to your representations, warranties and undertakings and all of your obligations shall be binding upon your successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, your death or incapacity;
- j) you are solely liable for any taxes and similar or related payments imposed on you under the laws of any applicable jurisdiction as a result of your participation in the Invitations and agree that you will not and do not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Province, any Dealer Manager, the Information, Exchange and Tabulation Agent and the relevant Trustee or any other person in respect of such taxes and payments;

- k) you discharge and release the Province (including any of its public entities or affiliates), and the trustee, as the case may be, in respect of such Eligible Bond and the trustee for the New Bonds and any of their agents, officials, officers, employees or advisors, from any and all claims (including claims in the form of a payment order, judgment, arbitral award or other such order or enforcement actions related thereto) you may have, now or in the future, arising out of or related to your tendered Eligible Bonds, including expressly, without limitation, any claims arising from any existing, past or continuing defaults and their consequences in respect of such Eligible Bonds (such as any claim that you are entitled to receive principal, accrued interest or any other payment with respect to your Eligible Bonds, other than as expressly provided herein);
- l) by submitting Instructions, you waive all defaults on the Eligible Bonds and rescind and annul any declaration of default and its consequences effective as of the Settlement Date (see “Terms of the Invitation—Rescission of Acceleration”);
- m) notwithstanding anything to the contrary in the 2015 Indenture, including Section 10.2 of the 2015 Indenture, you waive the requirement that the Province solicits Consents to the Proposed Modifications not more than 30 days prior to the Expiration;
- n) your Eligible Bonds are not the subject of any proceedings against the Province or the Trustee of such Eligible Bonds before any court or arbitral tribunal (including claims for payment of past due interest, principal or any other amount sought in connection with your tendered Eligible Bonds or for compensation of lawyers’ costs and court fees), except that, to the extent that your tendered Eligible Bonds are the subject of such proceedings, you agree to abandon the proceedings if and to the extent that your tendered Eligible Bonds are successfully modified and substituted or exchanged by or at the direction of the Province;
- o) to the extent that you have obtained a judgment from any court or tribunal with respect to your tendered Eligible Bonds (including judgments requiring the Province to make payment of past due interest, principal or any other amount sought in connection with your tendered Eligible Bonds or for compensation of lawyers’ costs and court fees), you hereby irrevocably waive the right to enforce such judgment against the Province or the Trustee of such Eligible Bonds if and to the extent that your tendered Eligible Bonds are exchanged by or at the direction of the Province;
- p) you hereby irrevocably waive all rights awarded and any assets attached for your benefit through any prejudgment attachment ordered by any court against the Province or the Trustee or fiscal agent of all Eligible Bonds that you beneficially own (including claims for payment of past due interest or any other amount sought in connection with your tendered Eligible Bonds and legal costs) if and to the extent that your tendered Eligible Bonds are successfully modified and substituted or are exchanged by or at the direction of the Province;
- q) upon the terms and subject to the conditions of the Invitation, you accept the Invitation in respect of the Eligible Bonds that you are tendering and, subject to and effective upon the exchange of the tendered Eligible Bonds on the Settlement Date, you will exchange, assign and transfer to, or to the order of, the Province all right, title and interest in and to all of the Eligible Bonds tendered by you and such exchange will be deemed to constitute full performance by the Province of all of its obligations under such Eligible Bonds, such that thereafter you shall have, now or in the future, no contractual or other rights or claims in law or in equity with respect to your tendered Eligible Bonds against the Province (or its affiliates), the Trustee or any of their agents, officials, officers, employees or advisors;
- r) you renounce all right, title and interest in and to all Eligible Bonds exchanged by or at the direction of the Province, and waive and release the Province and the Trustee for such Eligible Bonds from any and all claims you may have, now or in the future, arising out of or related to the Invitation and such Eligible Bonds, including, without limitation, any accrued interest or claims that you are entitled to receive additional principal or interest payments with respect to such Eligible Bonds (other than as otherwise expressly provided in this invitation memorandum);

- s) following the Settlement Date, you hereby authorize the Province (or its legal counsel) to file appropriate documents with any administrative body, court, tribunal or other body before which any litigation or arbitral proceedings relating to the Eligible Bonds are pending or that has issued or recognized any payment order, judgment, arbitral award or other such order in respect of the Eligible Bonds in order to have the proceedings withdrawn, dismissed and discontinued with prejudice;
- t) you have full power and authority to accept the Invitation and tender, exchange, assign and transfer the Eligible Bonds tendered, and that, if such Eligible Bonds are accepted for exchange then (i) on the Settlement Date, you will deliver good and marketable title thereto, free and clear of all liens, charges, claims, interests, rights of third parties, encumbrances and restrictions of any kind and such Eligible Bonds will not be subject to any adverse claim or right; and (ii) you will, upon request, execute and deliver additional documents and/or do such other things deemed by us, the Dealer Managers, the Trustees, or the Information, Tabulation and Exchange Agent to be necessary or desirable to complete the exchange, assignment and transfer of the Eligible Bonds tendered or to evidence such power and authority;
- u) you understand that the acceptance for exchange of Eligible Bonds pursuant to any of the procedures described in this invitation memorandum will constitute a binding agreement between you and us in accordance with the terms and subject to the conditions of the Invitation; and
- v) you have (a) arranged for a direct participant in Euroclear or Clearstream, as appropriate, to deliver tender instructions with respect to the Eligible Bonds to Euroclear or Clearstream, as appropriate, in the manner specified in the Invitation prior to the Expiration, (b) authorized Euroclear or Clearstream, as appropriate, in accordance with their procedures and deadlines, to (i) block any attempt to transfer such Eligible Bonds prior to the Settlement Date, (ii) cancel such Eligible Bonds (or such lesser portion as shall be accepted for tender by us) on the Settlement Date and (iii) disclose the name of the beneficial owner and information about the foregoing instructions with respect to such Eligible Bonds, and (c) further authorized the Information, Tabulation and Exchange Agent to instruct Euroclear or Clearstream, as appropriate, as to the aggregate principal amount of such Eligible Bonds that shall have been accepted for tender by us;
- w) you waive Swiss bank customer secrecy and/or other confidentiality obligations to the extent necessary to execute the Instruction;
- x) you have obtained any and all regulatory approvals required under the laws of any applicable jurisdiction, if any, for you to deliver the Instruction and to acquire the New Bonds pursuant to an Exchange Offer; and
- y) if you are located and/or resident in Japan, (a) you are a qualified institutional investor, as defined in Article 10 of the Ordinance of Cabinet Office Concerning Definitions Provided in Article 2 of the Financial Instruments and Exchange Act of Japan (“**QII**”); and (b) you have been informed that (1) the New Bonds have not been and will not be registered under Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the “**FIEA**”) since the offering in Japan constitutes the private placement to QIIs under Article 2, Paragraph 3, Item 2-A of the FIEA; and (2) any transfer of the New Bonds is prohibited except where it is transferred to QIIs.

TAXATION

The following discussion summarizes certain Argentine and U.S. federal income tax considerations that may be relevant to you if you invest in New Bonds. This summary is based on laws and regulations in effect in the Republic of Argentina and laws, regulations, rulings and decisions now in effect in the United States and may change. Any change could apply retroactively and could affect the continued validity of this summary.

This summary does not describe all of the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. You should consult your tax adviser about the tax consequences of holding New Bonds, including the relevance to your particular situation of the considerations discussed below, as well as of state, local or other tax laws.

Argentine Federal Taxation

The following discussion summarizes certain aspects of Argentine federal taxation that may be relevant to you if you are a holder of debt securities who is an individual that is a non-resident of Argentina or a legal entity that is neither organized in, nor maintains a permanent establishment in Argentina (a “**Non-Resident Holder**”). This summary may also be relevant to you if you are a Non-Resident Holder in connection with the holding and disposition of the debt securities. The summary is based on Argentine laws, rules and regulations now in effect, all of which may change.

This summary is not intended to constitute a complete analysis of the tax consequences under Argentine law of the receipt, ownership or disposition of the debt securities, in each case if you are a non-resident of Argentina, nor to describe any of the tax consequences that may be applicable to you if you are a resident of Argentina.

If you (i) receive any consideration pursuant to this offering, and (ii) are a Non-Resident Holder, the receipt of debt securities and Additional Consent Consideration (if applicable) will not result in any withholding or other Argentine taxes. Provided that all acts and contracts necessary for the acquisition of the debt securities are executed outside Argentina by Non-Resident Holders, the acquisition of debt securities pursuant to this offering will not be subject to any stamp or other similar Argentine taxes.

Under Argentine law, as currently in effect, if you are a Non-Resident Holder, interest and principal payments on the debt securities (and payment of the Additional Consent Consideration, if applicable) will not be subject to Argentine income or withholding tax if you have your residence in a country considered as cooperative in terms of fiscal transparency and that the funds used to purchase the debt securities came from a country considered as cooperative in terms of fiscal transparency (note that a list of non-cooperative jurisdictions is provided under Argentine regulations). If you are a Non-Resident Holder and you obtain capital gains resulting from any trade or disposition of debt securities, you will not be subject to Argentine income or other taxes if you have no connection with the Province other than as a holder of an interest in the debt securities provided that you have your residence in a country considered as cooperative in terms of fiscal transparency and the funds used to purchase the debt securities came from a country considered as cooperative in terms of fiscal transparency. For purposes of the applicable provisions of the Eligible Bonds (including any provision with respect to payment of additional amounts), the Additional Consent Consideration shall be deemed a payment with respect to the Existing Bonds.

If you are a Non-Resident Holder, provided that no bank account opened in an Argentine banking institution is used to receive capital or interest from the debt securities or the price of the sale of the debt securities, no Argentine tax (such as tax on debits and credits) would apply on said movement of funds.

If you are an individual or company that is resident in Argentina for tax purposes, please note that the aforementioned tax consequences may differ. Please refer to your tax advisors for the specific tax treatment applicable to you.

U.S. Federal Income Tax Consequences

The following discussion summarizes certain material U.S. federal income tax consequences of the Invitation to a U.S. Holder and does not apply to holders that are not U.S. Holders except where specified. You are

a “**U.S. Holder**” if you are a beneficial owner of Eligible Bonds that is a citizen or resident of the United States or a domestic corporation or otherwise subject to U.S. federal income tax on a net income basis in respect of Eligible Bonds and New Bonds received pursuant to the Invitation. This summary does not purport to be a comprehensive description of all of the tax consequences that may be relevant to your decision to participate in the Invitation, including tax consequences that arise from rules of general application to all taxpayers or to certain classes of taxpayers. This summary does not address the tax consequences to (i) persons that may be subject to special treatment under U.S. federal income tax law, such as banks, insurance companies, thrift institutions, regulated investment companies, real estate investment trusts, tax-exempt organizations, traders in securities that elect to mark-to-market and dealers in securities or currencies, persons that hold Eligible Bonds or will hold New Bonds as part of a position in a “straddle” or as part of a “hedging,” “conversion” or other integrated investment transaction for U.S. federal income tax purposes, entities or arrangements taxed as partnerships or the partners therein, U.S. expatriates, nonresident alien individuals present in the United States for more than 182 days in a taxable year, or persons whose functional currency is not the U.S. dollar, (ii) persons that do not hold Eligible Bonds or will not hold New Bonds as capital assets or (iii) persons that do not acquire New Bonds pursuant to the Invitation.

This summary is based on the Internal Revenue Code of 1986, as amended (the “**Code**”), Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, as of the date hereof, all of which are subject to change, possibly on a retroactive basis.

This summary addresses only U.S. federal income tax consequences, and does not address consequences arising under state, local, or foreign tax laws or under special timing rules prescribed under section 451(b) of the Code, the alternative minimum tax or the Medicare tax on net investment income. Investors should consult their own tax advisors in determining the tax consequences to them of the Invitation under such tax laws, as well as the application to their particular situation of the U.S. federal income tax considerations discussed below.

The Province has not sought any ruling from the U.S. Internal Revenue Service (the “**IRS**”) with respect to the statements made and the conclusions reached in this discussion, and there can be no assurance that the IRS will agree with all of such statements and conclusions.

Consequences of Receiving New Bonds Pursuant to an Exchange Offer or the Substitution Proposed Modifications

In General

The receipt of New Bonds pursuant to an Exchange Offer or the Substitution Proposed Modifications will be a taxable event upon which gain or loss is realized for U.S. federal income tax purposes (a “**realization event**”).

Under general principles of U.S. federal income tax law, a modification of the terms of a debt instrument (including an exchange of one debt instrument for another debt instrument having different terms) is a realization event only if the modification is “significant.” A modification of a debt instrument that is not a significant modification does not create a realization event. Under applicable regulations, the modification of a debt instrument is a “significant” modification if, based on all the facts and circumstances and taking into account all modifications, other than certain specified modifications, the legal rights or obligations that are altered and the degree to which they are altered is “economically significant.” The applicable regulations also provide specific rules to determine whether certain modifications, such as a change in the timing of payments or a change in the yield of a debt instrument, are significant. The receipt of New Bonds pursuant to an Exchange Offer or the Substitution Proposed Modifications will be considered a significant modification of the Eligible Bonds, because a number of material substantive terms of the Eligible Bonds (*e.g.*, change in timing of payments, interest rate, yield or payment schedules) will change in a significant manner as a result of the exchanges.

Taxable Exchange

Based on the foregoing, and subject to the discussion below of accrued but unpaid interest on the Eligible Bonds and the rules governing market discount and foreign currency gain or loss, you generally will recognize capital gain or loss upon the receipt of New Bonds pursuant to an Exchange Offer or the Substitution Proposed Modifications in an amount equal to the difference between your amount realized and your adjusted tax basis in the Eligible Bonds on the Settlement Date. Your adjusted tax basis in an Eligible Bond generally will equal the U.S.

dollar value of the amount paid therefor, increased by the amount of any market discount or original issue discount (“OID”) previously taken into account and reduced by the amount of any amortizable bond premium previously amortized with respect to the Eligible Bond and by any payments other than payments of qualified stated interest (defined as stated interest that is unconditionally payable in cash or property at least annually at a single fixed rate). Subject to the discussion below regarding accrued interest, your amount realized will be equal to the sum of (i) the issue price of the New Bonds that you receive (determined for each New Bond as described below under “—*Issue Price of the New Bonds*”), after excluding any New Bonds that you receive as part of the PDI Consideration (but including any New Bonds that you receive as part of the Remaining PDI Consideration) and (ii) any cash that you receive as part of the Remaining PDI Consideration. Any such capital gain or loss will be long-term capital gain or loss if your holding period for the Eligible Bonds on the Settlement Date is more than one year. Any gain or loss will generally be U.S.-source income for purposes of computing a U.S. Holder’s foreign tax credit limitation.

A U.S. Holder that receives PDI Consideration will treat such amount as a payment of accrued interest on the Eligible Bonds which will be included in ordinary income to the extent the U.S. Holder has not previously accrued such interest in income for tax purposes.

If a U.S. Holder does not receive PDI Consideration, then it is not entirely clear whether the receipt of New Bonds pursuant to the Substitution Proposed Modifications would be treated under U.S. Treasury regulations as a payment of accrued but unpaid interest on the Eligible Bonds. Any portion of the New Bonds so treated would be taxable as ordinary interest income and would be excluded from the calculation of gain or loss upon the receipt of New Bonds pursuant to the Substitution Proposed Modifications. Although the discussion above assumes that no portion of such New Bonds will be treated as received in respect of accrued but unpaid interest on the Eligible Bonds, it is possible that the IRS could disagree with this position. If you do not receive PDI Consideration, you should consult your own tax advisors regarding the treatment of accrued but unpaid interest on your Eligible Bonds, including, in the case of a U.S. Holder that uses an accrual method of accounting for U.S. tax purposes, the treatment of any nonpayment of such previously accrued interest.

In general, if you acquired Eligible Bonds with market discount, any gain you recognize with respect to such Eligible Bonds upon receipt of New Bonds will be treated as ordinary income to the extent of the portion of the market discount that has accrued while you held such Eligible Bonds, unless you have elected to include market discount in income currently as it accrues. You will have acquired an Eligible Bond with market discount for U.S. federal income tax purposes if your purchase price for the Eligible Bond was lower than its “stated redemption price at maturity” (as defined below under “—*Original Issue Discount*”) at the time of acquisition, or if the Eligible Bond was issued with OID your purchase price for the Eligible Bond was lower than its adjusted issued price at the time of acquisition, in each case unless a statutorily defined *de minimis* exception applied.

Gain or loss that you recognize upon the exchange of euro-denominated Eligible Bonds for New Bonds generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which you held the Eligible Bonds.

Your initial tax basis in a New Bond will be equal to its issue price (determined as described under “—*Issue Price of the New Bonds*” below). Your holding period with respect to such New Bonds will begin the day following the Settlement Date.

Issue Price of the New Bonds

As discussed above under “—*Consequences of Receiving New Bonds Pursuant to an Exchange Offers or the Substitution Proposed Modifications—Taxable Exchange*,” the amount you realize with respect to your substitution or tender of Eligible Bonds will be determined by reference to the issue price of the New Bonds received therefor. Your initial tax basis in the New Bonds will also be determined by reference to their issue price.

The issue price of a New Bond generally will be equal to the fair market value of the New Bond, determined as of the date of the Settlement Date, if a substantial amount of the New Bonds of the relevant series is “traded on an established market” for U.S. federal income tax purposes. Debt instruments are considered to be traded on an established market if, at any time during the 31-day period ending 15 days after the date of the exchange there is a sales price for the debt or there are one or more firm or indicative quotes for the debt instrument.

If no substantial amount of a series of New Bonds is “traded on an established market,” but the Eligible Bonds substituted or tendered for such New Bonds are so traded, the issue price of that series of New Bonds will be the fair market value of such Eligible Bonds determined as of such date. The Province expects that, for U.S. federal income tax purposes, each series of New Bonds will be traded on an established market on the Settlement Date. Therefore, the Province anticipates that the issue price of the New Bonds will be determined by reference to their fair market values on the Settlement Date.

The issue price of a euro-denominated New Bond will be determined in euro. Accordingly, the amount you realize with respect to your substitution or tender of Eligible Bonds for a euro-denominated New Bond (and your initial tax basis in such New Bond) will be equal to the U.S. dollar value of the issue price of the euro-denominated New Bond on the Settlement Date.

We will make the issue prices of the New Bonds available to holders in a commercially reasonable fashion, including by electronic publication, within 90 days of the Settlement Date.

Consequences of Holding the New Bonds

Qualified Stated Interest and Original Issue Discount

Payments or accruals of “qualified stated interest” on the New Bonds will be taxable to a U.S. Holder as ordinary interest income at the time it receives or accrues such amounts, in accordance with its regular method of tax accounting. In general, qualified stated interest is stated interest that is unconditionally payable in cash or in property at least annually at a single fixed rate. Interest payments on the New Bonds will constitute income from sources without the United States for U.S. foreign tax credit purposes.

If you hold euro-denominated New Bonds and you use a cash basis method of accounting for tax purposes, you would recognize income in respect of a payment of qualified stated interest based on the exchange rate in effect on the date of receipt, regardless of whether you actually convert the payment into U.S. dollars.

If you hold euro-denominated New Bonds and you use an accrual method of accounting for tax purposes, you may determine your accruals of qualified stated interest on the New Bonds based on the average exchange rate in effect during the interest accrual period or, with respect to an accrual period that spans two taxable years, that part of the period within the taxable year. Alternatively, you may determine such accruals based on the exchange rate in effect on the last day of the accrual period, or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. Additionally, under this second method, if you receive a payment of qualified stated interest within five business days of the last day of your accrual period or taxable year, you may instead translate the interest accrued into U.S. dollars at the exchange rate in effect on the day that you actually receive the interest payment. If you elect the second method it would apply to all debt instruments that you hold at the beginning of the first taxable year to which the election applies and to all debt instruments that you subsequently acquire. You may not revoke this election without the consent of the IRS. When you actually receive a payment of qualified stated interest, including a payment attributable to accrued but unpaid qualified stated interest upon the sale or retirement of your euro-denominated New Bond, you will recognize ordinary income or loss measured by the difference, if any, between the exchange rate that you used to accrue interest income and the exchange rate in effect on the date of receipt, regardless of whether you actually convert the payment into U.S. dollars.

The New Bonds will be issued with a significant amount of OID for U.S. federal income tax purposes. As discussed in more detail below, you will be required to include OID on the New Bonds in your gross income in advance of the receipt of cash payments on such bonds.

In general, the amount of OID with respect to a debt instrument is equal to the excess of (i) the “stated redemption price at maturity” of the debt instrument (which will equal the sum of all payments due under the debt instrument other than qualified stated interest), over (ii) the issue price of the debt instrument (which in the case of the New Bonds, will be determined as discussed above under “—*Consequences of Receiving New Bonds Pursuant to an Exchange Offer or the Substitution Proposed Modifications—Issue Price of the New Bonds*”). As the New Bonds will make interest payments from 2022 until their stated maturity that are higher than the initial interest payment, payments or accruals of stated interest on the New Bonds from 2022 until their stated maturity that are in

excess of the initial stated interest payment amount will be included in the stated redemption price at maturity of the New Bonds, thereby increasing the amount of OID on such bonds.

In general, you will be required to include OID in gross income under a constant-yield method over the term of the New Bonds in advance of cash payments attributable to such income, regardless of whether you are a cash or accrual method taxpayer, and without regard to the timing or amount of any actual payments. Under this treatment, you will include in ordinary gross income the sum of the “daily portions” of OID on the New Bonds for all days during the taxable year that you own the New Bonds. The daily portions of OID on a New Bond are determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. Accrual periods may be of any length and may vary in length over the term of the New Bonds, provided that no accrual period is longer than one year and each scheduled payment of principal or interest occurs on either the final day or the first day of an accrual period. The amount of OID on a New Bond allocable to each accrual period will be determined by multiplying the “adjusted issue price” (as defined below) of the New Bond at the beginning of the accrual period by the “yield to maturity” (as defined below) of such New Bond and then subtracting the qualified stated interest allocable to that accrual period.

The “**adjusted issue price**” of a New Bond at the beginning of any accrual period will generally be the sum of its issue price and the amount of OID allocable to all prior accrual periods, reduced by payments made on the New Bond other than payments of qualified stated interest. The “**yield to maturity**” of a New Bond will be the discount rate (appropriately adjusted to reflect the length of accrual periods) that causes the present value of all payments on the New Bond, including any payments of principal payable at or prior to the maturity of the New Bond, to equal the issue price of such bond.

All payments on a New Bond other than payments of qualified stated interest will generally be viewed first as payments of previously accrued OID to the extent thereof, with payments attributed first to the earliest-accrued OID, and then as payments of principal. If you hold a euro-denominated New Bond, you should determine the U.S. dollar amount includible as OID for each accrual period by (i) calculating the amount of OID allocable to each accrual period in euro using the constant-yield method described above and (ii) translating that euro amount at the average exchange rate in effect during that accrual period (or, with respect to an interest accrual period that spans two taxable years, at the average exchange rate for each partial period). Alternatively, you may translate the euro amount at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year, for an accrual period that spans two taxable years) or at the spot rate of exchange on the date of receipt, if that date is within five business days of the last day of the accrual period, provided that you have made such an election. Because exchange rates may fluctuate, if you hold a euro-denominated New Bond, you may recognize a different amount of OID income in each accrual period than would be the case if you were the holder of an otherwise similar bond denominated in U.S. dollars. Under these rules, upon the receipt of an amount attributable to OID (whether in connection with a payment of stated interest or stated principal pursuant to a principal repayment schedule (as described above under the “Financial Terms of the New Bonds”) or in connection with the sale or retirement of the New Bond), you will recognize ordinary income or loss measured by the difference between the amount received (translated into U.S. dollars at the exchange rate in effect on the date of receipt or on the date of disposition of the New Bond, as the case may be) and the amount accrued (using the exchange rate applicable to such previous accrual).

Sale, Exchange, Retirement or Other Taxable Disposition of New Bonds

Your initial tax basis in a New Bond, determined as described above under “—*Consequences of Receiving New Bonds Pursuant to an Exchange Offer or the Substitution Proposed Modifications—Issue Price of the New Bonds*,” will be increased over time by the amount of OID included in your gross income and decreased (but not below zero) by the payments on the New Bonds other than payments of qualified stated interest. The amount of any increase to basis in respect of OID accrued on euro-denominated New Bonds will be determined in the manner described above. The amount of any decrease to basis in respect of a payment of euro on such New Bonds generally will be the U.S. dollar value of the euro calculated at the exchange rate in effect on the date that the payment is received.

If you receive a payment on the New Bonds that decreases your basis to zero, then you will recognize gain in respect of any additional payments on the New Bonds other than payments of qualified stated interest. Except as

discussed below with respect to foreign currency gain, such gain generally will be capital gain and will be long-term capital gain if you have held the New Bond for more than one year on the date of the distribution.

You generally will recognize gain or loss on the sale, exchange, retirement or other taxable disposition of a New Bond in an amount equal to the difference between the amount you realize on such disposition (after excluding an amount equal to any accrued but unpaid qualified stated interest at the time of the disposition which will be treated as a payment of interest) and your tax basis in the New Bond. Except as discussed below with respect to foreign currency gain or loss, the gain or loss that you recognize on the disposition generally will be capital gain or loss and will be long-term capital gain or loss if you have held the New Bond for more than one year on the date of disposition.

The gain or loss recognized on the disposition of a euro-denominated New Bond (including gain recognized upon the receipt of a payment on the New Bond as described in the second preceding paragraph) generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which you held the euro-denominated New Bond. This foreign currency gain or loss will not be treated as an adjustment to interest income that you receive on a New Bond.

If you dispose of a New Bond for euro, the amount that you realize for U.S. tax purposes generally will be the U.S. dollar value of the euro that you receive calculated at the exchange rate in effect on the date that the euro-denominated New Bond is disposed of, except that in the case of a New Bond that is traded on an established securities market (as defined in the applicable Treasury regulations), a cash basis taxpayer, or an accrual basis taxpayer that so elects, would determine the amount realized based on the U.S. dollar value of the euro on the settlement date of the disposition.

Consequences if the Proposed Modifications Are Not Successful With Respect to your Eligible Bonds and You Do Not Participate in an Exchange Offer

If the Proposed Modifications are not successful with respect to your 2015 Indenture Eligible Bonds, and you do not exchange your 2015 Indenture Eligible Bonds for New Bonds in an Exchange Offer, the Invitation generally should not affect the U.S. federal income tax treatment of your 2015 Indenture Eligible Bonds.

As described in more detail above under “*Consequences of Receiving New Bonds Pursuant to an Exchange Offer or the Substitution Proposed Modifications—General*,” a modification of the terms of a debt instrument is a realization event only if the modification is “significant” for U.S. federal income tax purposes. Under applicable regulations, the modification of a debt instrument is a “significant” modification if, based on all the facts and circumstances and taking into account all modifications, other than certain specified modifications (as described below), the legal rights or obligations that are altered and the degree to which they are altered is “economically significant.” Although the matter is not free from doubt, we intend to take the position that the adoption of the Non-Reserve Matters Proposed Modifications, specifically (i) removing any requirement to maintain a trustee paying agent in Europe or in New York City and a registrar in New York City and (ii) giving the Province the right to change the place or places of payments provided for in the 2006 Indenture Eligible Bonds and appoint a paying agent in such place or places of payment, should constitute a “significant modification” of the terms of the 2006 Indenture Eligible Bonds for U.S. federal income tax purposes. In such case, if (i) the Substitution Proposed Modifications are not successful with respect to your 2006 Indenture Eligible Bonds and the Non-Reserve Matters Proposed Modifications are successful with respect to such 2006 Indenture Eligible Bonds, and (ii) you do not exchange your 2006 Indenture Eligible Bonds for New Bonds in an Exchange Offer, we expect there to be a deemed exchange of the 2006 Indenture Eligible Bonds for “new” bonds as a result of the Non-Reserve Matters Proposed Modifications. As a result, you generally will recognize gain or loss (in a manner similar to that described above under “—*Taxable Exchange*”) in an amount equal to the difference between the your adjusted tax basis in your 2006 Indenture Eligible Bonds and the issue price of the “new” bonds deemed to be received in exchange therefor. For this purpose, the issue price of the “new” bonds would be the fair market value of the bonds on the date of the deemed exchange if the bonds are considered to be traded on an established securities market, within the meaning of the Treasury regulations, or otherwise would be the stated principal amount of the bonds. Also, to the extent that the stated principal amount of the “new” bonds exceeds their issue price, as determined for U.S. federal income tax purposes, the “new” bonds would be treated as having been issued with “original issue discount,” subject to a *de*

minimis exception. You may be subject to limitations on your ability to recognize losses (if any) upon the deemed exchange.

Treasury Regulations provide that a modification that adds, deletes or alters customary accounting and financial covenants is not a significant modification. It is possible that, contrary to our intended position, the Non-Reserve Matters Proposed Modifications may not be viewed as “economically significant” including because it may be viewed as a modification that adds, deletes or alters customary accounting and financial covenants under such Treasury regulations. In such case, if (i) the Substitution Proposed Modifications are not successful with respect to your 2006 Indenture Eligible Bonds and the Non-Reserve Matters Proposed Modifications are successful with respect to such 2006 Indenture Eligible Bonds, and (ii) you do not exchange your 2006 Indenture Eligible Bonds for New Bonds in an Exchange Offer, you would not recognize gain or loss for U.S. federal income tax purposes solely as a result of the adoption of the Non-Reserve Matters Proposed Modifications, and you would continue to have the same tax basis and holding period with respect to your 2006 Indenture Eligible Bonds immediately after the adoption of the Non-Reserve Matters Proposed Modifications as you had with respect to your 2006 Indenture Eligible Bonds immediately before such adoption.

You should consult with your tax advisor regarding the consequences of the Non-Reserve Matters Proposed Modifications if the Substitution Proposed Modifications are not successful with respect to your 2006 Indenture Eligible Bonds and you do not participate in an Exchange Offer.

Reportable Transactions

A U.S. Holder that participates in a “reportable transaction” will be required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. A U.S. Holder may be required to treat a foreign currency exchange loss relating to the exchange of euro-denominated Eligible Bonds for New Bonds, a disposition of euro-denominated New Bonds (including any payment thereon at or prior to maturity) or the payment of previously accrued OID or interest on euro-denominated New Bonds as a reportable transaction if the loss exceeds certain specified thresholds (for individuals and trusts this loss threshold is U.S.\$50,000 in any single year, or for other types of taxpayers and other types of losses, the thresholds are generally higher), and such U.S. Holder may be required to comply with special rules that require that such amounts be reported to the IRS on IRS Form 8886 (Reportable Transaction Disclosure Statement). You should consult with your tax advisor regarding the possible application of these reporting requirements.

Foreign Financial Asset Reporting

Individual U.S. holders that own “specified foreign financial assets” with an aggregate value in excess of \$50,000 on the last day of the taxable year or \$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. “Specified foreign financial assets” include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which may include Eligible Bonds and New Bonds issued in certificated form) and any financial instrument or contract held for investment that has an issuer or counterparty which is other than a United States person that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules, including the application of the rules to their particular circumstances.

Backup Withholding and Information Reporting

Information returns generally will be filed with the IRS in connection with any cash payments made to certain U.S. taxpayers in exchange for Eligible Bonds, the accrual of OID or interest on the New Bonds by certain U.S. taxpayers, and the proceeds of dispositions of New Bonds effected by certain U.S. taxpayers. In addition, certain U.S. taxpayers may be subject to backup withholding in respect of such amounts if they do not provide their taxpayer identification numbers to the person from whom they receive payments. Non-U.S. taxpayers may be

required to comply with applicable certification procedures to establish that they are not U.S. taxpayers in order to avoid the application of such information reporting requirements and backup withholding. The amount of any backup withholding from a payment to a holder will be allowed as a credit against the holder or beneficial owner's U.S. federal income tax liability and may entitle the holder or beneficial owner to a refund, provided that the required information is timely furnished to the IRS.

DEALER MANAGERS

We have entered into a dealer manager agreement (as amended, the “**Dealer Manager Agreement**”) with BofA Securities, Inc. and Citigroup Global Markets Inc., as the exclusive Dealer Managers for the Invitation (the “**Dealer Managers**”). Pursuant to the Dealer Manager Agreement, we have:

- retained the Dealer Managers to act, directly or through affiliates, on our behalf as the exclusive Dealer Managers in connection with the Invitation,
- agreed to pay a customary fee for soliciting acceptances of the Exchange Offers and Consents to the Proposed Modifications,
- agreed to reimburse the Dealer Managers for certain expenses in connection with the Invitation, and
- agreed to indemnify the Dealer Managers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the Dealer Managers may be required to make because of those liabilities.

The Dealer Manager Agreement contains various other representations, warranties, covenants and conditions customary for agreements of this sort. To the extent that solicitations are required to be made in any jurisdiction by persons licensed or registered in such jurisdictions, such solicitations may be effected by affiliates of the Dealer Managers that are registered or licensed in such jurisdictions.

The Dealer Managers are not obligated to make a market for the New Bonds. The Dealer Managers may tender Eligible Bonds in the Invitation and may resell any New Bonds from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices to be determined at the time of sale.

The Dealer Managers and their affiliates have provided, and expect to provide in the future, financial advisory, investment banking and general banking services to the Province and its governmental agencies and instrumentalities, for which they have received and expect to receive customary fees and commission. The Dealer Managers and their affiliates may, from time to time, engage in transactions with and perform services for the Province in the ordinary course of business.

At any given time, the Dealer Managers or their respective affiliates may trade the Eligible Bonds or other debt securities of the Province for their own accounts or for the accounts of customers and may accordingly hold a long or short position in the Eligible Bonds or other securities of the Province. In addition, in the ordinary course of their business activities, the Dealer Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Province or its affiliates. If any of the Dealer Managers or their respective affiliates has a lending relationship with the Province, certain of those Dealer Managers or their respective affiliates routinely hedge or may hedge, their credit exposure to the Province consistent with their customary risk management policies. Typically, such Dealer Managers and their respective affiliates would hedge such exposures by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Province’s securities. Any such credit default swaps or short positions could adversely affect future trading prices of the Province’s securities. The Dealer Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

TRANSFER RESTRICTIONS

None of the New Bonds have been or will be registered under the Securities Act and they may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the New Bonds are being offered and sold only (a) in the United States to holders of Eligible Bonds who are “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) (each a “**QIB**”), and (b) outside the United States to Eligible Holders. As used herein, the term “**United States**” has the meanings given to them in Regulation S.

The distribution of this invitation memorandum is restricted by law in certain jurisdictions. Persons into whose possession this invitation memorandum comes are required by the Province to inform themselves of and to observe any of these restrictions.

This invitation memorandum does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or solicitation. None of the Province, the Dealer Managers or the Information, Tabulation Agent accepts any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.

The New Bonds will be subject to the following restrictions on transfer. Holders of New Bonds are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of their New Bonds.

If Instructions is delivered in respect of any Eligible Bonds that you beneficially own, you will be deemed to have made the following acknowledgments, representations to and agreements with the Province:

1. You acknowledge that:

a. the New Bonds have not been registered under the Securities Act or the securities laws of any other jurisdiction and are being offered for resale in transactions that do not require registration under the Securities Act or the securities laws of any other jurisdiction; and

b. unless so registered, the New Bonds may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth below;

2. You represent that you are not an affiliate (as defined in Rule 144 under the Securities Act) of the Province and you are not acting on behalf of the Province and that either:

a. you are a QIB and are acquiring the New Bonds for your own account or for the account of another QIB; or

b. you are located outside of the United States in reliance on Regulation S under the Securities Act;

3. You represent that, if you are in any EEA Member State or in the UK, you are a “qualified investor” as defined in the Prospectus Regulation or the UK Prospectus Regulation as applicable;

4. You represent that, if you are located in the UK, you are a relevant person (as this term is defined in “Notice to Prospective Investors in the United Kingdom”);

5. You agree on your own behalf and on behalf of any investor account for which you are delivering Instructions, and each subsequent holder of New Bonds by its acceptance of the New Bonds will agree, that the New Bonds may be offered, sold or otherwise transferred only:

a. to the Province;

b. inside the United States to a QIB in compliance with Rule 144A under the Securities Act;

c. outside the United States in compliance with Rule 903 or 904 under the Securities Act;

d. pursuant to a registration statement that has been declared effective under the Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act; and

e. in any other jurisdiction in compliance with local securities laws;

6. You acknowledge that the Province and the Trustees reserve the right to require, in connection with any offer, sale or other transfer of New Bonds, the delivery of written certifications and/or other information satisfactory to the Province and the trustee as to compliance with the transfer restrictions referred to above;

7. You agree to deliver to each person to whom you transfer New Bonds notice of any restrictions on transfer of such New Bonds;

8. You acknowledge that each New Bond delivered to any QIB will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A)(1) TO A PERSON WHO THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) OUTSIDE THE UNITED STATES PURSUANT TO THE TERMS AND CONDITIONS OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR PURSUANT TO ANOTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

THIS SECURITY AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED BY THE ACCEPTANCE OF THIS SECURITY TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

THIS LEGEND CAN ONLY BE REMOVED AT THE OPTION AND DIRECTION OF THE PROVINCE.

9. You acknowledge that the Province and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements. You agree that if any of the acknowledgments, representations or warranties deemed to have been made by the delivery of Instructions in respect of any Eligible Bonds beneficially owned by you is no longer accurate, you shall promptly notify the Province and the Information, Tabulation and Exchange Agent. If you are delivering Instructions as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the foregoing acknowledgments, representations, warranties and agreements on behalf of each account.

JURISDICTIONAL RESTRICTIONS

The distribution of this invitation memorandum and the transactions contemplated by it may be restricted by law in certain jurisdictions. Persons into whose possession such materials come are required to inform themselves of and to observe any of these restrictions.

This invitation memorandum does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or solicitation.

In any jurisdiction in which the Invitation is required to be made by a licensed broker or dealer and in which the Dealer Managers or any affiliate thereof is so licensed, it shall be deemed to be made by the licensed Dealer Managers or their respective affiliate on behalf of us.

If you are not a resident of one of the jurisdictions listed below, you should contact the Dealer Managers to request assistance.

United States

See transfer restrictions set forth under “Transfer Restrictions.”

European Economic Area

This invitation memorandum has been prepared on the basis that any offer of New Bonds in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of New Bonds. Accordingly any person making or intending to make an offer in that Member State of New Bonds which are the subject of the offering contemplated in this invitation memorandum may only do so to legal entities which are qualified investors as defined in the Prospectus Regulation, provided that no such offer of New Bonds shall require the Issuer or any of the Dealer Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation in relation to such offer.

Neither the Issuer nor the Dealer Managers have authorized, nor do they authorize, the making of any offer of New Bonds to any legal entity which is not a qualified investor as defined in the Prospectus Regulation. Neither the Province nor the Dealer Managers have authorized, nor do they authorize, the making of any offer of New Bonds through any financial intermediary. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended).

New Bonds may not be offered, sold or otherwise made available to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the New Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the New Bonds.

(c) no key information document required by the PRIIPs Regulation for offering or selling the New Bonds or otherwise making them available to retail investors in a Relevant State has been prepared and therefore offering or selling the New Bonds or otherwise making them available to any retail investor in a Relevant State may be unlawful under the PRIIPs Regulation.

Each person in a Member State of the EEA who receives any communication in respect of, or who acquires any New Bonds under, the offers to the public contemplated in this invitation memorandum, or to whom the New Bonds are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each Dealer Manager and the Issuer that it and any person on whose behalf it acquires New Bonds is: (1) a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation; and (2) not a “retail investor” (as defined above).

United Kingdom

In connection with this Invitation, each Dealer Manager:

- (a) has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial and Service and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any New Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the issuer; and
- (b) has complied and will comply with all applicable provisions of the FSMA and the Financial Services Act 2012 with respect to anything done by it in relation to the New Bonds in, from or otherwise involving the United Kingdom.

The New Bonds which are the subject of the offering contemplated by this invitation memorandum will not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the New Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the New Bonds.

Italy

None of the invitation memorandum or any other document or materials relating to the Invitation have been or will be submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (“CONSOB”) pursuant to Italian laws and regulations.

The Invitation is being carried out in the Republic of Italy (“Italy”) as an exempted offer pursuant to article 101-*bis*, paragraph 3-*bis* of the Legislative Decree No. 58 of 24 February 1998, as amended (the “Financial Services Act”) and article 35-*bis*, paragraphs 3 and 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Accordingly, Holders of the Eligible Bonds that are located in Italy can submit Instructions pursuant to

the Invitation through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended from time to time) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB, Bank of Italy or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Eligible Bonds or the Invitation.

Germany

See “Special Notice to Investors in the European Economic Area” on the cover page of this invitation memorandum, “Prohibition of Sales to EEA Retail Investors” and “—European Economic Area” above, for the applicable laws and regulations with respect to the Invitation in Germany.

Uruguay

The Invitation qualifies as a private placement pursuant to section 2 of Uruguayan law 18.627. The Province represents and agrees that it has not offered to purchase, and will not offer to purchase, any Eligible Bonds to the public in Uruguay, except in circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The Eligible Bonds and the New Bonds are not and will not be registered with the Central Bank of Uruguay to be publicly offered in Uruguay.

Switzerland

The Invitation and the related offering of the New Bonds in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (“**FinSA**”) because such Invitation and offering is made to professional clients within the meaning of the FinSA only and/or to less than 500 retail clients within the meaning of the FinSA and the New Bonds will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This invitation memorandum does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the Invitation or the offering of the New Bonds.

Bahamas

This invitation memorandum in connection with the offer of New Bonds by the Province has not been reviewed by the Securities Commission of The Bahamas because this offer of securities is being made pursuant to an approved foreign issuer exemption under the Securities Industry Act, 2011.

The New Bonds may not be offered in or from within The Bahamas unless the offer is made by a person appropriately licensed or registered to conduct securities business in or from within The Bahamas. The New Bonds may not be offered to persons or entities designated or deemed resident in The Bahamas pursuant to the Exchange Control Regulations, 1956 of The Bahamas unless the prior approval of the Central Bank of The Bahamas is obtained.

Canada

Canada—Eligibility. In order to participate in the Invitation, Holders of Eligible Bonds located in Canada are required to complete, sign and submit to the Information, Tabulation and Exchange Agent a Canadian certification form.

Canada—Selling Restrictions. Eligible Bonds may be exchanged for New Bonds pursuant to the Invitation only by Holders purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the New Bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Canada—Statutory Rights of Action for Rescission or Damages. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the invitation memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Canada—Taxation and Eligibility for Investment. Canadian investors who acquire New Bonds pursuant to the Invitation should consult their own legal and tax advisers with respect to the tax consequences of an investment in such securities in their particular circumstances and with respect to the eligibility of the said securities for investment by the purchaser under relevant Canadian legislation.

Chile

PURSUANT TO THE SECURITIES MARKET LAW OF CHILE AND *NORMA DE CARÁCTER GENERAL* (RULE) NO. 336, DATED JUNE 27, 2012, ISSUED BY THE FINANCIAL MARKET COMMISSION OF CHILE (*COMISIÓN PARA EL MERCADO FINANCIERO* OR “CMF”) (“**RULE 336**”), THE NEW BONDS MAY BE PRIVATELY OFFERED TO CERTAIN QUALIFIED INVESTORS IDENTIFIED AS SUCH BY RULE 336 (WHICH IN TURN ARE FURTHER DESCRIBED IN RULE NO. 216, DATED JUNE 12, 2008, AND RULE 410 DATED JULY 27, 2016, BOTH OF THE CMF).

RULE 336 REQUIRES THE FOLLOWING INFORMATION TO BE MADE TO PROSPECTIVE INVESTORS IN CHILE:

1. DATE OF COMMENCEMENT OF THE OFFER: APRIL 24, 2020. THE OFFER OF THE NEW BONDS IS SUBJECT TO RULE 336

2. THE SUBJECT MATTER OF THIS OFFER ARE SECURITIES NOT REGISTERED IN THE SECURITIES REGISTRY (*REGISTRO DE VALORES*) OF THE CMF, NOR IN THE FOREIGN SECURITIES REGISTRY (*REGISTRO DE VALORES EXTRANJEROS*) OF THE CMF; HENCE, THE NEW BONDS ARE NOT SUBJECT TO THE OVERSIGHT OF THE CMF;

3. SINCE THE NEW BONDS ARE NOT REGISTERED IN CHILE THERE IS NO OBLIGATION BY THE ISSUER TO DELIVER PUBLIC INFORMATION ABOUT THE NEW BONDS IN CHILE; AND

4. THE NEW BONDS SHALL NOT BE SUBJECT TO PUBLIC OFFERING IN CHILE UNLESS REGISTERED IN THE RELEVANT SECURITIES REGISTRY OF THE CMF.

Japan

The New Bonds have not been and will not be registered under Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (the “**FIEA**”) since the offering in Japan constitutes the private placement to qualified institutional investors under Article 2, Paragraph 3, Item 2-A of the FIEA. Any transfer of the New Bonds is prohibited except where it is transferred to qualified institutional investors, as defined in Article 10 of the Ordinance of Cabinet Office Concerning Definitions Provided in Article 2 of the Financial Instruments and Exchange Act of Japan.

Luxembourg

Neither this invitation memorandum nor any other documents or materials relating to the Invitation have been submitted to or will be submitted for approval or recognition to the *Commission de Surveillance du Secteur Financier*, and, accordingly, the Invitation and the related Exchange Offers may not be made in the Grand Duchy of Luxembourg in a way that would be characterized as or result in an offering to the public other than in compliance with, and in circumstances that do not require the publication of a prospectus pursuant to the Prospectus Regulation, and the Luxembourg Law of 16 July 2019 on Prospectuses for Securities, in each case as amended or replaced from time to time.

Accordingly, the Invitation and the related Exchange Offers may not be advertised and neither this invitation memorandum nor any other documents or materials relating to the Invitation (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in the Grand Duchy of Luxembourg other than “qualified investors” in the sense of Article 2(e) of the Prospectus Regulation, acting on their own account. Insofar as the Grand Duchy of Luxembourg is concerned, this invitation memorandum has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Invitation. Accordingly, the information contained in this invitation memorandum may not be used for any other purpose or disclosed to any other person in the Grand Duchy of Luxembourg, except for the sole purpose of the admission of the New Bonds to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF Market of the Luxembourg Stock Exchange.

FORWARD-LOOKING STATEMENTS

This invitation memorandum and any related supplement may contain forward-looking statements within the meaning of Section 27A of the Securities Act and section 22 of the U.S. Securities Exchange Act of 1934 as amended (the “**Exchange Act**”). Forward-looking statements are statements that are not historical facts, including statements about the Province’s beliefs and expectations. These statements are based on the Province’s current plans, estimates and projections. Therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made. The Province undertakes no obligation to update any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties, including, but not limited to, those set forth in “Risk Factors” in this invitation memorandum. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. The information contained in this invitation memorandum identifies important factors that could cause such differences. Such factors include, but are not limited to adverse domestic and external factors, such as increases in inflation, high domestic interest rates and exchange rate volatility, political, climate or health related events, adverse external factors, such as a decline in foreign investment, international or domestic hostilities and political uncertainty, adverse outcomes in ongoing litigation and arbitration proceedings in several jurisdictions that may lead to new judgments and awards against the Province, changes in international prices (including commodity prices) for goods produced within the Province, changes in international interest rates, recession or low economic growth in Argentina’s trading partners, any of which could lead to lower economic growth in the Province, and, indirectly, reduce tax revenues and other public sector revenues and adversely affect the Province’s fiscal accounts and its ability to service its debts.

VALIDITY OF THE NEW BONDS

The validity of the New Bonds will be passed upon on behalf of the Province by the *Asesor General del Gobierno* (General Legal Advisor to the Executive Branch) as to all matters of Argentine law and Cleary Gottlieb Steen & Hamilton LLP, special New York counsel to the Province, as to all matters of U.S. law, and on behalf of the Dealer Managers by Salaverri, Burgio & Wetzler Malbrán, special Argentine counsel to the Dealer Managers, as to all matters of Argentine law, and by Sullivan & Cromwell LLP, New York counsel to the Dealer Managers, as to all matters of U.S. law.

As to all matters of Argentine law, Cleary, Gottlieb, Steen & Hamilton LLP may rely on the opinion of the *Asesor General del Gobierno* (General Legal Advisor to the Executive Branch). As to all matters of U.S. law, the *Asesor General del Gobierno* (General Legal Advisor to the Executive Branch) may rely on the opinion of Cleary, Gottlieb, Steen & Hamilton LLP.

GENERAL INFORMATION

Due Authorization

We will authorize (a) the creation and issue of the New Bonds and (b) the Invitation pursuant to Financial Administration Law, Laws No. 15,165, No.15,225, No. 15,181 and/or 15,077 and through a Resolution of the Minister of Treasury and Finance to be issued on or before the issue date of the New Bonds.

Litigation

Except as described in the invitation memorandum, neither the Province nor any provincial governmental agency is involved in any litigation or arbitration or administrative proceedings relating to claims or amounts that are material in the context of the Invitation or issue of the New Bonds and that would materially and adversely affect the Province's ability to meet its obligations under the New Bonds, the 2006 Indenture and the 2015 Indenture with respect to the New Bonds. No such litigation or arbitration or administrative proceedings are pending or, so far as we are aware, threatened.

Documents Relating to the Debt Securities

Copies of the 2006 Indenture, 2015 Indenture, this invitation memorandum and the forms of the New Bonds may be inspected free of charge during normal business hours on any day, except Saturdays, Sundays and public holidays in Luxembourg, at the offices of the listing agent in Luxembourg, as long as the New Bonds are listed on the Luxembourg Stock Exchange. Copies of this invitation memorandum may be obtained during normal business hours on any day except Saturdays, Sundays and public holidays, at the offices of the listing agent in Luxembourg, as long as the New Bonds are listed on the Luxembourg Stock Exchange.

Clearing

Application will be made for all of the New Bonds to clear through Euroclear and Clearstream.

ANNEX A

The information contained in Annex A was included in the invitation memorandum dated as of April 24, 2020. This information has been supplemented with the information about the Province contained in the section of the invitation memorandum titled “Recently Published Information and Events.” You should read the following discussion together with the more updated information appearing in “Recently Published Information and Events.” To the extent there is any inconsistency between any statement in this Annex A and any other statement in “Recently Published Information and Events,” the statements in the latter will prevail. References to the “invitation memorandum” in this Annex A shall refer to the invitation memorandum dated as of April 24, 2020.

THE PROVINCE OF BUENOS AIRES

General

The Province is the largest of Argentina’s 23 provinces with an area of 304,907 square kilometers. It is located in the central-eastern part of the country. It has a coastline of approximately 1,800 kilometers, including its shoreline on the *Río de la Plata* (River Plate), and enjoys a mild climate and fertile agricultural areas suitable for raising cattle and for a wide variety of agricultural activities. In addition, the Province is the most industrialized area of Argentina. The capital of the Province is the city of La Plata.

With approximately 17.54 million inhabitants according to projections published by INDEC for 2020, the Province’s population represents approximately 38.65% of the total population of Argentina. Approximately 64.1% of the Province’s population is concentrated in the *Conurbano Bonaerense*. The City of Buenos Aires is not part of the Province.

Constitutional Framework and Relationship between Federal and Provincial Governments

The Argentine federal constitution sets forth a division of powers between the federal and provincial governments. Each province has its own constitution, which establishes its governmental structure and provides for the election of a provincial Governor and Vice Governor and a provincial legislative branch. The provinces have general jurisdiction over matters of purely provincial or local concern, including, among others:

- healthcare and education,
- provincial police and courts, and
- the borrowing of money on its own credit, subject to a federal approval and control mechanism.
- the jurisdiction of the federal government is limited to those matters that are expressly delegated to it by the federal constitution. These areas include, among others:
 - the regulation of trade and transport,
 - the issuance of currency,
 - the regulation of banks and banking activities,
 - national defense and foreign affairs, and
 - customs and the regulation of shipping and ports.

The federal government does not guarantee, nor is it responsible for, the financial obligations of any province.

Under the Argentine federal system, each province retains significant responsibility for the rendering of public services and other functions within its territory that require public expenditure, while relying primarily on a centralized tax collection system run by the federal government as a source of public revenues. This centralized

system, which is called the federal tax co-participation regime, dates back to 1935, when the provinces agreed to delegate their constitutional power to collect several categories of taxes to the federal government in exchange for transfers of a portion of the related tax revenues. This coordinated taxation regime has been amended several times and, currently, the “shared” or “co-participated” taxes include income tax, value-added tax, a tax on financial transactions and several specific excise taxes levied on consumption. See “Public Sector Finances—Main Sources of Revenues—Federal Tax Co-Participation Regime.”

Political Parties

Historically, the main traditional political parties in Argentina were the *Partido Justicialista* (Justicialist Party, or “PJ”) and the *Unión Cívica Radical* (Radical Civic Union, or “UCR”). In recent years, several new parties and coalitions have been created.

The following are Argentina’s main national political coalitions:

- *Frente de Todos* (Front of All), a coalition of several parties, including primarily:
 - *Partido Justicialista* (“PJ”), or Peronist Party, founded by President Juan D. Perón in the 1940s, which includes the following factions:
 - *Unidad Ciudadana* (Citizen’s Union), formerly *Frente para la Victoria* (Front for Victory); and
 - *Frente Peronista* (Peronist Front).
 - *Frente Renovador* (Renewal Front, or “FR”), founded in 2013 as a split-off from the PJ. For the 2015 presidential elections, the FR and the former governor of the province of Córdoba, Juan Manuel de la Sota, formed the *Unidos por una Nueva Alternativa* (“UNA”) coalition. On October 27, 2019, presidential and congressional elections took place in Argentina. Alberto Fernández (*Frente de Todos*) obtained 48.10% of the votes, Mauricio Macri (*Juntos por el Cambio*) obtained 40.37% of the votes and Roberto Lavagna (*Consenso Federal*) obtained 6.16% of the votes.
- *Juntos por el Cambio* (Together for Change), formerly *Cambiamos*, was founded in 2015 and is a coalition of several parties, including primarily:
 - *Unión Propuesta Republicana* (Republican Proposal Union, or “**Unión PRO**”), a political alliance that emerged in Argentina in 2007 composed of the following parties: *Propuesta Republicana* (Republican Proposal) (formerly *Compromiso para el Cambio*), *Unión del Centro Democrático* (UCeDé) (Union of the Democratic Center), *Recrear para el Crecimiento* (Recreating for Growth), *Partido Federal* (Federal Party), *Unión Celeste y Blanco* (Blue and White Union), *Partido Popular Cristiano Bonaerense* (Christian People's Party of Buenos Aires) and *Partido Nuevo Buenos Aires* (New Buenos Aires Party);
 - Radical Civic Union; and
 - *Coalición Cívica* (Civic Coalition, or “**ARI**”).

The next elections for President of Argentina and for Governor of the Province will take place in October 2023. In October 2021 elections will be held to vote for one third of the members of the national Senate and half of the members of the national House of Deputies.

Provincial Government

Executive Branch

The executive branch consists of a Governor and a Vice Governor, who are elected together for a four-year term and may seek re-election for a maximum of two consecutive terms, and a number of ministries and secretariats. The Governor has the power to appoint and remove ministers. The Governor also appoints, subject to confirmation

by the provincial senate (the “**Senate**”), the General Provincial Attorney, the President of the Audit Tribunal and the president of Banco Provincia, among others. The Governor also presents budget bills and the state of public accounts of the previous fiscal year before the provincial legislative branch.

The general presidential and provincial elections were held on October 27, 2019. Axel Kicillof was elected governor of the Province with 52.74% of the votes, defeating incumbent María Eugenia Vidal, who obtained 34.54% of the votes. Axel Kicillof took office in December 10, 2019 and his current term ends in 2023. The Vice Governor is Verónica Magario, also a member of the *Frente de Todos* coalition.

The executive branch carries out its duties with the assistance of ministers, whose powers are provided by Law No. 15,164, enacted on December 11, 2019. The Province’s organizational structure is comprised of the following ministries: Chief of the Cabinet of Ministers; Ministry of Public Communications; Ministry of Agricultural Development; Ministry of Community Development; Ministry of Governmental Affairs; Ministry of Treasury and Finance; Ministry of Infrastructure and Public Services; Ministry of Justice and Human Rights; Ministry of Women, Gender Policies and Sexual Diversity; Ministry of Production, Science and Technological Innovation; Ministry of Health; Ministry of Security; and Ministry of Labor.

Legislative Branch

The legislative branch is composed of two bodies: the Senate, composed of 46 members, and the House of Deputies, composed of 92 members. The Vice Governor serves as President of the Senate. The members of both bodies are elected to four-year terms by popular vote. Half of the members of each of these bodies face election every two years.

The tables below show, by political party or coalition, the current composition of the provincial legislature after the most recent elections in October 2019:

Composition of the House of Deputies

Parties/ Coalitions	Number of Seats	%
Frente de Todos	45	48.9%
Juntos por el Cambio	38	41.3%
Cambio Federal	5	5.4%
17 de Noviembre	2	2.2%
Partido Fe	1	1.1%
Frente Izquierda y de los Trabajadores	1	1.1%
Total	92	100.0%

Source: Legislature of the Province.

Composition of the Senate

Parties	Number of Seats	%
Juntos por el Cambio	26	56.5%
Frente de Todos	20	43.5%
Total	46	100.0%

Source: Legislature of the Province.

The next election for members of the Senate and House of Deputies will take place in October 2021.

Judicial Branch

The judicial branch of the Province consists of trial courts, courts of appeals and the provincial Supreme Court, which have jurisdiction over civil, commercial, administrative, labor, family and criminal matters within the Province. The Supreme Court justices are appointed by the Governor and confirmed by the Senate. The Governor appoints other judges from a list of candidates proposed by the *Consejo de la Magistratura* (Counsel of Magistrates), with the Senate’s approval. Judges serve for life and can be removed only by impeachment proceedings. Argentina also has a federal judiciary that has jurisdiction over federal matters within the territory of the Province.

Other Agencies

The provincial constitution provides for the existence of four provincial agencies that are not part of any of the three branches of government: the *Contaduría General de la Provincia* (General Accounting Office), the *Tribunal de Cuentas* (Audit Tribunal), the *Tesorería General de la Provincia* (General Treasury) and the *Fiscalía de Estado* (Attorney General's office). All of the agencies, except the General Treasury, are part of the control system of the provincial administration set forth in Law No. 13,767 (the "**Financial Administration Law**").

The Province's General Accounting Office keeps books and records of the Province's operations and administers the Financial Information System, which provides information to the public on matters relating to the budget, cash flow and property management as well as the economic, operating and financial administration of the Province and prepares the annual financial statements that are submitted to the legislative and executive branches and to the Audit Tribunal. The General Accounting Office also internally controls the financial and economic administration of the provincial public sector.

The Audit Tribunal examines the investment and collection accounts on public revenues, both provincial and municipal, approving or rejecting them, and also holds public servants accountable when appropriate.

The Attorney General's office represents the Province in any lawsuits that could affect the Province's assets and reviews and oversees the legal aspects of the activities of the executive branch. The Attorney General's office also has the authority to challenge in court any provincial laws or decrees that it considers unconstitutional. The Attorney General is appointed for life by the Governor and confirmed by the Senate, and may be removed from office only through impeachment. Hernán Gomez is the current Attorney General of the Province.

The Province's General Treasury makes payment orders that have been previously authorized by the General Accounting Office and manages the Province's bank accounts, all of which are held at Banco Provincia in accordance with the Financial Administration Law.

Municipalities

The Province is divided into 135 municipalities, several of which are more populous than some Argentine provinces. The general administration of each municipality is carried out by its Mayor. In addition, each municipality has its own legislature, which passes ordinances on organizational and technical matters relating to the administration of each municipality.

Each municipality is in charge of providing basic local services such as water, sewerage, street lighting and first aid services, which are financed in part by municipal tax revenues. The Province is responsible for the financing of services related to health care, education and security.

Pursuant to provincial co-participation law, the municipalities receive, in the aggregate, 16.14% of provincial taxes collected by the Province such as non-decentralized gross revenue tax, urban real estate tax, non-decentralized automobile tax, stamp tax and federal co-participation transfers. The overall percentage of funds transferred by the Province to its municipalities and the portion of such funds to be allocated to each municipality are determined and may be modified by the provincial legislature.

In 2003, pursuant to the collection and tax administrative decentralization law, the Province transferred to its municipalities the administration of a number of taxes, such as rural real estate taxes, certain gross revenue taxes and certain automobile taxes. A portion of the revenues from these taxes is allocated to the Province based on criteria that vary for each tax. Another portion of such revenues is allocated to the municipalities as compensation for their tax collection and administration services. The remaining revenues are allocated to social programs and environmental sanitation, as well as to the maintenance of roads and schools.

Environment

In 1973, Argentina was one of the first Latin American countries to create an environmental protection agency, and in 1995, the Province created the *Organismo Provincial para el Desarrollo Sostenible* (Provincial Organization for Sustainable Development, or "**OPDS**"), which is in charge of overseeing environmental issues in

the Province. The OPDS conducts environmental inspections, maintains a database of licensed environmental service providers, receives citizen complaints about pollution and is involved in a wide range of environmental projects, from bio-fuel promotion, clean-up and forestry to energy efficiency.

Although the Province confronts many environmental issues, including soil and air quality, the major environmental challenge facing the Province is water quality. Three water basins with significant pollution are located within the Province: the Matanza-Riachuelo River Basin, the Reconquista River Basin and the Luján River Basin.

Matanza-Riachuelo River Basin

This basin has suffered significant degradation as a result of many years of unplanned urban development. In addition, approximately 10,000 manufacturing facilities dump industrial waste in drainages or directly into several local rivers. Moreover, the evolution and growth of the industrial sector has not been accompanied by the necessary clean-up infrastructure investment that these activities demand. This situation has made it necessary to adopt public policies aimed at reversing the damage on the environment caused over the years.

The *Autoridad de la Cuenca Riachuelo-Matanza* (Authority of the Matanza-Riachuelo Basin, or “ACUMAR”) was created in December 2006 to address and monitor the environmental aspects related to the Matanza-Riachuelo River Basin. This entity is empowered to inspect, sanction and close down the companies polluting the area. The ACUMAR replaced several governmental authorities and has the power and the necessary means to coordinate the large scale environmental clean-up and rational use of natural resources.

In 2004, a case was brought before federal court by Beatriz Silvia Mendoza and a number of other neighbors, requesting the environmental clean-up of the basin and the creation of a special fund to finance such clean-up. In this case, the federal government, the Province and the City of Buenos Aires together with 44 other companies are charged with environmental pollution. The complaint was later extended to include 14 municipalities of the Province.

In 2008, the Supreme Court of Argentina issued a ruling on the case, requiring ACUMAR to comply with a clean-up program and making the federal government, the Province and the City of Buenos Aires jointly responsible for its execution. The Supreme Court of Argentina also indicated that the governments are responsible for preventing further damage and repairing the existing damage to the basin. Accordingly, the Supreme Court of Argentina set a 90-day period for the governments involved to implement an active health plan for the areas affected by the basin pollution, and established fines for public officials who did not comply with the law. In addition, follow up and control mechanisms have been implemented to comply with the established goals, such as public hearings before the federal courts and the issuance of reports on the clean-up of the Matanza-Riachuelo River Basin.

In order to comply with the Supreme Court of Argentina’s judgment, the Province together with certain other defendants developed the *Plan Integral de Saneamiento Ambiental* (Comprehensive Plan for Environmental Sanitation or “PISA”), which is a comprehensive environmental clean-up plan. The PISA was last updated in March 2010.

In order to provide relevant information about the basin, as well as the progress of actions under the PISA framework, a system of indicators has been developed. Its last publication compiles the results for 2012.

Reconquista River Basin

The Reconquista River Basin is the second most contaminated river basin in Argentina, following the Matanza-Riachuelo River Basin. The number of urban settlements and manufacturing facilities in the nearby area has been increasing over the years without any plan or consideration of the environmental characteristics of the region. This significant concentration of people and factories has polluted the surface and underground water resources with domestic and industrial waste.

In November 2006, the provincial government approved a new environmental clean-up program for the Reconquista River Basin, and entrusted the *Comité de la Cuenca del Río Reconquista* (Reconquista River Basin Committee, or “COMIREC”), created in 2001, with the control and monitoring of domestic and industrial

pollution. In December 2014, the Province signed a loan with the IDB for USD 230 million for the integral clean-up of the Reconquista River Basin.

Luján River Basin

The Luján River Basin is the third most contaminated river basin in the Province. In 2001 and 2008 the Regional Committee A, and the Regional Committee B, respectively, were created with the participation of the pertinent municipalities to oversee environmental issues affecting the Luján River Basin. The Regional Committee A holds periodic meetings and the Regional Committee B is not yet fully operational.

THE PROVINCIAL ECONOMY

Introduction

Historically, the economy of the Province has represented a significant part of the overall Argentine economy, tracking Argentina's growth and recessionary cycles.

In the 2014 to 2018 period, the Provincial GDP showed an average annual reduction of 1%, registering only two years with growth, 2015 and 2017. In 2017 the provincial economy registered an increase of 2.1% as compared to 2016 in real terms, strongly driven by the manufacturing industry and construction, which grew 4.4% and 17.6%, respectively. In 2018 the level of unemployment in Greater Buenos Aires slightly decreased from 9.4% to 9.2%. as compared to 2017.

In 2018, the Provincial GDP decreased 4.0%, from the prior year, the most affected sectors being agriculture and livestock, which fell by 12.7%; the manufacturing industry, which registered a 7.1% drop and trade, falling 6%. In 2018, unemployment also rose to 11.4% in Greater Buenos Aires.

In 2019, the quarterly economic activity indicators developed by the Province, which track quarterly variations in economic activity to anticipate changes in the annual GDP at constant prices, decreased by 0.7% compared to 2018, with the manufacturing industry and the construction sectors being the most impacted sectors, decreasing by 7.2% and 6.1% respectively. Unemployment also remained at high levels during this year, reaching 10.8% in Greater Buenos Aires.

Presentation of Data

In 2016, INDEC released new federal GDP data since 2004 using the new base year. In addition, on June 29, 2016, INDEC published a revised calculation of the 2004 GDP, which forms the basis of Argentina's real GDP calculation for every year thereafter. As a result of the measures adopted by INDEC to revise its methodology for calculating GDP, the Province adapted its own GDP calculation in line with INDEC's methodology. In addition, the Province changed the base year for calculating GDP from 1993 to 2004, the same base year used by INDEC.

The Province applied this new methodology retroactively to revise a series of data for the 2004-2017 period. The information presented in this section describes the evolution of the Provincial GDP under this new methodology

Factors Affecting the Argentine Economy in 2018 and 2019

During the first five months of 2018, the Argentine economy was affected by a severe drought that led to a sharp decline in agricultural production and export revenue, while world energy prices increased and global access to financing became tighter through the appreciation of the U.S dollar and an upward shift in the U.S. yield curve. These factors negatively affected the peso, which lost 34.5% of its value vis-à-vis the U.S. dollar between January 2 and May 31, 2018, generated market concerns regarding the Central Bank's ability to roll-over its short-term debt and resulted in a marked increase in Argentina's sovereign risk premium.

In June 2018, the federal government announced a 36-month precautionary Stand-By Arrangement (the "SBA") with the International Monetary Fund ("IMF") and other financing agreements with multilateral organizations. In spite of the SBA and Argentina's compliance with the structure benchmark, inflation did not abate, net international reserves continued to decrease, the current account deficit remained high and other program targets were not met. In August 2018, after the peso lost 21.3% of its value vis-à-vis the U.S. dollar over a period of 20 days, the federal government requested (i) an augmentation of access under the SBA, (ii) a front-loading of access into 2018-2019 (instead of 2020-2021) and (iii) that the domestic counterpart of the access drawn under the SBA be made available to support budget needs.

During 2019, the recession that had been affecting the Argentine economy since the third quarter of 2018 deepened, and GDP contracted by 2.2%. Further, the Central Bank's gross international reserves decreased to USD 44.8 billion as of December 31, 2019 (a USD 20.9 billion decrease compared to gross international reserves as of December 31, 2018).

Notwithstanding the strong contraction in economic activity, inflation accelerated during 2019, reaching 53.8% year-on-year in December. In addition, the unemployment rate stood at 10.6% and 9.7% in the second and third quarters of 2019, respectively, compared to 9.6% and 9.0% in the second and third quarters of 2018. In 2019, real wages in the formal and informal sectors decreased by 6.5% and 15.8%, respectively. In addition, poverty and extreme poverty levels increased to 35.5% and 8.0% of the population, respectively, in the second half of 2019 from 35.4% and 7.7% in the first half of 2019.

The Argentine Economy since December 2019

Against this political and economic backdrop, in December 2019, the Fernández administration enacted the Solidarity Law, declaring a state of public emergency, expected to remain in force until December 31, 2020, addressing diverse economic, financial, fiscal, administrative, pensions, tariff, energy, health and social matters. The Solidarity Law delegated certain legislative powers to the Executive Power in order to tackle social and economic distress, as well as to manage Argentina's public debt profile. The main reforms introduced by the Solidarity Law include the following:

1. *Public Debt and its Sustainability:* The Executive Power was authorized to perform all necessary acts to recover and ensure the sustainability of the Argentine public debt. In addition, the federal government was authorized to issue debt securities to the Central Bank for an amount of up to USD 4.6 billion in exchange for reserves that could only be applied to meet Argentina's foreign currency-denominated debt obligations.
2. *Energy System:* The Executive Power was authorized to freeze electricity and gas tariffs that are under federal jurisdiction for 180 days, starting on December 23, 2019, and to begin a comprehensive renegotiation of such tariffs with the relevant utilities companies. Furthermore, the Executive Power was authorized to intervene in the administration of the ENRE and the ENARGAS for a period of one year. During such one-year period, the transfer of jurisdiction, of Empresa Distribuidora Norte S.A. ("Edenor") and Empresa Distribuidora Sur S.A. ("Edesur"), from ENRE to a new regulatory entity to be created by the Province and the City of Buenos Aires will be suspended. Such transfer of jurisdiction was established in the 2018 Fiscal Consensus, approved by Law No. 27,469, whereby the national Executive Power agreed with the relevant local authorities to transfer the jurisdiction of Edenor and Edesur from the national jurisdiction to both the Province and the City of Buenos Aires. Despite the suspension of the transfer, the Province is still responsible for paying the relevant subsidies.
3. *Tax Obligations:* The Solidarity Law modified the following tax obligations.
 - *Personal Property Tax:* Personal property tax rates were increased, effective for the year ended in 2019. The rate increases varied by bracket and ranged from 0.5% to 1.25%.
 - *Foreign Assets Tax:* Differential rates ranging between 0.7% and 2.25% were established to tax assets held overseas.
 - *Taxation on Interest from Certain Argentine Investments:* The Solidarity Law amended the Income Tax Law to eliminate taxation on income derived from (i) interest from deposit and savings accounts and fixed-term Argentine peso-denominated deposits held in financial institutions regulated by the Financial Institutions Act (Law No. 21,526) and (ii) the sale, exchange or disposition of debt instruments issued by Argentina, its provinces or the City of Buenos Aires, and municipalities, if listed on exchanges or markets authorized by the *Comisión Nacional de Valores*. Fixed-term interest gains in local currency, securities and negotiable obligations with public offers were exempt for the 2019 fiscal year. As of 2020, this tax no longer applies to financial income, but remains effective only on the sale of companies' shares, stakes in companies' equity, and shares of certain common investments funds, debt titles of financial trusts and certain other investments such as shares of unquoted condominium and shares of closed investment funds. These changes were effective pursuant to Section 19 of Decree No. 281/97 (Law No. 23,966), Section 22(h) of Decree No. 281/97 (Law No. 23,966), and Section 45 of the Solidarity Law.

- *Bank Debits, Credits, and Withdrawals Tax*: The tax rate on all debits and bank credits on cash withdrawals from all accounts were doubled, but small and medium size businesses (“PyMEs”) were exempt from such doubling.
 - *Income Tax*: The previously approved reduction of the corporate tax rate from 30% to 25% that was scheduled to be effective from January 1, 2020, is suspended for one year, until January 1, 2021. The corporate income tax rate for the year 2020 therefore remains at 30%. The scheduled increase of dividend withholding tax from 7% to 13% is also suspended until January 1, 2021.
 - *PAIS Tax*: The federal government established the *Impuesto Para una Argentina Inclusiva y Solidaria* (“Tax for an Inclusive and Supportive Argentina, or the “PAIS Tax”), which will be effective for the next five years. The tax imposes a 30% rate on the following transactions, and certain others, made in the FX market:
 - Purchase of foreign currency for savings purposes or without any other specified purpose;
 - Purchases of foreign currency used to pay for goods or services provided by foreign sources and/or paid for with credit or debit cards (including withdrawals or cash advances made abroad);
 - Hiring of services abroad through local travel agencies; and
 - Purchase of transport services to travel abroad, if foreign currencies are bought in the FX market to pay for such services.
 - *Export Duties*: The Executive Power was authorized to establish export duties not exceeding 33% of the taxable value of such exports and with the following tax rate limits on specific goods: (i) a 33% limit for soybeans; (ii) a 15% limit for goods not subject to export duties as of September 2, 2018, including those with a rate of 0% at the time; (iii) a 5% limit for agro-industrial goods from regional economies, as defined by the Executive Power; (iv) a 5% limit for goods or services of industrial origin; and (v) an 8% limit for hydrocarbons and mining.
4. *Wages*: The Solidarity Law authorized the Executive Power to impose mandatory minimum wage increases in the private sector. Consequently, the President has the power to order salary increases by decree. On January 4, 2020, President Fernández introduced a mandatory salary increase for private sector employees of ARS 4,000: an initial increase of ARS 3,000 effective from January 2020 and a further increase of ARS 1,000 effective from February 2020.
 5. *Pensions*: Commencing on the date of promulgation of the Solidarity Law, the use of the existing formula for automatic adjustments of pension payments owed by the federal government was suspended for 180 days. The Solidarity Law empowered the Executive Power to establish a new formula to be used in calculating pension adjustments on a quarterly basis going forward, following the temporary suspension. Such empowerment shall last until Congress adopts a new formula.

In addition, since December 2019 the federal government has announced and executed other economic and policy reforms, including: (i) the extension of exchange control measures already in effect; (ii) the doubling of the legal severance payments that employers must pay when terminating employees without cause; (iii) the extension of the maturity of U.S. Dollar-denominated *Letras del Tesoro* (“*Letes*”); (iv) the reduction in, and subsequent price freeze on, the prices of certain drugs and pharmaceutical products until February 15, 2020; (v) the suspension of certain agreements entered into by the prior administration aimed at increasing the fiscal autonomy of the provinces; (vi) a price freeze on public transportation fares in the Buenos Aires metropolitan area; and (vii) the re-instatement of the Ministries of Health, Science and Technology, Labor and Culture, which had previously been transformed into state secretaries under the purview of other ministries.

Public Debt Sustainability and Financial Policies

On February 5, 2020, the federal Congress approved legislation authorizing the Executive Power, acting through the federal Ministry of Economy, to engage in transactions and negotiations with Argentina's creditors to restore the sustainability of its external public debt (the "**Debt Sustainability Law**"), including by modifying the principal amounts, maturities and interest payments of public securities issued by Argentina and governed by foreign law. The Debt Sustainability Law also authorizes the federal Ministry of Economy to issue new debt securities and to determine the appropriate methods and structures, as well as the terms, for the issuance of such debt instruments.

On February 12, 2020, in a special informational meeting held in the federal Congress, the federal Minister of Economy emphasized the importance of undertaking fiscal and commercial measures to put Argentina on a path to economic recovery, striking a balance on two fronts: the external front (noting that Argentina needs to take steps to avoid repeated balance of payments crises) and the fiscal front. On the external front, the Minister of Economy confirmed Argentina's willingness to meet its debt payment obligations, but stressed that the current debt levels are unsustainable for the country, noting that gross public debt grew from 52.6% of GDP in 2015 to 88.8% of GDP in 2019. On the fiscal front, the Minister indicated that it would not be realistic or sustainable to reduce the fiscal deficit in 2020 and discussed a number of scenarios that might allow Argentina to achieve fiscal equilibrium by 2023 and record moderate fiscal surpluses ranging between 0.6% and 0.8% of GDP in the following years. Although these potential scenarios for the Argentine economy might have been reasonable when formulated, actual outcomes depend on events and developments that are not within the control of Argentina, including the outbreak of COVID-19. Accordingly, Argentina and the Province can give no assurance that economic results will not differ materially from the potential scenarios described above.

In line with Argentina's forecast, on February 19, 2020, the IMF published a statement assessing Argentina's current debt levels to be unsustainable. In its statement, the IMF indicated that "a definitive debt operation—yielding a meaningful contribution from private creditors—is required to help restore debt sustainability with high probability."

On March 19, 2020, the federal government conducted an auction to exchange short-term peso-denominated debt represented by 13 different instruments for four new bills ("**BONCER**") in an aggregate principal amount of new bills totaling ARS 304,689 million, maturing between 2021 and 2024 and with coupons linked to CER plus a spread of between 1% and 1.5%. The federal government received a total of 673 orders to exchange ARS 257,376 million aggregate principal amount of debt for ARS 304,689 million total aggregate principal amount of new public debt instrument

On April 5, 2020, by means of Emergency Decree No. 346/2020, the federal government deferred all principal and interest payments due on outstanding Argentine-law governed U.S. dollar-denominated treasury notes until December 31, 2020 or such earlier date as may be determined by the Ministry of Economy taking into account the status and outcome of the debt restructuring process initiated by the Executive Power to restore the sustainability of public debt. The Executive Power's decision excluded certain instruments from the deferral, such as (i) treasury notes issued to and held by the Argentine Central Bank, (ii) treasury notes issued pursuant to Decree No. 668/2019, (iii) the *Bonos Programa Gas Natural*, and (iv) the guarantee notes issued pursuant to Resolution No. 147-E/17 of the former Ministry of Finance, among others.

In March and April 2020, the federal government held discussions with various groups of investors to discuss a path for the Argentina's debt sustainability and, on April 21, 2020, the federal government invited holders of its debt securities governed by foreign law to exchange such securities for new bonds and to consent to modify any debt securities of the relevant series that remain outstanding after giving effect to the exchange offer by substituting them for new bonds. The federal government's invitation is scheduled to expire on May 8, 2020.

Measures Implemented by the Federal Government to Address the Outbreak of COVID-19

In late December 2019, a novel form of pneumonia caused by a new strain of coronavirus (COVID-19) first noticed in Wuhan, Hubei Province, was reported to the World Health Organization, with cases soon confirmed in multiple provinces in China, as well as in other countries. On March 11, 2020, the World Health Organization characterized the COVID-19 as a pandemic. To control the spread of COVID-19, several preventive measures have

been undertaken at different times by the governments of countries affected by the virus, including certain member states of the European Union, the United Kingdom, the United States of America, South Korea, Japan, Argentina, Brazil, Mexico, Colombia, Chile and Uruguay, among others. Such measures have included, among others, mandatory quarantines and travel restrictions. As of the date of this invitation memorandum, Argentina had over 3,435 confirmed cases of coronavirus, over 165 of which were fatal. To date, Argentina has adopted several measures in response to the outbreak of COVID-19 aimed at preventing mass contagion and overcrowding of Argentine health service facilities, which included the following (in chronological order):

- February 26—March 12, 2020: screening of passengers at airports; mandatory isolation for 14 days of persons with suspected or confirmed cases of COVID-19, persons in close contact with suspected or confirmed cases of COVID-19 and persons arriving or recently arrived from high risk jurisdictions identified by the Executive Power; prohibition of activities involving gatherings of large numbers of persons (including a prohibition of attendance of audiences to sporting events).
- March 13—March 15, 2020: stronger surveillance of Argentine borders; suspension of flights by various airlines and adoption of regulations for the coordination of repatriation flights for Argentine residents; closure of national parks and protected areas; school closures (except for food assistance and administrative purposes).
- March 16—March 18, 2020: closure of Argentine borders; suspension of domestic flights and long-distance trains and buses; suspension of the national soccer league; and other professional sports; temporary work leaves for pregnant women, people over 60 years old and other persons considered at higher risk from infection; authorization for federal public employees to work remotely (except for employees providing certain essential services); encouraging the adoption of home office policies in the private sector and beginning of construction of eight modular hospitals.
- March 19, 2020: imposition of nation-wide mandatory lockdown, initially until March 31, 2020, whereby only exceptional and essential activities and internal travel are allowed; deployment of security forces for the enforcement of lockdown.
- March 20—April 2, 2020: tightening of rules relating to closure of Argentine borders; extension of nation-wide lockdown until April 12, 2020; authorization for the performance of certain economic activities.
- April 10, 2020: extension of nation-wide lockdown until April 26, 2020; additional authorizations for the performance of certain economic activities.

Simultaneously, Argentina has announced and is implementing several stimulus measures to limit the effects of the COVID-19 outbreak on the economy, which include the following:

- a one-time ARS 3,100 cash payment to recipients of the universal child allowance;
- a one-time ARS 3,000 cash payment to retirees receiving minimum benefits (currently ARS 15,892) and those that receive above the minimum but less than ARS 18,892, which covers approximately 4.6 million retirees;
- a one-time ARS 3,000 cash payment to recipients of social plans, which targets approximately 556,000 persons;
- a one-time ARS 10,000 cash payment to unemployed persons and persons employed informally, among other economically vulnerable persons;
- a capital spending program on infrastructure, education and tourism for approximately ARS 100 billion;

- an exemption for companies in vulnerable industries from payments relating to employers' contributions, an increase in unemployment insurance and payment by the federal government of a portion of wages in affected companies with a payroll of less than 100 employees;
- subsidized working capital loans to PyMEs via the financial system of approximately ARS 30 billion.

Other measures adopted by Argentina to mitigate the effects of the COVID-19 outbreak in the economy have included the following:

- the prohibition of the disconnection of electric energy, natural gas, running water, fixed telephony, mobile telephony, Internet and cable television services due to the nonpayment of less than three invoices commencing on March 1, 2020 and for a 180-day period, which applies to certain users identified as vulnerable;
- the suspension of certain penalties and disqualifications applicable to checking accounts with insufficient funds until April 30, 2020, and the authorization for banks to grant loans to companies with outstanding debts with ANSeS and the *Administración Federal de Ingresos Públicos* ("AFIP");
- price freezes as of March 6, 2020 for certain essential goods such as food, personal care, medicines and medical products for a 30-day period;
- the suspension of rent increases, extension of lease contract expiration dates and suspension of evictions due to non-payment of leases until September 30, 2020;
- the freezing of mortgage payments and certain UVA-indexed loans;
- the adoption of a program to increase productivity (*Programa de Recuperación Productiva*, or "REPRO") by which the federal government funds a portion of the monthly wages of private sector employees working for companies affected by the pandemic and whose revenues have declined;
- the prohibition of unjustified employment dismissals and suspensions;
- the reduction of pension and tax charges to health service providers aimed at strengthening the health sector and ensuring medical assistance;
- the shortening of the acceleration of payments of export reimbursements for industrial sector companies;
- requirement that exports of medical inputs and equipment necessary to overcome the pandemic obtain prior governmental authorization;
- one-time ARS 5,000 payment to public sector employees in the health, security and national defense sectors;
- elimination of import taxes applicable to certain essential goods such as alcohol, laboratory or pharmaceutical items, medical gloves, disinfectants and other sanitary equipment and inputs;
- suspension until April 30, 2020 of fiscal foreclosures by AFIP for PyMEs;
- one-month deferral of gross income tax (*ingresos brutos*) applicable in the Province; and
- assistance by the federal government to the provinces in an aggregate amount of ARS 120 billion.

Federal Gross Domestic Product

In 2015, federal GDP increased by 2.7% primarily due to the increase in the agriculture, livestock, hunting and forestry sectors, which grew by 7.8% in real terms during 2015 as compared to 2014.

In 2016, federal GDP decreased by 2.2%, primarily due to a decrease in the manufacturing industry sector.

In 2017, federal GDP increased by 2.4%, primarily due to a 2.6% increase in the manufacturing industry sector.

In 2018, federal GDP decreased by 2.6%, primarily due to a 15.3% decrease in agricultural, livestock, hunting and forestry sectors and a 5.0% decrease in the manufacturing industry sector.

In 2019, federal GDP decreased by 1.7%. In 2019, although the items related to primary production recorded a 13.9% increase, the manufacturing and construction sectors decreased by 6.3% and 5.5%, respectively. See also “The Provincial Economy —Factors Affecting the Argentine Economy in 2018 and 2019.”

The table below sets forth the breakdown of the federal GDP for the periods indicated below.

Federal GDP by Sector 2015-2019⁽¹⁾
(in billions of pesos, at constant 2004 prices and as a percentage change from prior year)

Sector	For the year ended December 31								
	2015	2016	Var.%	2017 ⁽²⁾	Var.%	2018 ⁽²⁾	Var.%	2019 ⁽²⁾	Var.%
Primary Production:									
Agriculture, livestock, hunting and forestry	52.9	50.3	(4.9)%	51.6	2.5%	43.7	(15.3)%	53.1	21.5%
Fisheries and other related services	2.2	2.2	(0.1)%	2.6	14.3%	2.7	5.4%	2.4	(10.3)%
Mining, oil and gas.....	23.1	21.9	(5.5)%	21.1	(3.4)%	21.3	0.8%	21.5	1.2%
Total Primary Production	78.3	74.4	(4.9)%	75.2	1.1%	67.7	(10.0)%	77.1	13.9%
Secondary Production:									
Manufacturing industry	125.3	118.2	(5.6)%	121.3	2.6%	115.2	(5.0)%	108.0	(6.3)%
Electricity, gas and water	12.5	12.6	1.0%	12.5	(1.0)%	12.5	0.2%	12.1	(2.8)%
Construction	22.6	20.0	(11.2)%	22.1	10.5%	22.4	1.4%	21.2	(5.5)%
Total Secondary Production	160.3	150.9	(5.9)%	155.9	3.3%	150.2	(3.7)%	141.4	(5.9)%
Services:									
Real estate and business activities	72.2	72.2	(0.1)%	4.3	3.0%	76.0	2.2%	75.5	(0.6)%
Transport, storage and communications	55.8	57.7	3.4%	59.0	2.3%	57.4	(2.8)%	57.0	(0.7)%
Retail and wholesale commerce	94.8	91.8	(3.3)%	93.7	2.1%	89.7	(4.3)%	82.7	(7.8)%
Educations, social and health services	48.5	49.7	2.5%	50.5	1.7%	51.3	1.5%	51.6	0.6%
Public Administration, defense and social security	32.2	33.0	2.4%	33.3	0.9%	33.2	(0.3)%	33.3	0.3%
Financial Intermediation	27.2	26.3	(3.2)%	27.7	5.1%	28.8	4.0%	25.5	(11.5)%
Hotel and restaurant services ..	11.0	11.2	1.9%	11.5	2.8%	11.5	(0.4)%	11.5	0.0%
Other services	22.6	22.5	(0.4)%	22.7	0.9%	22.8	0.5%	22.7	(0.5)%
Total services	364.4	364.4	0.0%	372.7	2.3%	370.6	(0.6)%	359.7	(2.9)%
Total GDP	602.9	589.6	(2.2)%	603.8	2.4%	8.4	(2.6)%	578.1	(1.7)%

(1) In terms of producer's prices, excluding value added taxes and import taxes.

(2) Preliminary data.

Source: INDEC.

Provincial Gross Domestic Product 2014-2018

In 2014, the provincial GDP contracted, in real terms, by 1.9%, due to a 3.1% decrease in the primary production sector, a 1.1% decrease in the secondary production sector and a 1.2% decrease in the service sector.

In 2015, real provincial GDP showed a moderate real growth of 1.0%, due to a 2.0% increase in the services sectors and a 9.3% increase in the primary production sector, which were partially offset by a decline of 3.0% in the secondary production sectors.

In 2016, the provincial GDP contracted, in real terms, by 2.4%, mainly due to a 9.1% decrease in the secondary production sector, which was partially offset by a 6.4% increase in the primary production sector.

In 2017, real provincial GDP showed a moderate real growth of 2.2%, due to a 5.5% increase in the secondary production sector and a 1.4% increase in the services sector, which were partially offset by a decline of 5.2% in the primary production sector.

In 2018, provincial GDP contracted, in real terms, by 3.8%, due to a 11.9% decrease in the primary production sector, a 6.1% decrease in the secondary production sector and a 1.1% decrease in the services sector.

The Provincial Office of Statistics elaborates and releases the Province's Gross Domestic Product, which shows the results of the activities of the various productive and services sectors of the Province, during a given period.

The table below shows the evolution of the Province's real GDP from 2014 through 2018.

Provincial Gross Domestic Product (2014-2018)

	As of and for the year ended December 31,				
	2014	2015	2016	2017	2018
GDP (in millions of constant 2004 pesos) ⁽²⁾	256,637	259,225	253,010	258,666	248,855
Real GDP growth	(1.9)%	1.0%	(2.4)%	2.2%	(3.8)%
National real GDP growth	(2.5)%	2.7%	(2.1)%	2.7%	(2.5)%
Provincial real GDP / National real GDP	36.54%	35.93%	35.81%	35.66%	35.18%
Population (inhabitants) ⁽³⁾	16,476,149	16,659,931	16,841,135	17,020,012	17,196,396
Real GDP per capita (constant 2004 pesos)	15,576	15,560	15,023	15,198	14,471

(1) Preliminary data.

(2) Market prices, including value added tax and specific taxes.

(3) Based on the report "Provincial Population Projections by sex and age group: 2010-2040" published by INDEC.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province; INDEC.

Real provincial GDP information for 2019 is not available as of the date of this invitation memorandum. The quarterly economic activity indicators assembled by the Province, which track quarterly variations in economic activity to anticipate changes in the annual GDP at constant prices, decreased by 5.7% during the first quarter, increased by 4.3% during the second quarter, and decreased by 1.7% and 0.6% during the third and fourth quarters, respectively, compared to the same periods in 2018.

Principal Sectors of the Economy

Historically, the economy of the Province has represented a significant portion of the Argentine economy, accounting for approximately 36.0% of Argentina's GDP from 2014 through 2018.

The Province's most significant economic production sectors in 2018 (as a percentage of the Province's total real GDP) were the following:

- Manufacturing (28.9%);
- Retail and wholesale commerce (14.9%);
- Real estate and business activities (12.0%);
- Transport, storage and communications (10.3%);
- Agriculture, livestock, hunting and forestry (8.3%);
- Education, social and health services (7.8%); and
- Construction (4.4%).

The table below shows the evolution of the Province's real GDP by sector from 2014 through 2018.

Provincial Gross Domestic Product by Sector 2014-2018⁽¹⁾
(in millions of pesos, at constant 2004 prices, except for percentages)

	For the year ended December 31									
	2014		2015 ⁽²⁾		2016 ⁽²⁾		2017 ⁽²⁾		2018 ⁽²⁾	
Primary Production:										
Agriculture, livestock, hunting and forestry.....	17,724	8.3%	19,440	9.0%	20,827	9.9%	19,616	9.2%	17,121	8.3%
Fisheries and other related services.....	541	0.3%	554	0.3%	484	0.2%	491	0.2%	455	0.2%
Mining, oil and gas	531	0.2%	544	0.3%	545	0.3%	601	0.3%	663	0.3%
Total Primary Production	18,797	8.8%	20,538	9.5%	21,856	10.4%	20,709	9.7%	18,238	8.5%
Secondary Production:										
Manufacturing industry	70,547	33.0%	67,726	31.4%	61,267	29.2%	63,936	29.9%	59,369	28.9%
Construction	8,303	3.9%	8,588	4.0%	7,707	3.7%	9,062	4.2%	9,000	4.4%
Electricity, gas and water	3,772	1.8%	3,845	1.8%	3,866	1.8%	3,831	1.8%	3,806	1.9%
Total Secondary Production.....	82,621	38.6%	80,159	37.2%	72,840	34.8%	76,828	35.9%	72,175	35.1%
Services:										
Real estate and business activities.....	23,186	10.8%	23,379	10.8%	23,525	11.2%	23,955	11.2%	24,665	12.0%
Transport, storage and communications	21,039	9.8%	21,429	9.9%	21,408	10.2%	21,892	10.2%	21,267	10.3%
Retail and wholesale commerce.....	33,119	15.5%	33,669	15.6%	32,545	15.5%	32,607	15.2%	30,659	14.9%
Education, social and health services...	14,047	6.6%	14,617	6.8%	15,556	7.4%	15,789	7.4%	16,006	7.8%
Public Administration, defense and social security	7,617	3.6%	7,928	3.7%	8,098	3.9%	8,158	3.8%	8,111	3.9%
Financial Intermediation.....	4,792	2.2%	4,788	2.2%	4,621	2.2%	4,862	2.3%	5,061	2.5%
Hotel and restaurant services.....	2,748	1.3%	2,799	1.3%	2,828	1.3%	2,897	1.4%	2,892	1.4%
Other services	6,006	2.8%	6,236	2.9%	6,292	3.0%	6,273	2.9%	6,444	3.1%
Total services.....	112,554	52.6%	114,845	53.3%	114,875	54.8%	116,433	54.4%	115,104	56.0%
Total GDP	213,972	100.0%	215,542	100.0%	209,571	100.0%	213,970	100.0%	205,517	100.0%

(1) In terms of producers' prices, excluding value added taxes and import taxes.

(2) Preliminary data.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province.

The following table shows the evolution of the share of the Province's GDP in the federal GDP by economic sector from 2014 through 2018, in constant 2004 prices:

Share of Provincial GDP in Federal GDP by Sector 2014-2018⁽¹⁾
(in millions of pesos, at constant 2004 prices, and as a percentage)

Sector	For the year ended December 31														
	2014			2015			2016			2017			2018		
	Provincial GDP	Federal GDP	Provincial GDP / Federal GDP	Provincial GDP	Federal GDP	Provincial GDP / Federal GDP	Provincial GDP	Federal GDP	Provincial GDP / Federal GDP	Provincial GDP	Federal GDP	Provincial GDP / Federal GDP	Provincial GDP	Federal GDP	Provincial GDP / Federal GDP
Primary Production:															
Agriculture, livestock, hunting and forestry	17,724	49,085	36.1%	19,440	52,897	36.8%	20,827	50,299	41.4%	19,616	51,579	38.0%	17,121	43,710	39.2%
Fisheries and other related services	541	2,184	24.8%	554	2,239	24.7%	484	2,236	21.6%	491	2,556	19.2%	455	2,695	16.9%
Mining, oil and gas.....	531	22,755	2.3%	544	23,130	2.4%	545	21,863	2.5%	601	21,113	2.8%	663	21,288	3.1%
Total Primary Production	18,797	74,024	25.4%	20,538	78,266	26.2%	21,856	74,398	29.4%	20,709	75,249	27.5%	18,238	67,693	26.9%
Secondary Production:															
Manufacturing industry.....	70,547	124,309	56.8%	67,726	125,261	54.1%	61,267	118,245	51.8%	63,936	121,283	52.7%	59,369	115,220	51.5%
Construction	8,303	21,895	37.9%	8,588	22,554	38.1%	7,707	20,029	38.5%	9,062	22,123	41.0%	9,000	22,440	40.1%
Electricity, gas and water	3,772	11,949	31.6%	3,845	12,477	30.8%	3,866	12,601	30.7%	3,831	12,473	30.7%	3,806	12,497	30.5%
Total Secondary Production	82,621	158,152	52.2%	80,159	160,292	50.0%	72,840	150,874	48.3%	76,828	155,879	49.3%	72,175	150,158	48.1%
Services:															
Real estate and business activities	23,186	70,964	32.7%	23,379	72,248	32.4%	23,525	72,164	32.6%	23,955	74,330	32.2%	24,665	75,973	32.5%
Transport, storage and communications	21,039	54,168	38.8%	21,429	55,811	38.4%	21,408	57,709	37.1%	21,892	59,010	37.1%	21,267	57,378	37.1%
Retail and wholesale commerce	33,119	91,605	36.2%	33,669	94,850	35.5%	32,545	91,764	35.5%	32,607	93,677	34.8%	30,659	89,683	34.2%
Education, social and health services	14,047	46,957	29.9%	14,617	48,480	30.2%	15,556	49,685	31.3%	15,789	50,519	31.3%	16,006	51,258	31.2%
Public Administration, defense and social security	7,617	31,055	24.5%	7,928	32,220	24.6%	8,098	32,997	24.5%	8,158	33,295	24.5%	8,111	33,206	24.4%
Financial Intermediation	4,792	26,839	17.9%	4,788	27,180	17.6%	4,621	26,320	17.6%	4,862	27,663	17.6%	5,061	28,779	17.6%
Hotel and restaurant services	2,748	10,842	25.3%	2,799	10,992	25.5%	2,828	11,202	25.3%	2,897	11,519	25.2%	2,892	11,470	25.2%
Other services	6,006	22,511	26.7%	6,236	22,602	27.6%	6,292	22,511	28.0%	6,273	22,706	27.6%	6,444	22,815	28.2%
Total services	112,554	354,941	31.7%	114,845	364,382	31.5%	114,875	364,351	31.5%	116,433	372,720	31.2%	115,104	370,561	31.1%
Total GDP	213,972	587,117	36.4%	215,542	602,940	35.7%	209,571	589,623	35.5%	213,970	603,848	35.4%	205,517	588,412	34.9%

(1) In terms of producer's prices, excluding value added taxes and import taxes.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province.

Manufacturing

The Province's manufacturing sector, which is highly diversified, has historically been the single largest contributor to provincial GDP. Manufactured products include refined petroleum products, cereals and food products, steel, chemicals, electrical machinery, aluminum, piping, automobiles and automobile spare parts, oil drilling tools and equipment, computer printers, cement, pharmaceuticals and textiles.

In 2018, the manufacturing sector contracted by 7.1% as compared to 2017, mainly due to a 13.2% decrease in chemical products and substances, a 19.2% decrease in rubber and plastic products and a 3.7% decrease in food products and beverages.

Retail and Wholesale Commerce

Half of this sector's total production is typically derived from retail sales of food, beverages and tobacco. The retail and wholesale commerce sector has traditionally represented more than 10% of provincial GDP.

In 2018, the retail and wholesale commerce sector contracted by 6.0% as compared to 2017. New car sales accounted for more than 242,000 units and used car sales accounted for more than 638,000 units, which represented a decrease of 15.6% and 4.9% as compared to 2017, respectively. Motorcycles sales accounted for 150,000 units, which represented a 19.9% decrease as compared to 2017.

Real Estate and Business Activities

The real estate and business activities sector has historically been one of the most important contributors to provincial GDP. This sector encompasses a wide range of services rendered to businesses and individuals, including real estate transactions, leases of machinery and equipment without operating personnel, computer services, research and development and other business and professional services. Real estate transactions, which include both sales and rentals, account for the vast majority of the Province's total production in this sector.

In 2018, the real estate and business activities sector increased by 3.0% as compared to 2017.

Transport, Storage and Communications

This sector includes land, air and water transportation of passengers and cargo, and postal and telecommunications services. It also includes other services rendered in connection with transportation, such as terminal and parking services, handling and storage of cargo, operation of toll road concessions and other infrastructure, and other related services. Telecommunications and freight land transportation together typically account for a vast majority of the Province's production within this sector.

In 2018, the transport, storage and communications sector contracted by 2.9% as compared to 2017, mainly due to a 3.2% decrease in ground transportation services and a 2.4% decrease in postal and telecommunications services.

Agriculture, Livestock, Hunting and Forestry

Agriculture and livestock typically account for the vast majority of the Province's total production within this sector. The Province's main agricultural products include oil-producing crops, vegetables, soybeans and fodder. Livestock includes meat, dairy, wool and hide production. The main activities in the agricultural sector are cereals and oil-producing crops, which, together with livestock and dairy products, typically account for most of the Province's production within this sector.

A severe drought during the 2017/2018 harvest season affected a large portion of the territory dedicated to agricultural production. In March 2018, the federal government declared the state of emergency in the agriculture and livestock sectors of the Province and in the provinces of Córdoba, Corrientes, Entre Ríos, Santa Fe and Santiago del Estero, which resulted in producers receiving certain tax benefits and deferrals on amounts owed to the Banco de la Nación Argentina under certain financings. Further, the Province also declared a state of emergency and granted producers further tax benefits and deferrals and renewals on amounts owed to, and special credits granted by, the Banco Provincia.

Mainly as a result of such drought, in 2018, the agriculture and livestock sector contracted by 12.7% as compared to 2017.

Education, Social and Health Services

The Province records as a single sector the provision of educational services, which typically represents approximately 50% of total production of this sector, together with the provision of healthcare and social services.

Due to the nature of these services, and unlike in most sectors, annual variations were generally constant.

In 2018, the education sector grew by 1.3% as compared to 2017, of which 1.1% was due to public education and 0.2% was due to private education. Health and social services grew by 1.4%, of which 0.9% was due to the contribution from private health services, and 0.5% was due to public sector contributions.

Construction

The construction sector has traditionally represented around 5.0% of the Province's real GDP, and within this sector housing construction typically accounts for approximately 50.0% of the Province's total construction production.

In 2018, the construction sector contracted by 0.7% as compared to 2017, mainly due to a 16.0% decrease in public construction, partially offset by a 7.0% increase in private construction.

Exports Originating in the Province

In Argentina, information relating to exports is collected and released by INDEC, and is based mainly on data collected in connection with the issuance of shipping permits by the Argentine Federal Customs Bureau. Since 1995, export data has also been collected in connection with the export of goods that require no such permits, such as energy. Provincial exports include exports of all goods produced within the territory of the Province, either by growth, extraction or collection, and all goods processed or built completely in the Province, including those made entirely from raw materials produced outside of the Province and transformed within the Province into a different product (as classified under the Mercosur rules).

From 2015 through 2019, exports decreased by 21.8%, with significant differences in the year-on-year variations. For the year ended December 31, 2019, exports increased by 8.4%, as compared to 2018. In addition, the Province's share in the total national exports during the 2015-2019 period amounted to an annual average of 33.6%. Brazil has historically been the Province's main trading partner, representing, on average, 30.4% of its total exports for the 2015-2019 period and 24.6% of its total exports for the year ended December 31, 2019.

Classification of Main Exported Items

The following table sets forth the breakdown of the Province's exports by product category for the periods indicated.

**Exports by Product Category for the periods specified below
(in millions of USD and as percentage of total exports)**

	For the year ended December 31,									
	2015		2016		2017		2018 ⁽¹⁾		2019 ⁽¹⁾	
Live animals.....	17	0.1%	31	0.2%	30	0.2%	34	0.2%	28	0.1%
Fish and seafood.....	146	0.8%	283	1.5%	323	1.7%	362	1.7%	287	1.2%
Honey.....	79	0.4%	81	0.4%	88	0.5%	84	0.4%	70	0.3%
Vegetables.....	36	0.2%	59	0.3%	57	0.3%	27	0.1%	38	0.2%
Fruit.....	14	0.1%	13	0.1%	14	0.1%	9	0.0%	4	0.0%
Cereals.....	1,654	8.8%	2,476	13.3%	2,432	12.5%	2,838	13.4%	3,464	15.1%
Seeds and oilseeds.....	1,465	7.8%	1,326	7.1%	1,078	5.6%	528	2.5%	1,184	5.2%
Others.....	23	0.1%	20	0.1%	16	0.1%	21	0.1%	22	0.1%
Total Primary Products.....	3,434	18.2%	4,289	23.1%	4,038	20.8%	3,906	18.4%	5,098	22.2%
Meat.....	674	3.6%	736	4.0%	986	5.1%	1,381	6.5%	1,976	8.6%
Processed fish and seafood.....	157	0.8%	187	1.0%	190	1.0%	207	1.0%	197	0.9%
Eggs and dairy products.....	105	0.6%	102	0.5%	79	0.4%	127	0.6%	127	0.6%
Other products of animal origin.....	23	0.1%	20	0.1%	30	0.2%	35	0.2%	39	0.2%
Dried and frozen fruit.....	4	0.0%	4	0.0%	2	0.0%	2	0.0%	3	0.0%
Coffee, tea, herbs and spices.....	10	0.1%	8	0.0%	7	0.0%	2	0.0%	2	0.0%
Mill products.....	596	3.2%	529	2.9%	532	2.7%	487	2.3%	481	2.1%
Oils and fats.....	1,048	5.6%	1,042	5.6%	1,094	5.6%	864	4.1%	973	4.2%
Sugar and candy products.....	94	0.5%	69	0.4%	79	0.4%	97	0.5%	80	0.3%
Prepared vegetables.....	173	0.9%	193	1.0%	177	0.9%	174	0.8%	198	0.9%
Beverages, alcohol and vinegars.....	70	0.4%	73	0.4%	75	0.4%	74	0.3%	58	0.3%
Food industry residue and waste.....	1,517	8.0%	1,666	9.0%	1,484	7.6%	1,596	7.5%	1,517	6.6%
Hides and skins.....	482	2.6%	410	2.2%	411	2.1%	403	1.9%	291	1.3%
Processed wood.....	34	0.2%	36	0.2%	37	0.2%	53	0.3%	55	0.2%
Others.....	278	1.5%	228	1.2%	193	1.0%	183	0.9%	219	1.0%
Total Manufactured Goods of Agricultural Origin:.....	5,266	27.9%	5,301	28.6%	5,376	27.7%	5,686	26.9%	6,215	27.1%
Chemical products.....	2,507	13.3%	2,252	12.1%	2,008	10.3%	1,982	9.4%	1,866	8.1%
Plastics.....	790	4.2%	804	4.3%	831	4.3%	811	3.8%	566	2.5%
Rubber.....	172	0.9%	209	1.1%	243	1.3%	217	1.0%	239	1.0%
Leather goods.....	18	0.1%	17	0.1%	19	0.1%	24	0.1%	20	0.1%
Paper, cardboard, printing and publications.....	89	0.5%	75	0.4%	85	0.4%	111	0.5%	99	0.4%
Textile.....	155	0.8%	116	0.6%	121	0.6%	117	0.6%	113	0.5%
Footwear and related materials.....	9	0.0%	7	0.0%	38	0.2%	6	0.0%	6	0.0%
Stone and plaster products.....	79	0.4%	66	0.4%	66	0.3%	70	0.3%	93	0.4%
Precious stones and metals.....	6	0.0%	4	0.0%	6	0.0%	5	0.0%	6	0.0%
Metals.....	590	3.1%	463	2.5%	732	3.8%	972	4.6%	998	4.3%
Machinery and electric materials.....	521	2.8%	470	2.5%	460	2.4%	483	2.3%	487	2.1%
Transportation materials.....	4,492	23.8%	3,785	20.4%	4,364	22.5%	5,380	25.4%	4,775	20.8%
Navigation.....	6	0.0%	7	0.0%	21	0.1%	9	0.0%	5	0.0%
Others.....	161	0.9%	137	0.7%	132	0.7%	106	0.5%	99	0.4%
Total Manufactured Goods of Industrial Origin:.....	9,596	50.9%	8,412	45.3%	9,125	47.0%	10,292	48.6%	9,372	40.8%
Fuel.....	260	1.4%	245	1.3%	404	2.1%	699	3.3%	1,826	8.0%
Grease and oil lubricants.....	39	0.2%	29	0.2%	46	0.2%	57	0.3%	49	0.2%
Petroleum gas and others.....	215	1.1%	225	1.2%	323	1.7%	397	1.9%	335	1.5%
Electrical energy.....	-	0.0%	-	0.0%	0	0.0%	0	0.0%	0	0.0%
Other.....	51	0.3%	54	0.3%	90	0.5%	138	0.7%	70	0.3%
Total Fuel and Energy:.....	565	3.0%	553	3.0%	863	4.4%	1,291	6.1%	2,280	9.9%
Total.....	18,861	100.0%	18,554	100.0%	19,402	100.0%	21,175	100.0%	22,964	100.0%

(1) Preliminary data.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province on the basis of information provided by INDEC.

Primary Products.

Exports of primary products include animals and animal products (including unprocessed seafood and fish, but not meat), honey, fruits, vegetables, cereals and seeds and oilseeds. From 2015 through 2019, primary products represented an annual average of 20.6% of total provincial exports and 27.5% of total national exports in this sector. Exports of primary products increased 48.5% from 2015 to 2019, with a very uneven year-over-year variation. In 2019, primary products recorded a 30.5% increase due to a 124.2% increase in exports of seeds and oilseeds and a 22.1% increase in cereals. Exports of cereals, seeds and oilseeds traditionally have accounted for the majority of provincial exports of primary products, accounting on average for 61.3% and 27.4%, respectively, of total exports of primary products from 2015 through 2019. The provincial exports of primary goods for the year ended December 31, 2019, amounted to USD 5.1 billion and represented 22.2% of the total provincial exports.

Manufactured Goods of Agricultural Origin.

Exports of manufactured goods of agricultural origin include meat, processed fish and seafood and other products of animal origin, processed food and vegetables, mill products, oil and fats, beverages, alcohol and vinegars, food industry residue and waste, dyes and extracts, hides and skins, processed wool and other agricultural

products that have undergone some sort of processing. From 2015 through 2019, manufactured goods of agricultural origin represented an annual average of 27.6% of total provincial exports and 24.1% of total national exports in this sector. Exports of manufactured goods of agricultural origin increased by 18.0% from 2015 to 2019. In 2019, these exports recorded a 9.3% year-on-year increase. The most representative products of this group are food and industry residue and waste, which, on average, represents 28.1% of exports of this sector and meats that, on average, account for 20.2% of exports of this sector. The provincial exports of manufactured goods of agricultural origin for the year ended December 31, 2019, amounted to USD 6.22 billion and represented 27.1% of the total provincial exports.

Manufactured Goods of Industrial Origin.

Manufactured goods of industrial origin include chemicals, plastics, rubbers, leather, paper, textiles, footwear, stone, precious stone, metals, machinery and transportation materials, navigation and other industrial goods. Manufactured goods of industrial origin are the most important provincial exports. From 2015 through 2019, manufactured goods of industrial origin represented an annual average of 46.5% of total provincial exports and 50.2% of total national exports in this sector. From 2015 through 2019 exports of these products decreased by 2.3%. In 2019 these exports decreased year-on-year by 8.9%. The products with the highest share in this segment are land transport materials, with an average weight on total exports of 48.6%. In 2019, this share was 50.9%. Chemicals and related products come second in order of importance, with an average share of 22.8%. The provincial exports of manufactured goods of industrial origin for the year ended December 31, 2019, amounted to USD 9.37 billion and represented 40.8% of the total provincial exports.

Fuel and Energy.

Fuel and energy exports consist of exports of fuel, grease and lubricants, petroleum gas, electrical energy and other fuel and energy products. From 2015 through 2019, fuel and energy represented an annual average of 5.3% of the total provincial exports and 34.0% of total national exports in this sector. Exports of fuel and energy have increased by 303.3% from 2015 to 2019. In 2019, exports of fuel and energy recorded a year-on-year increase of 76.6%. Fuel has traditionally been the most significant export item in this category with an average annual share of 54.3%. The provincial exports of fuel and energy for the year ended December 31, 2019 amounted to USD 2.28 billion and represented 9.9% of the total provincial exports.

Destination of Exports

The following table sets forth the breakdown of the Province's exports by geographic destination for the periods indicated.

**Geographic Distribution of Exports for the periods specified below
(in millions of USD and as percentages of total exports)**

For the year ended December 31,

Country	2015		2016		2017		2018 ⁽¹⁾		2019 ⁽¹⁾	
Brazil	6.527	34,6%	5.494	29,6%	5.728	29,5%	6.629	31,3%	6.194	27,0%
Chile	1.149	6,1%	1.101	5,9%	1.233	6,4%	1.414	6,7%	1.186	5,2%
United States	697	3,7%	987	5,3%	1.103	5,7%	1.009	4,8%	1.053	4,6%
China	1.569	8,3%	1.494	8,1%	1.444	7,4%	1.256	5,9%	2.412	10,5%
Uruguay	726	3,8%	647	3,5%	662	3,4%	669	3,2%	583	2,5%
Mexico	522	2,8%	474	2,6%	369	1,9%	475	2,2%	357	1,6%
Venezuela	435	2,3%	313	1,7%	43	0,2%	75	0,4%	45	0,2%
Paraguay	642	3,4%	626	3,4%	706	3,6%	781	3,7%	613	2,7%
Colombia	261	1,4%	285	1,5%	345	1,8%	477	2,3%	572	2,5%
Germany	400	2,1%	313	1,7%	246	1,3%	260	1,2%	260	1,1%
Peru	246	1,3%	299	1,6%	494	2,5%	582	2,7%	713	3,1%
Bolivia	399	2,1%	326	1,8%	344	1,8%	400	1,9%	333	1,4%
Italy	115	0,6%	197	1,1%	176	0,9%	201	0,9%	230	1,0%
Netherlands	274	1,5%	342	1,8%	249	1,3%	345	1,6%	306	1,3%
Egypt	199	1,1%	377	2,0%	253	1,3%	228	1,1%	263	1,1%
Russia	94	0,5%	95	0,5%	118	0,6%	242	1,1%	183	0,8%
Ecuador	110	0,6%	106	0,6%	199	1,0%	210	1,0%	138	0,6%
Spain	151	0,8%	224	1,2%	159	0,8%	203	1,0%	257	1,1%
South Africa	231	1,2%	214	1,2%	157	0,8%	179	0,8%	196	0,9%
Subtotal	14.746	78,2%	13.912	75,0%	14.029	72,3%	15.633	73,8%	15.894	69,2%
Others	4.115	21,8%	4.642	25,0%	5.374	27,7%	5.542	26,2%	7.070	30,8%
Total	18.861	100,0%	18.554	100,0%	19.402	100,0%	21.175	100,0%	22.964	100,0%

(1) Preliminary data.

Source: Provincial Office of Statistics; Ministry of Treasury and Finance of the Province on the basis of information provided by INDEC.

Historically, the main destinations for exports from the Province have been the Mercosur trade area, the United States, China and Chile. Exports to Brazil constitute the vast majority of exports to the Mercosur trade area, accounting for more than 80.0% of these exports in each of the last six years. Exports to Brazil, in particular, accounted for 27.0% of total exports originating from the Province in 2019 compared to 31.3% in 2018.

Economically Active Population and Employment

INDEC prepares a series of indexes used to measure the social, demographic and economic characteristics of the Argentine population based on data collected in the *Encuesta Permanente de Hogares* (Permanent Household Survey, or “EPH”). The EPH is conducted in the five main urban areas within the territory of the Province, the largest of which is the Greater Buenos Aires area, which includes the *Conurbano Bonaerense*.

The five main urban areas located within the territory of the Province are:

- Greater Buenos Aires, which contains approximately 68.8% of the Province’s population;
- Greater La Plata, which contains approximately 5.0% of the Province’s population;
- Mar del Plata, which contains approximately 3.6% of the Province’s population;
- Bahía Blanca – Cerri, which contains approximately 2.0% of the Province’s population; and
- San Nicolás – Villa Constitución, which contains approximately 1.0% of the Province’s population. Villa Constitución, which is included in this urban area, is located in the Province of Santa Fe.

The publication of the indexes prepared by INDEC was suspended in 2016 as a result of the emergency declared in the area of federal statistics. Also as a result of such emergency, statistics regarding the labor share rate and unemployment indicators were not available for the fourth quarter of 2015. On August 23, 2016, INDEC resumed releasing economic activity and unemployment indicators.

The following tables set forth employment figures for the main urban areas of the Province for the periods specified.

Labor Share Rate of the Main Urban Areas of the Province⁽¹⁾
(as a percentage of total population)

	3Q2015	4Q2016	4Q2017	4Q2018	4Q2019
Areas of Greater Buenos Aires.....	44.2	45.1	46.4	46.3	46.9
Bahía Blanca – Cerri	45.7	46.7	47.8	45.8	45.4
Greater La Plata.....	43.7	45.2	47.7	46.4	47.0
Mar del Plata.....	44.9	47.1	48.6	48.7	50.4
San Nicolás - Villa Constitución.....	39.6	43.5	45.4	45.6	44.7

(1) Calculated by dividing the portion of the population employed or actively seeking employment (“economically active population”) by the total population.

Source: INDEC.

Unemployment Rate of the Main Urban Areas of the Province⁽¹⁾
(as a percentage of economically active population)⁽²⁾

	3Q2015	4Q2016	4Q2017	4Q2018	4Q2019
Areas of Greater Buenos Aires.....	6.7	9.4	9.2	11.4	10.8
Bahía Blanca – Cerri	5.7	9.2	7.1	9.4	7.2
Greater La Plata.....	4.2	7.1	5.9	5.7	7.7
Mar del Plata.....	11.8	10.6	9.3	12.8	11.1
San Nicolás - Villa Constitución.....	5.5	6.3	6.9	11.3	9.9

(1) Calculated by dividing the unemployed population seeking employment by the economically active population.

(2) Population employed or actively seeking employment.

Source: INDEC.

Underemployment Rates of the Main Urban Areas of the Province⁽¹⁾
(as a percentage of economically active population)⁽²⁾

	3Q2015	4Q2016	4Q2017	4Q2018	4Q2019
Areas of Greater Buenos Aires.....	6.7	8.6	7.9	10.0	9.4
Bahía Blanca – Cerri	2.9	4.5	6.5	7.0	7.7
Greater La Plata.....	7.6	7.9	8.2	7.4	9.4
Mar del Plata.....	8.6	8.6	6.4	9.4	9.6
San Nicolás - Villa Constitución.....	2.8	3.5	4.7	6.4	7.0

(1) Calculated by dividing the portion of the population working 35 hours or less per week and with the intent to work more by the economically active population.

(2) Population employed or actively seeking employment.

Source: INDEC.

Poverty

The Province’s only source of data relating to poverty consists of statistics compiled by INDEC as part of the EPH. Poverty indicators are calculated on the basis of a proportion of households whose income is not enough to meet a basic basket of goods and services necessary to satisfy food and other essential needs. The basket is valued at market prices and the resulting threshold income is called the “poverty line.” The extreme poverty line seeks to establish whether households have sufficient income to cover the basic basket of food to satisfy a minimum threshold of energy and protein needs. Thus, households that do not exceed that threshold or line are considered indigent.

INDEC’s estimates of poverty were available through June 30, 2013, although since 2008 such were affected by the same lack of credibility that affected other INDEC measured indexes, in this case because its price estimates of the basket of goods relied on questionable data. In 2016, a statistical emergency was declared to rectify this problem.

Following a three-year period without official statistics, in September 2016, the federal government resumed releasing data on poverty indicators. The figures for the second half of 2019 revealed that 35.5% of Argentina’s population were poor, including 8.0% who were indigent. These figures also revealed that as of such date, in Greater Buenos Aires, 40.5% of the population lived in poverty, including 11.3% of which lived in extreme poverty.

Litigation

Bondholder Claims

There are currently 18 final and non-appealable judgments outstanding and one lawsuit pending against the Province related to the Province's 2002 default on its bonds. These judgments and lawsuits are in three different jurisdictions: the United States of America, Germany and Switzerland.

In the United States of America, there are five final and non-appealable judgments outstanding against the Province for a total principal amount of USD 424,000 and EUR 176,000 (excluding interest, costs and attorney's fees), and one lawsuit that remains pending for a total principal amount of USD 85,000 (excluding interest, costs and attorney's fees).

In Germany, there are ten final and non-appealable judgments outstanding against the Province for a total principal amount of EUR 5,395,000 (excluding interest, costs and attorney's fees).

In Switzerland, there are three final and non-appealable judgments outstanding against the Province for a total principal amount of CHF 600,000 (excluding interest, costs and attorney's fees).

As of the date of this invitation memorandum, no creditors who have brought legal action against the Province have succeeded in collecting on judgments entered in their favor.

Provincial Enterprises

The Province owns 100% or less of a number of different enterprises. Some of these enterprises provide traditional public services to people who live in the Province, such as Aguas Bonaerenses S.A. ("**Aguas Bonaerenses**"), which provides water services, Buenos Aires Gas S.A. ("**Buenos Aires Gas**"), which provides gas services, and *Coordinación Ecológica Área Metropolitana Sociedad del Estado* ("**CEAMSE**"), which provides garbage collection and disposal services. Others, such as Banco Provincia, a self-administered public bank, provide general, commercial and retail banking services in Argentina, generally and not solely in the Province. See "Banco Provincia." The Province also owns or has interests in enterprises that compete in markets for other goods and services. The following is a description of some of the most socially and economically important enterprises owned by the Province.

Aguas Bonaerenses

Aguas Bonaerenses is a corporation 90% owned by the Province and 10% owned by its employees, which in 2002 assumed a water concession to guarantee and improve water rendering and sewer services across a large portion of the Province. Aguas Bonaerenses currently provides services in 52 municipalities of the Province. Aguas Bonaerenses carries out a wide range of activities, including the purification, transportation and distribution of drinking water as well as the collection, treatment and disposal of waste water.

Aguas Bonaerenses' activities are overseen and monitored by the *Organismo de Control de Aguas de Buenos Aires* (Water Control Entity of Buenos Aires or "**OCABA**"), a self-regulated regulatory authority that oversees compliance with the rules and regulations set forth in the Province's water regulatory framework.

Buenos Aires Gas

Buenos Aires Gas is a corporation 51.0% owned by the Province with the remaining 39.0% and 10.0% owned by cooperatives and the municipalities, respectively. The main purpose of Buenos Aires Gas is the distribution of low, medium and high pressure natural gas; natural compressed gas; and liquefied natural gas. Buenos Aires Gas also participates in the distribution and commercialization of liquefied petroleum gas and performs a wide range of activities such as planning, managing and implementing infrastructure works in areas that lack infrastructure or are not adequately served. In addition, Buenos Aires Gas works closely with the Province's municipalities and cooperatives to implement projects, control engineering aspects of gas services, execute bidding processes and secure its own financing resources.

Instituto Provincial de Lotería y Casinos

The Provincial Institute of Lotteries and Casinos is an independent, decentralized and self-governed entity dedicated to gaming activities in the Province. Since November 2006, this entity has been implementing a new program to renew licenses granted to bingo and slot machine operators which had already expired or were scheduled to expire by 2015. As consideration for renewing licenses, operators are generally required to pay fixed sums to the Province. In 2014, 2015, 2016, 2017 and 2018, the Province collected ARS 348.2 million, ARS 288.5 million, ARS 157.1 million and ARS 106.5 million and ARS 47.0 million, respectively. During the nine-month period ending September 30, 2019, the Province collected ARS 20.8 million.

Fideicomiso de Recuperación Crediticia

In 2001, pursuant to a provincial law enacted to improve Banco Provincia's balance sheet, Banco Provincia transferred approximately ARS 1.9 billion in non-performing loans to the Province in exchange for a bond issued by the Province to Banco Provincia in a principal amount equal to the face value of the loans, less approximately ARS 600 million in allowances for loan losses. Banco Provincia subsequently exchanged the ARS 1.30 billion bond for *Bogar* in the 2005 provincial debt exchange.

In order to recover the transferred loans, the Province created, the *Fideicomiso de Recuperación Crediticia* (the Loan Recovery Committee), a self-administered public entity whose members are appointed by the Governor. The Loan Recovery Committee was required to transfer all of its profits (calculated as amounts recovered on the transferred loans less the entity's expenses) to the Province for purposes of funding a portion of the payments due by the Province to the federal government in respect of *Bogar*.

Pursuant to Law No. 13,929, the Loan Recovery Committee was permitted to act as trustee in trust agreements with financial and other private or public institutions providing credit recovery services. In furtherance of its duty as trustee, the committee was authorized by Law No. 14,062 (the "**2010 Budget Law**"), to purchase loan portfolios. The 2010 Budget Law also abolished the duty; to apply all profits to fund payments due under the *Bogar* bonds as such debt has been consolidated with other provincial debts under the Federal Debt Refinancing Program, as described above.

As of December 31, 2019, the Province had received ARS 2.61 billion from the Loan Recovery Committee.

Astillero Río Santiago

In June 1994, the federal government transferred the *Astillero Río Santiago* (Rio Santiago shipyard, or the "**Shipyard**") to the Province in anticipation of its potential privatization. Despite the loss-generating nature of the Shipyard, the Province accepted the transfer and has been subsidizing its operations in order to preserve an important source of employment for the city of Ensenada. The Province granted subsidies to the Shipyard amounting to ARS 1.15 billion, ARS 1.73 billion, ARS 2.29 billion, ARS 2.87 billion and ARS 2.84 billion in 2014, 2015, 2016, 2017 and 2018, respectively. In the nine-month period ending September 30, 2019, the Province granted to the Shipyard ARS 2.50 billion in subsidies. The Province does not have any current plans to privatize the Shipyard.

Centrales de la Costa Atlántica S.A.

Centrales de la Costa Atlántica S.A. ("**Centrales de la Costa Atlántica**") is a corporation 99% owned by the Province and 1% owned by Banco Provincia, which produces and commercializes power generated through its four power plants located in the Atlantic coast of the Province. As a power generator agent, Centrales de la Costa Atlántica is part of the *Mercado Eléctrico Mayorista* (Wholesale Electrical Market or "**MEM**"), and its operations are integrated to the *Sistema Argentino de Interconexión* (National Interconnected System, or "**SADI**"). Centrales de la Costa Atlántica has an installed capacity of 525 MW.

With the purpose of meeting the growing demand for power supply, the modernization project of Centrales de la Costa Atlántica established the incorporation of a new generation unit in the Central Eléctrica Villa Gesell power plant, which is already providing 80 MW in simple cycle operation. Additionally, in 2017, the *9 de Julio*

power plant in Mar del Plata added two new turbines, which have a combined capacity of 100 MW and will provide energy to Mar del Plata and other neighboring cities such as Miramar, Necochea and Balcarce.

Emergency Declaration

On December 23, 2019, the Province published Law No. 15,165 declaring a state of social, economic, productive and energy emergency, related to the provision of services and the execution of contracts by the provincial public sector. Additionally, the Executive Power was authorized to take the necessary steps and actions to ensure the sustainability of the public debt, as well as suspending the increases as of January 1, 2020 in the tariffs of transportation and distribution of electricity under provincial or municipal jurisdiction, for 180 days, renewable as long as the state of energy emergency is maintained and to begin an integral renegotiation together with OCEBA and the Infrastructure and Public Services Ministry of such tariffs with the relevant utilities companies. In addition, emergencies in public security, prison health and security policy, infrastructure, habitat, housing and public, administrative and technological services declared by Law Nos. 14,806, 14,812 and 14,815 were also extended. The state of emergency has been declared for one year, and may be extended for an additional year.

PUBLIC SECTOR FINANCES

Scope and Methodology

Overview

The public sector of the Province consists of the central administration of the Province, decentralized provincial institutions, provincial enterprises, trust funds formed (in whole or in part) with provincial funds, and the social security system.

The provincial budget and public accounts reflect the consolidated results of the institutions and agencies that comprise the central administration of the Province, decentralized institutions and social security system (which operates on a pay-as-you-go basis). The Province does not consolidate the results of its municipalities, provincial enterprises and other agencies. Under provincial law, however, the Province is required to transfer a portion of its tax revenues to its municipalities and certain provincial enterprises and agencies are required to transfer their profits or surpluses to the Province. The Province records transfers to these unconsolidated entities (including contributions, loans and advances to provincial enterprises) as expenditures, and transfers from these entities as revenues.

The Province maintains its books and records in pesos and prepares its budget and financial statements in accordance with accounting principles set forth in the Financial Administration Law. These principles differ materially from generally accepted accounting principles, or GAAP, in Argentina and in other jurisdictions, including the United States, but are generally in line with the accounting principles followed by other Argentine provinces. The principal features of the Province's accounting principles are:

- revenues are not accounted for on an accrual basis, but are recognized in the period in which they are received;
- expenditures are accounted for when they are accrued, regardless of whether there has been a cash outflow from the provincial treasury, except for interest expense, which is accounted for when paid;
- capital investments are carried at cost without reduction for depreciation or amortization and accordingly, the Province does not record any charges for depreciation or amortization in its financial statements;
- capital expenditures and investments in tangible assets are not capitalized, but are expensed during the period in which they are incurred;
- construction contracts are expensed using the percentage of completion method; and
- revenues, expenditures and public debt are not adjusted for inflation in the Province's accounts.

The financial records and statements of the Province are prepared and examined by the *Contaduría General de la Provincia* (General Accounting Office of the Province) and approved by the provincial *Tribunal de Cuentas* (Audit Tribunal). Pursuant to the Financial Administration Law, the General Accounting Office has until April 15 of each year to publish the financial statements of the previous fiscal year. To the date of this invitation memorandum financial statements for the fiscal year ended December 2019 are not yet available, due the COVID-19 outbreak.

Fiscal Responsibility Law

In August 2004, the federal Congress adopted the *Ley de Responsabilidad Fiscal* (the “**Fiscal Responsibility Law**”), which became effective on January 1, 2005. This law establishes a fiscal regime for the federal government and the provinces relating to transparency in public administration, expenditures, fiscal balances and indebtedness and, in particular, requires balanced budgets. On January 13, 2005, the Province adopted into provincial law the operative provisions of the Fiscal Responsibility Law. Certain provisions of the Fiscal Responsibility Law have been frequently suspended.

In December 2017, the federal Congress adopted Law No. 27,428, which modified the Fiscal Responsibility Law. Law No. 27,428 established rules designed to enhance sound public finance practices at the federal and provincial levels, such as capping increases in public expenditures in any certain period at the inflation rate for that period, and capping increases in overall public employment at the rate of population growth. It also set limits to tax increases, especially taxes on labor and production and its financing, in order to foster economic growth at the national and regional level. See “Risk Factors.” Through provincial Law No. 13,295, on January 24, 2005, the Province invited the municipalities to adhere to a provincial fiscal responsibility regime and established the guidelines that the municipalities should follow. On December 7, 2017, Law No. 13,295 was modified by provincial Law No. 14,984, which introduced certain changes to conform the municipal regime to the changes in the fiscal regime for the federal government and the provinces introduced by Law No. 27,428. These changes at the municipal level include, among others, (i) capping increases in public expenditures in any certain period at the inflation rate for that period, (ii) capping increases in overall public employment at the rate of population growth, (iii) capping debt service payments at 10% of current revenues, and (iv) limiting the ability of any municipal administration to make permanent increases in expenditures within six months of a change in administration.

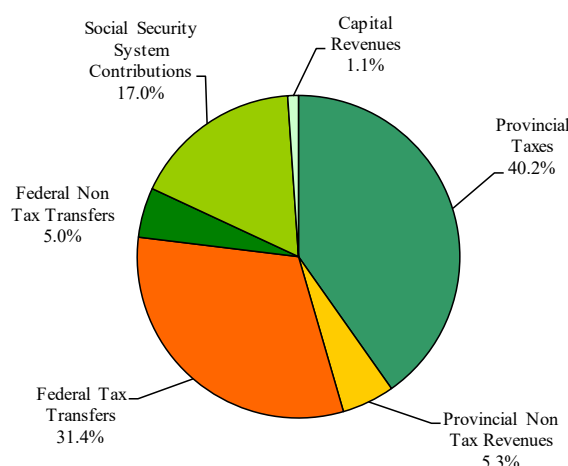
Main Sources of Revenues

The Province’s main sources of income are tax revenues from the collection of provincial taxes and transfers by the federal government under the federal tax co-participation regime. See “Public Sector Finances—Main Sources of Revenues—Federal Tax Co-Participation Regime.” In recent years, different agreements entered into between the federal government, some provinces and the City of Buenos Aires introduced changes to the federal tax co-participation regime related to revenue sharing equity and the harmonization of provincial tax structures to promote employment, investment and economic growth. See “Public Sector Finances—Main Sources of Revenues—Co-Participation Framework Agreement” and “Public Sector Finances—Main Sources of Revenues—2017 Fiscal Consensus between the federal government, the City of Buenos Aires and the provinces.”

In 2018, 71.7 % of the Province’s total revenues were derived from taxes, either federal or provincial and provincial taxes represented 40.2% of total revenues, while federal tax transfers represented 31.4% of such revenues.

The following chart shows the sources of the Province’s revenues for the year ended December 31, 2018.

Total Revenues by Source for the Year Ended December 31, 2018
(Total = ARS 687.2 billion)



Source: Ministry of Treasury and Finance of the Province.

Federal Tax Co-Participation Regime

Under the national constitution, both the federal and provincial governments are authorized to levy taxes. In 1935, the federal and provincial governments entered into a coordinated tax arrangement (also called “**tax co-participation**”) pursuant to which the federal government agreed to collect certain taxes on an exclusive basis and to distribute a portion of those tax revenues among the provinces. In exchange, the provincial governments agreed to limit the types of taxes they collected. This coordinated taxation regime has been extended and modified several times since its inception.

The *Ley de Coparticipación Federal de Recursos Fiscales* (the “**Federal Tax Co-Participation Law**”) enacted in 1988 and two agreements entered into between the federal and provincial governments in 1992 and 1993, currently govern the tax co-participation regime. This scheme was memorialized in the 1994 amendments to the national constitution, which granted constitutional recognition to the tax co-participation scheme. The current allocation of taxing powers between the federal government and the provinces is as follows:

- federal and provincial governments are both authorized to levy taxes on consumption and impose other indirect taxes;
- the federal government may also levy direct taxes (such as income taxes) in exceptional cases;
- taxes collected by the federal government (except those collected for specific purposes) are to be shared between the federal and provincial governments;
- the federal government has the exclusive right to levy taxes on foreign trade, which are excluded from the tax co-participation regime; and
- the provinces retain all taxing and other powers that are not expressly delegated to the federal government in the federal constitution.

Under the current tax co-participation regime, the federal government is required to transfer to a federal co-participation fund 100.0% of income tax revenues, 89.0% of value-added tax revenues and 100.0% of revenues from the presumptive minimum income tax and the revenues from excise tax and other minor taxes.

Of the total annual co-participable revenues, ARS 549.6 million is transferred to the *Fondo Compensador de Desequilibrios Fiscales Provinciales* (Provincial Tax Imbalance Fund). After discounting for the amounts transferred to the Provincial Tax Imbalance, the annual co-participable revenues are distributed as follows:

- 42.3% of these funds is transferred to the federal government for its own needs and for transfers to the City of Buenos Aires (3.50%) and the Province of Tierra del Fuego, Antarctica and the South Atlantic Islands (0.70%);
- 1.0% of these funds is retained in the *Fondo de Aportes del Tesoro Nacional* (National Treasury Contribution Fund) as a special reserve for emergency situations and financial difficulties of the provinces; and
- the remaining 56.7% of these funds is allocated to the provinces to be shared according to percentages set forth in the Federal Tax Co-Participation Law. The Province is entitled to 21.7% of the funds allocated to the provinces and is required to transfer a portion of that amount to the municipalities. After transfers to the municipalities, the Province’s use of the remaining federal tax co-participation payments is discretionary.

In addition, the Province received additional co-participation revenues totaling approximately ARS 21.9 billion in 2018 and ARS 33.7 billion in 2019 as compensation for certain changes introduced in the co-participation regime by the 2017 Fiscal Consensus, and the Province currently estimates that it will receive additional co-participable revenues of approximately ARS 48.3 billion in 2020. Furthermore, as compensation for the elimination of the *Fondo para Obras de Carácter Social* (Fund for Socially-Oriented Public Works), commonly known as the Province’s *Fondo del Conurbano* (the “**Conurbano Fund**”), the Province received ARS 21.0 billion in 2018 and

ARS 44.0 billion in 2019. From 2020 onward, the Province currently expects to receive an amount equal to ARS 44.0 billion, adjusted for inflation, as compensation for the elimination of the Conurbano Fund.

In 2006, the federal Congress enacted the *Ley de Financiamiento Educativo* (Education Financing Law) to increase financing to education, science and technology to 6.0% of the federal GDP, taking into account the consolidated 2010 budget of the federal government, the provinces and the City of Buenos Aires. Funds received by the Province under the Education Financing Law are deductible from the aggregate amount of co-participable tax transfers that the Province is entitled to receive under the tax co-participation regime. The Province received ARS 9.0 billion in 2014, ARS 21.6 billion in 2015, ARS 28.7 billion in 2016, ARS 34.3 billion in 2017, and ARS 43.8 billion in 2018. The Province budgeted to receive ARS 65.2 billion under the Education Financing Law in 2019. In the nine-month period ending September 30, 2019, the Province received ARS 48.5 billion.

Further, the federal government is required to transfer an annual fixed sum to the provinces, including the Province, as partial compensation for provincial expenditures incurred in the administration of the public schools and hospitals within the provincial territory following the delegation of these administrative responsibilities to the provinces in 1994. This amount is deducted from the co-participable revenues to be distributed to all provinces. The Province's share of this fixed sum is ARS 412 million.

Certain taxes not governed by the main tax co-participation regime, such as the personal property tax, the *Monotributo* (Simplified Regime for Small Taxpayers), fuel tax and energy tax, are regulated by special regimes of co-participation.

On May 18, 2016, the federal government, the governors of most provinces, including the Province, and the Vice-Mayor of the City of Buenos Aires signed an agreement to gradually reduce the 15.0% deduction of the co-participable revenues allocated to ANSeS, lowering the annual rate to 3% from 2016 to 2020 (the “**Co-Participation Framework Agreement**” or “**Co-Participation Agreement**”). This withholding stands at 0% in 2020. See “Public Sector Finances—Main Sources of Revenues—Co-Participation Framework Agreement.”

In August 2018, federal Decree No. 756/18 eliminated the Federal Solidarity Fund, which was created in March 2009 for infrastructure expenditures in the provinces and municipalities and was financed by 30% of the tax revenues generated by soy exports, which were distributed among the provinces pursuant to the Federal Co-Participation Law. To compensate the provinces for this loss in revenues, in September 2018 the federal government issued Decree No. 836/18 creating the *Programa de Asistencia Financiera a Provincias y Municipios* (Federal Financial Assistance Program to Provinces and Municipalities) through which the federal government transferred a total of ARS 4.1 billion to all jurisdictions that signed the 2017 Fiscal Consensus.

Federal tax transfers amounted to 28.6%, 25.9%, 25.9% and 31.4% of the Province's total revenues in 2015, 2016, 2017 and 2018, respectively.

The Province has pledged a portion of its revenues from federal tax transfers, including part of the federal tax co-participation, to secure certain outstanding obligations, most of which are owed to the federal government. Under these security arrangements, the federal government is entitled to withhold a portion of the Province's federal tax transfers to cover principal and interest payments on the secured obligations. As of December 31, 2019, the federal government retained 0.9% of the federal tax transfers to the Province pursuant to these arrangements. See “Public Sector Debt—Pledge of Tax Co-Participation Revenues.”

The following table sets forth the Province's share of total federal automatic transfers to the Argentine provinces (other than pursuant to the Federal Solidarity Fund) compared to that of other provinces with a similar level of per capita GDP from 2015 through 2019.

**Provincial Share of Total Federal Automatic Tax Transfers
(in percentages)**

	2015	2016	2017	2018	2019
Province of Buenos Aires.....	18.7%	18.0%	18.2%	21.5%	22.2%
Province of Santa Fe.....	9.0%	9.6%	9.3%	8.7%	8.4%
Province of Córdoba.....	8.9%	9.2%	9.0%	8.5%	8.2%
Province of Mendoza.....	4.2%	3.9%	3.9%	3.8%	3.8%

Source: Ministry of Treasury and Finance of the Province.

The following table sets forth the Province's federal tax co-participation revenues per capita (based on the 2010 National Census) compared to that of other provinces with a similar level of relative development from 2015-2019.

**Provincial Per Capita Tax Co-Participation Revenues
(in ARS)**

	2015	2016	2017	2018	2019
Province of Buenos Aires.....	4,655.2	6,006.4	8,065.7	13,723.9	20,828.1
Province of Santa Fe.....	11,021.2	15,719.5	20,300.5	27,433.1	39,148.5
Province of Córdoba.....	10,341.4	14,366.0	18,648.8	25,237.8	35,919.7
Province of Mendoza.....	9,157.5	11,578.0	15,417.6	21,318.5	31,213.9
Average of all Provinces	9,620.3	12,906.6	17,115.9	24,639.8	36,186.1

Source: Ministry of Treasury and Finance of the Province.

Co-Participation Framework Agreement

In November 2015, the Supreme Court of Argentina ruled against the federal government in connection with cases brought by two Argentine provinces (Santa Fe and San Luis), whereby the Court declared unconstitutional a 15.0% deduction from co-participation payments assessed on the provinces to fund the ANSeS that existed under the then-prevailing co-participation regime. The Court concluded that between 1992 and 2005 such deduction took place with the agreement of said provinces. However, since 2006 such deduction was made by the federal government without the consent of the provinces. In its ruling, the Court ordered the federal government to return those deducted co-participation payments to those provinces. The Court's decision also urged the enactment of a new revenue sharing regime. In November 2015, the Supreme Court of Argentina issued an additional ruling, granting an injunction to the province of Córdoba suspending the 15.0% deduction of the shared taxes assessed to fund Córdoba's ANSeS. On July 29, 2016, the Province filed a lawsuit with the Supreme Court of Argentina challenging the deduction of co-participation payments assessed to fund ANSeS and AFIP, and requesting the return of the deducted funds to the Province. This lawsuit has since been dropped under the agreement in the 2017 Fiscal Consensus.

On May 18, 2016, the federal government, the governors of most provinces, including the Province, and the Vice-Mayor of the City of Buenos Aires signed the Co-Participation Agreement to gradually reduce the 15% deduction of the co-participable revenues allocated to ANSeS, at an annual rate of 3% from 2016 to 2020. The last year in which the withholding was applied was 2019, at a rate of 3%. In addition, according to the Co-Participation Agreement, the federal government may apply up to 50% of the additional amounts corresponding to the provinces and the City of Buenos Aires to offset credits in its favor.

The Co-Participation Framework Agreement also sets forth loans to be granted to the provinces in 2016 for an amount equivalent to 6% out of 15% of the co-participable revenues to which the provinces and the City of Buenos Aires would have been entitled if the deduction was not applicable. For 2017, 2018 and 2019, the loanable amount will be 3% annually. The disbursed amount will be repaid in four years and interest will be accrued as of the disbursement date and payable in a semi-annual basis at the BADLAR rate, minus the necessary subsidy from the federal Treasury, so that the net rate is 15% for 2016 and 2017 disbursements, and 12% for 2018 and 2019 disbursements. The loan will be guaranteed by co-participable revenues. The Co-Participation Framework Agreement was ratified by the federal Congress in 2016 pursuant to Law No. 27,260 and by the provincial legislature pursuant to Law No. 14,829. The terms of the agreement are effective as of January 1, 2016.

On August 2, 2016, the Province and the federal government executed two additional agreements under the Co-Participation Framework Agreement to further reduce the co-participation deduction and the corresponding loan granted to the Province in 2016. With respect to the co-participation funds, as of August 1, 2016, the federal government reduced withholdings by 3%. The loan granted to the Province in 2017 amounted to ARS 4.1 billion and was disbursed on January 26, 2017. For 2018, this loan amounted to ARS 5.0 billion and was disbursed in two installments during January 2018. In January 2019, the Province received ARS 10.1 billion under this loan.

The Province received additional amounts totaling ARS 8.0 billion in 2017, ARS 19.1 billion in 2018 and ARS 36.5 billion in 2019, under the co-participation regime due to the reduction in funds transferred to ANSeS. The Province estimates that it will receive ARS 68.6 billion in 2020 under the co-participation regime.

2017 Fiscal Consensus between the federal government, the City of Buenos Aires and the provinces

On November 16, 2017, the provinces (except for the province of San Luis), the City of Buenos Aires and the federal government signed a fiscal agreement (the “**2017 Fiscal Consensus**”). The 2017 Fiscal Consensus also seeks to achieve a comprehensive solution to judicial disputes between the federal government and the other jurisdictions linked to the co-participation and specific revenue allocation regime. The 2017 Fiscal Consensus was approved by federal Law No. 27,429 and by Provincial Law No. 15,017. In March 2018, the Province of La Pampa announced that it would not adhere to the 2017 Fiscal Consensus.

All of the parties to the 2017 Fiscal Consensus agreed to approve measures that (i) amended the Fiscal Responsibility Law, the Income Tax Law and the Tax Revaluation Law, (ii) extended the validity of the tax on bank credits and debits allocating 100% of the proceeds to ANSeS, and (iii) approved pension reforms while promoting the elimination of pension regimes of privilege. The parties to the 2017 Fiscal Consensus also agreed to negotiate a new law on federal tax co-participation based on objective repartition criteria.

In turn, the federal government:

- compensated the provinces adhering to the agreement for the elimination of specific revenues and of the current income tax distribution regime. See “Public Sector Finances—Main Sources of Revenues—Federal Tax Co-Participation Regime.”
- issued 11-year bonds which generated coupon payments of ARS 5,000 million in 2018 and ARS 12,000 million from 2019 onward. Such bonds were distributed to all of the provinces (except for the Province) and the City of Buenos Aires, according to the co-participation coefficients.
- compensated the Province for the elimination of the Conurbano Fund. The compensation amounted ARS 21,000 million in 2018, and ARS 44 billion for 2019 and will be updated from 2020 onward based on the inflation rate. These revenues will be allocated to public works and social programs in the Conurbano area.
- distributed the Federal Solidarity Fund among the jurisdictions that adhered to the agreement, excluding the federal government, according to the distribution established in the co-participation regime.
- agreed not to make any deduction from the co-participable revenues of the provinces that obtained favorable judgments before the Supreme Court of Argentina for the purpose of funding ANSeS.
- funded retirement and/or early retirement programs for provincial and municipal public employees.

In turn, the provinces and the City of Buenos Aires:

- with respect to gross revenues tax, eliminated differential treatments regarding the taxpayers’ residence or place of employment; deducted income from the export of goods and services and upheld the maximum rates established in the agreement.

- in relation to the real estate tax, adopted uniform valuation procedures and set rates between 0.5% and 2%.
- regarding the stamp tax, eliminated differential treatments and upheld the maximum rates set in the agreement.
- agreed not to initiate legal proceedings related to the federal tax co-participation regime and specific revenue allocations by the federal government and withdrew from outstanding judicial processes. Specifically, the Province withdrew from the action it initiated in connection with the ARS 650 million cap on funds transferred to the Conurbano Fund. See “Public Sector Finances—Main Sources of Revenues—Federal Tax Co-Participation Regime.”

In December 2019, the federal government and the provinces entered into a new agreement to postpone until December 31, 2020, certain fiscal commitments assumed, under the 2017 Fiscal Consensus and the agreement entered into by the federal government and the provinces on September 13, 2018, for the term of one year, although other provisions of the 2017 Fiscal Consensus, such as compensations to the Province for the elimination of the Conurbano Fund and for certain changes introduced to the federal tax co-participation regime, remain in force. In addition, the lawsuits filed against the federal government regarding the reduction in income tax and the value added tax on the basic food basket were also suspended for one year. Such agreement was approved by federal Law No. 27,542 and by Provincial Law No. 15,170.

Other Federal Tax Transfers

The federal government also distributes to the Province other tax revenues that are not included in the tax co-participation regime described above. The principal tax transfers include the following:

- *Housing Fund.* The federal government is required to transfer 33.2% of revenues from the federal tax on fuels to the *Fondo Nacional de la Vivienda* (National Housing Fund, or “**FONAVI**”), for purposes of funding the construction of low-income housing in the country. Under current federal law, the Province is entitled to 14.5% of the funds transferred to FONAVI. The Province received ARS 1.0 billion in 2014, ARS 1.2 billion in 2015, ARS 1.6 billion in 2016, ARS 2.2 billion in 2017 and ARS 2.4 billion in 2018 from the National Housing Fund. For the nine-month period ending September 30, 2019, the Province had received ARS 2.2 billion out of the ARS 3.4 billion that had been projected for that year;
- *Highway Fund.* The federal government is required to transfer 13.7% of revenues from the federal tax on fuels to the *Fondo de Vialidad* (the “**Highway Fund**”). The Highway Fund distributes these funds to the provinces on the basis of road construction and maintenance expenditures of each province, as well as other factors that include population size and fuel consumption. The Province received ARS 0.6 billion in 2014, ARS 0.8 billion in 2015, ARS 1.0 billion in 2016, ARS 1.6 billion in 2017 and ARS 1.7 billion in 2018 from the Highway Fund. For the nine-month period ending September 30, 2019, the Province had received ARS 1.6 billion out of the ARS 2.4 billion that had been projected for that year;
- *Federal Teachers’ Incentive Fund.* The *Fondo Nacional de Incentivo Docente* (Federal Teachers’ Incentive Fund), was created in 1999 and is intended to improve state and state-subsidized private school teachers’ wages in the provinces and the City of Buenos Aires. The annual federal budget allocates general federal revenues to this fund. The allocation of this fund to the provinces is based on criteria corresponding to the number of teachers and class hours in every province. The Province received ARS 1.3 billion in 2014, ARS 1.9 billion in 2015, ARS 5.6 billion in 2016, ARS 6.6 billion in 2017 and ARS 7.7 billion in 2018 from the Federal Teacher’s Incentive Fund. For the nine-month period ending September 30, 2019, the Province had received ARS 5.56 billion out of the ARS 8.2 billion that had been projected for that year; and
- *Federal Solidarity Fund.* In 2009, the federal government created the *Fondo Federal Solidario* (the “**Federal Solidarity Fund**”) using 30.0% of the amount collected by the federal government from soybean export duties. The amounts from this fund were distributed to the provinces and the City of

Buenos Aires under the percentages established in the tax co-participation regime for use on infrastructure projects. In turn, such jurisdictions were required to transfer 30.0% of their share of these revenues to their respective municipal governments. In August 2018, the federal government eliminated the Federal Solidarity Fund pursuant to Decree No. 756/18. In September 2018, to compensate the provinces for the loss in revenues, the *Programa de Asistencia Financiera a Provincias y Municipios* (Federal Financial Assistance Program to Provinces and Municipalities) was created through which the federal government transferred a total of ARS 4.1 billion to all jurisdictions that signed the 2017 Fiscal Consensus.

Federal Contributions

The Province records other non-refundable payments or transfers from the federal government as federal contributions. These contributions consist primarily of discretionary transfers to the provinces, known as *Aportes del Tesoro Nacional* (the “**National Treasury Contributions Fund**”), to meet special or emergency needs or to finance certain expenditures of national interest.

In addition, pursuant to a 1999 agreement among the federal government and the provinces, the federal government offered to assume responsibility for provincial pension obligations within the national pension system and agreed to fund deficits in any provincial pension systems that were not transferred to it. Because the Province elected not to transfer its pension system to the federal government, it is entitled to receive transfers from the federal government from time to time to finance projected deficits in the provincial pension system. In exchange, the Province committed to harmonize its social security system with the federal social security system. As of the date of this invitation memorandum, from 2005 through 2019 the federal government has transferred approximately ARS 18.8 billion as compensation for the deficits recorded by the provincial pension system.

On April 8, 2020, the executive branch of the federal government issued Decree No. 352/2020 creating the *Programa Para la Emergencia Financiera Provincial* (Provincial Financial Assistance Emergency Program) up to an amount of ARS 120 billion, by which the federal government, through the National Treasury Contributions Fund and other sources, will grant reduced rate loans to the provinces, with the purpose of maintaining their normal functioning and cover possible needs derived from the COVID-19 outbreak. As of the date of this invitation memorandum the Province has received ARS 4.3 billion under such program.

Provincial Tax Revenues

Historically, the largest source of the Province’s revenues has been the collection of provincial taxes. In 2018, 56.1% of total tax revenues (total federal and provincial tax revenues, excluding other federal and provincial sources of income) were provincial tax revenues, and 40.23% of total revenues were provincial tax revenues. The main taxes are gross revenue tax, real estate tax, automobile tax and stamp tax.

As of the date of this invitation memorandum, the following are the main provincial taxes:

- *Gross Revenue Tax.* The gross revenue tax is the single largest source of provincial tax revenue. Gross revenues of most industrial, commercial and business activities, carried out within the jurisdiction of the Province, are taxed at rates ranging from 0.1% to 15.0%. The applicable rate depends on a variety of factors, including the nature of the taxpayer, the type of activity and the size of its business or activity. Exempted activities include work in an employer-employee relationship, holding public office and export of goods and services. In addition, all of the activities performed by the federal, provincial and the City of Buenos Aires governments, stock exchanges and other capital markets, privately owned schools and religious institutions are also exempt. Gross revenue tax on gambling and other activities which the Province considers detrimental to a person’s health are normally taxed at higher rates. At present, 43.3% of the gross revenue tax is used by the Province to fund social plans and expenses related to municipalities; 25.0% is transferred to the *Fondo Provincial Compensador de Mantenimiento de Establecimientos Educativos* (Provincial Compensation Fund for the Maintenance of Educational Institutions), a special purpose fund which compensates municipalities for the maintenance of schools; 4.25% is transferred to the *Agencia de Recaudación de la Provincia de Buenos Aires* (Tax Collection Agency of the Province, or “**ARBA**”) to fund its expenditures; and 5.0% is distributed among municipalities, based on population, to fund waste disposal. The remaining

22.5% is transferred to the municipalities as compensation for their tax collection and administration services.

- *Real Estate Tax.* The real estate tax is determined by applying a tax assessment on the appraised fiscal value of urban and rural real estate located in the Province. Both the applicable tax rate and the applicable tax base depend on a variety of factors, including the location (urban or rural), the condition (vacant, built, improved) and on whether the title holder has other real estate property. Also, all real estate owned by federal, provincial and municipal governments, religious temples, non-profit organizations, universities, public libraries, health care organizations and free social assistance, and firefighting services, among others, or which are historical monuments, are exempt from the real estate tax. The Province also grants a 100% real estate tax discount for properties located in areas with unsatisfied basic needs that are valued at less than ARS 273,600 and those owned by retirees or pensioners, either individually or as undivided estate, that are valued at less than ARS 6.0 million. The Province has delegated the administration and collection of real estate taxes in rural areas to its municipalities in order to increase efficiency. Proceeds from such taxes are kept by the Province, except for: 12.0% of such proceeds, which are allocated to road construction and maintenance; 3.0% of such proceeds, which are allocated to a welfare fund; and 20.0% of such proceeds, which are distributed to the municipalities as compensation for their tax collection and administration services.
- *Automobile Tax.* The Province charges a tax on automobiles registered in the Province. The tax rate, which ranges from 3.55% to 6.37% for most motor vehicles, is determined by taking into consideration the model, year, type, category and appraised value of the vehicle, and is fixed annually in a provincial tax law. The appraised value of each vehicle is calculated as a percentage of the valuation determined by the Federal Automobile Registry and by recorded liens on the vehicle. Certain vehicles used for productive activities are classified as capital assets and are subject to a lower tax rate than vehicles deemed to be final consumer goods. At present, the collection of the automobile tax for vehicles manufactured between 1990 and 2009 has been delegated to municipalities, and automobile taxes collected by each municipality are kept by such municipality.
- *Stamp Tax.* The Province levies a stamp tax on all acts, agreements and transactions, for good and valuable consideration, entered into within the territory of, or that have effects in, the Province, and that are documented in private or public instruments. The tax rate ranges from 0.24% to 24.0% of the value of the underlying agreement or transaction depending on the subject of the transaction. All parties to the activity subject to this tax are jointly and severally liable for its payment.
- *Energy Tax.* The 2017 Fiscal Consensus sets forth that energy and gas taxes will only apply to end users. In April 2018, Decree No. 351/18 established that such taxes will not apply to residential users. The Province also levies taxes on companies that distribute electricity within its territory at a rate of 0.001% on the gross revenues attributable to the sale of electricity to end users. Distribution companies subject to the energy tax are exempt from the gross revenue tax, the stamp tax, the automobile tax and the real estate tax.
- *Tax on Gratuitous Transfers of Property.* This tax was created pursuant to Law No. 14,044 (the “**2010 Tax Law**”) and has been in effect since January 1, 2011. The tax is levied on any increase in assets that results from a gratuitous title transfer, including inheritances, legacies and gifts. The amount to be taxed, which includes a fixed component and a variable component that is based on differential rates (which range from approximately 1.6% to 8.79%), varies according to the property value being transferred and the degree of kinship of the parties involved. Any gratuitous transfer of property lower than or equal to ARS 322,800 (or ARS 1,344,000 in the case of transfers among parents, sons, daughters and spouses) is exempt. In addition, donations to the government, religious and cultural institutions and transfers of community property in case of death, among others, are exempt from this tax. Under the tax on gratuitous transfers of property, 80.0% of revenues collected are allocated to the *Fondo Provincial de Educación* (Provincial Educational Fund), 10.0% are allocated to the *Fondo para el Fortalecimiento de Recursos Municipales* (Municipal Resources Strengthening Fund), and 10.0% to the *Fondo Municipal de Inclusión Social* (Municipal Fund for Social Inclusion).

- *Tax Amnesty and Incentive Plans.* The Province has established several tax amnesty and incentive plans, including plans currently in force, for the collection of overdue taxes (on which the Province also charges interest), which, along with other efforts of the Province to strengthen tax enforcement, have provided significant additional funds to the Province in recent years. Among other benefits, incentive plans allow taxpayers to pay overdue taxes in several installments. Implementation of these plans and other programs designed to increase the efficiency of tax collection has led to a decrease in unpaid taxes. The Province expects the decrease in unpaid taxes to result in diminishing tax collection under these plans.

2015 Tax Law

In November 2014, the provincial legislature approved Law No. 14,653 (the “2015 Tax Law”), which introduced the following changes:

- *Real Estate Tax:* rates on urban constructions real estate tax were increased, from a range of 0.4% - 2.45% to a range of 0.52% - 3.19%. The rates on rural land real estate tax were also increased from 2.21% to 2.87%. In addition, the fixed installments of both taxes were increased.
- *Gross Revenues:* the rate on aircraft service and aircraft rentals with pilots was raised, from 1.5% to 3.5%, as the users of these services show high payment capacity. The exemption on revenues from the sale of fuel for ships and aircrafts engaged in international cargo or passenger transport was eliminated so that international cargo and transport are treated the same as domestic cargo and transport.
- *Stamp Tax:* a 1.8% tax rate was levied on agreements transferring professional sportsmen’s rights.

2016 Tax Law

In January 2016, the provincial legislature approved Law No. 14,808 (the “2016 Tax Law”), which included the following changes:

- *Real Estate Tax:* rates on urban constructions real estate tax were increased, from a range of 0.52% - 3.189% to a range of 0.633% - 4.156%. The ranges on rural land real estate tax were also increased from 0.46% - 2.87% to a range of 0.56% - 3.71%. In addition, the fixed installments of both taxes were increased.
- *Gross Revenues:* the invoiced amount allowable to access to reduced rates was increased to benefit certain economic sectors that generate employment.
- *Gratuitous Transfer of Property Tax:* the provincial legislature increased the property value exempt from this tax to ARS 78,000, or ARS 325,000 in the case of transfers among parents, sons, daughters and spouses.

2017 Tax Law

In December 2016, the provincial legislature approved Law No. 14,880 (the “2017 Tax Law”), which introduced the following changes:

- *Real Estate Tax:* taxes on urban and rural areas were increased to 38% on average. The bill aimed to diminish the impact on lower-value properties, maintaining the policy of protecting sectors with fewer resources.
- *Gross Revenues Tax:* tax rates on meat-related companies (such as slaughterhouses and refrigeration storage plants) were decreased from 1.75% to 0.5%. In addition, tax rates for the retail sector were decreased from 3% to 2.5% for approximately 120,000 taxpayers with revenues of less than ARS 1.3 million. Additionally, tax rates on gambling activities were increased from 12% to 15%.

- *Stamp Tax*: a tax rate on brand new automobile acquisition was established at 3%, which is the same tax rate applicable in the City of Buenos Aires and the province of Córdoba.
- *Automobile Tax*: adjustments were made to the valuation tranches and tax rates, aiming to establish a more progressive automobile tax.

2018 Tax Law

In November 2017, the provincial legislature approved Law No. 14,983 (the “2018 Tax Law”), which introduced the following changes:

- *Real Estate Tax*: in urban real estate, new property values are applied as a result of the tax reassessment conducted in 2016. In order to avoid excessive tax increases, the preparation of the new valuation and rates contemplates the change in valuation. Accordingly, a maximum increase cap was established, relative to what taxpayers paid in 2017, ranging from 40% for lower value real estate to 75% for the highest value real estate. With regards to the rural property tax, the tax base coefficient was increased from 0.5 to 0.75 in the land value component. However, for buildings and improvements in rural areas, the 2018 Tax Law sets forth a new rate scale based on the values determined in the 2016 tax reassessment with a 60% increase cap with respect to the tax payment made in the previous year.
- *Gross Revenues Tax*: the differential tax rate treatment of taxpayers according to location was eliminated in the industry, agriculture and mining sectors. The gross revenues tax rate on large industrial companies was also reduced from 4% to 1.5%. This tax rate exemption was also extended to industrial small and medium-sized enterprises taking this promotional rate treatment, with a zero rate for taxpayers generating less than ARS 78 million in income per year. Therefore, in order to boost those labor-intensive sectors, the gross revenue tax rate on the construction sector was reduced from 4% to 3%.
- *Stamp Tax*: the rate was reduced from 3.6% to 2% on purchase and sale of real estate deeds. Single and family homes valued at up to ARS 962,000 are exempted from stamp tax. In addition, the rate applicable to the purchase of new cars was reduced from 3% to 2.5%.

2019 Tax Law

In December 2018, the provincial legislature approved Law No. 15,079 (the “2019 Tax Law”), which introduced the following changes:

- *Real Estate Tax*: the urban and rural real estate tax rates were increased; *provided, however*, that amounts to be paid by contributors will not exceed 38% of the amounts paid in 2018.
- *Gross Revenues Tax*: the tax rate was reduced for primary production, extraction activities and services related to such activities, from 1.5% to 0.75%. For construction, the tax rate was reduced from 3% to 2.5%. In addition, the general service tax rate was reduced from 5% to 4.5%, the rent tax rate was reduced from 6% to 5%, and the financial services tax rate was reduced from 8% to 7%.

2020 Tax Law

In January 2020, the provincial legislature approved Law No. 15,170 (the “2020 Tax Law”), which introduced the following changes:

- *Real Estate Tax*: urban and rural real estate tax valuations were increased and a progressive differential tax was established, including progressive maximum amounts to be paid by taxpayers based on a scale with incremental tax increases.
- *Gross Revenues*: the limits on invoicing at special rates were increased, and the 2019 rates were maintained, on average.

Provincial Non-Tax Revenues

In 2018, 10.3% of total provincial revenues were provincial non-tax revenues.

The Province derives non-tax revenues from various sources, including:

- transfers of net profits or surpluses from unconsolidated provincial agencies and enterprises, including the Provincial Institute of Lotteries and Casinos (see “The Provincial Economy—Provincial Enterprises”);
- proceeds from the sale of assets and loan recovery;
- revenues from collecting fees (for services provided to third parties) and fines;
- interest accrued on the Province’s loans to municipalities or other unconsolidated provincial agencies and enterprises; and
- proceeds from the lease of provincial land.

The Province also records revenues from recoveries on loans transferred as a result of the efforts of the Loan Recovery Committee. See “The Provincial Economy—Provincial Enterprises—Loan Recovery Committee.”

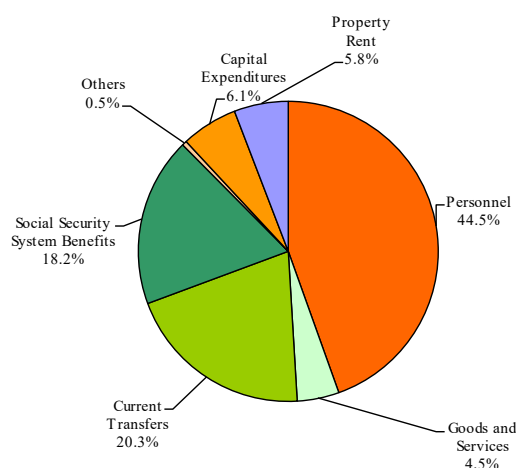
Composition of Expenditures

The Province provides a number of public services, primarily related to healthcare, education, security (including police and prisons), social programs, investments in public infrastructure and general provincial administration. Such services generally account for more than 70.0% of provincial expenditures (excluding debt service payments).

The Province’s expenditures are classified as current and capital expenditures. Current expenditures consist of costs of personnel, goods and services and current transfers, which include net transfers to municipalities in accordance with the provincial tax co-participation regime and to unconsolidated provincial agencies and enterprises. Capital expenditures include real direct investment, loans and capital contributions to provincial enterprises and loans and transfers to municipalities for public works. In 2018, 93.9% was allocated to current expenditures and 6.1% was allocated to capital expenditures.

The following chart shows the Province’s expenditures for the year ended December 31, 2018.

Total Expenditures for the Year Ended December 31, 2018
(Total = ARS 709.49 billion)



Source: Ministry of Treasury and Finance of the Province.

Current Expenditures

Personnel. Personnel expenditures, which consist mainly of wages and other benefits paid to employees of the public provincial administration, are the largest component of the Province's total expenditures, representing approximately 44.5% of total expenditures in 2018. Personnel expenditures amounted to ARS 98.2 billion in 2014, ARS 147.8 billion in 2015, ARS 198.3 billion in 2016, ARS 252.0 billion in 2017, and ARS 315.9 in 2018.

The public sector employees of the Province are represented by 35 different unions, including five teachers' unions and one union for judicial employees. The terms of agreements that were entered into with such unions are summarized below.

- During 2015, there was an average wage increase of 35% granted in three stages. The first stage involved a 9% increase, effective as of January 2015, the second stage involved a 23% increase (in the aggregate), effective as of March 2015, and aggregated to 25% as of August 2015.
- During 2016, there was an average wage increase of 38% granted in four or five stages, depending on the sector. The first stage involved a 5% increase, effective as of January 2016, the second stage involved a 15% increase (in the aggregate), effective as of March 2016, the third stage involved a 32% increase (in the aggregate), effective as of July 2016 and aggregated to 38% as of October 2016.
- During 2017, there was a wage increase in four quarterly periods of 4.5% in each of January, April, August and October, plus an automatic inflationary wage adjustment clause. Due to such inflation adjustment clause, the wage increase was 25% in eight stages. The first stage involved a 4.55% increase as of January 2017, the second stage involved a 6.35% increase (in the aggregate) as of March 2017, the third stage involved a 10.8% increase (in the aggregate) as of April 2017, the fourth stage involved a 12% increase (in the aggregate) as of June 2017, the fifth stage involved a 16.5% increase (in the aggregate) as of July 2017, the sixth stage involved a 18% increase (in the aggregate) as of September 2017, and the seventh stage involved a 22.5% increase (in the aggregate) as of October 2017, aggregating to 25% as of December 2017.
- During 2018, there was an average wage increase of 32% granted in six stages (an increase every two months), depending on the sector. The first stage involved a 7% increase as of January 2018, the second stage involved an 11% increase (in the aggregate) as of May 2018, the third stage involved a 15% increase as of July 2018, the fourth stage involved a 19% increase (in the aggregate) as of September 2018, and the fifth stage involved a 30% increase (in the aggregate) as of October 2018, aggregating to 32% as of December 2018.

In 2018, an agreement was reached only with the unions representing 41.5% of public sector and did not include unions representing the education, judicial and health sectors. However, the federal government decided to unilaterally apply the same increase to such sectors.

- During 2019, salary increases were very different according to each sector. Within the teaching sector, an increase was agreed with an automatic salary adjustment clause due to inflation plus a salary recovery due to the loss of purchasing power in 2018, which resulted in a 61% increase paid in five stages. The first stage involved a 13.6% increase as of March 2019, the second stage involved a 24.2% increase (in the aggregate) as of June 2019, the third stage involved a 29.6% increase (in the aggregate) as of July 2019, and the fourth stage involved a 45% increase (in the aggregate) as of September 2019, aggregating to 61% as of December 2019.

The health professional staff sector agreed to a wage increase of 34.6% paid in six stages. The first stage involved a 2.6% increase as of January 2019, the second stage involved a 5.3% increase (in the aggregate) as of March 2019, the third stage involved a 12% increase (in the aggregate) as of May 2019, the fourth stage involved a 25.1% increase (in the aggregate) as of July 2019 (on a par with cumulative inflation as at 31 July of that year), and the fifth stage involved a 32.5% increase (in the aggregate) as of September, aggregating to 34.6% as of November 2019. The agreement included a review clause for the month of December that was not implemented.

- For the rest of the sectors, the wage increase was 29% paid in six stages: The first stage involved a 4% increase as of January 2019, the second stage involved an 8% increase (in the aggregate) as of March 2019, the third stage involved a 12% increase (in the aggregate) as of May 2019, the fourth stage involved a 25.1% increase (in the aggregate) as of July 2019 (equaling the accumulated inflation as of July 31 of that year), and the fifth stage involved a 27% increase (in the aggregate) as of September 2019, aggregating to 29% as of November 2019. The agreement also included a review clause for the month of December that was not implemented.
- For 2020, as of the date of this invitation memorandum, the wage increase was agreed only with the teacher's union. This agreement covers only the first quarter and consists of an increase in two stages, the first stage involved a 9% increase as of March 2020, aggregating to 16.5% as of June 2020. In June 2020, the purchasing power variations will be evaluated and negotiations for the second quarter salary increase will begin. For the judicial employees, a 9% increase as of March 2020 and a one-time remunerative amount of \$3,000 (for levels 8 to 12), \$4,000 (for levels 14 to 17), and \$5,000 (for levels 18 to 19.5) was granted for the month of February 2020. Negotiations are expected to continue in May 2020.
- For the rest of the sectors a remunerative amount of \$3,000 was granted as of February 2020. That amount was increased by \$1,000 as of March 2020, thus aggregating to \$4,000 per month as of March 2020. This amount was granted on account of the 2020 agreement in line with the agreement at the national level. This amount represents an average increase of 6.5% as of February 2020, aggregating to 8.5% as of March 2020. In relation with the health services employees' sector, negotiations are ongoing.

Goods and Services. The Province purchases a wide variety of goods and services from the private sector in connection with the provision of education, health, security and other public services, and the administration and general maintenance of the provincial government.

Current Transfers. Pursuant to provincial law, the Province is required to transfer to its municipalities 16.1% of the funds received by the Province under the federal tax co-participation regime and of provincial tax revenues collected by the Province (excluding certain taxes such as the energy tax). In addition, the Province has delegated to some municipalities the collection of certain tranches of the gross revenue tax, rural real estate tax and automobile tax on older vehicles, in exchange for which the municipality retains a portion of the tax collected. Furthermore, pursuant to provincial law, the Province is entitled to allocate a portion of amounts to be transferred to the municipalities to fund a special fund for social programs and for provincial public works. Transfers to municipalities account, on average, for approximately 57.0% of the total current transfers during the period 2014-2018. The balance of current transfers include those allocated to finance several social programs, grant subsidies to private schools and pay medical residents' salaries, among others.

Capital Expenditures

Capital Investment. Capital investments have historically made up an important component of total capital expenditures, representing 49.6% of all capital expenditures in 2018. Most capital investments reflect the funding of public works, such as hydraulic and waterworks, housing, roads and construction of public buildings, among other investments. Other capital investments include the purchase of new capital goods such as hospital equipment, automobiles and computers.

Loans and Capital Contributions. This category comprises loans to municipalities, principally for municipal public works and low-cost housing, as well as capital contributions to provincial enterprises.

Transfers for Public Works. Under the *Programa para el Fortalecimiento de los Municipios* (Program for the Strengthening of Municipalities, or "PFM"), the Province allocates loan proceeds received through the federal government from multilateral organizations, such as the World Bank, to municipalities for purposes of public works. Recipient municipalities must reimburse the PFM for the amount of such transfers and the PFM, in turn, repays borrowed amounts to the multilateral lenders through the federal government.

Evolution of Fiscal Results: 2014 – September 2019

The following table shows the Province's fiscal results in nominal pesos from 2014 through September 30, 2019.

Fiscal Results (in millions of nominal pesos, except as otherwise indicated)									
	As of December 31,						For the nine months ended September 30,		
	2014	2015	2016	2017	2018	2018 (USD) ⁽¹⁾	2018	2019	2019 (USD) ⁽¹⁾
Current Revenues	198,002	268,936	386,062	521,584	679,804	24,164	482,046	690,175	15,478
Total Tax Revenues	147,397	197,116	261,446	356,874	492,413	17,503	361,821	498,772	11,185
Provincial Taxes	89,532	118,778	159,221	219,922	276,461	9,827	204,770	267,002	5,988
Federal Tax Transfers	57,865	78,338	102,225	136,952	215,952	7,676	157,051	231,770	5,198
Social Security System									
Contributions	32,787	48,286	66,409	87,937	116,818	4,152	73,846	110,251	2,472
Non-Tax Revenues	17,817	23,534	58,207	76,773	70,572	2,509	46,379	81,152	1,820
Other non Tax Revenues	5,425	6,636	11,554	15,058	24,950	887	13,726	32,138	721
Current Transfers	12,393	16,898	46,653	61,716	45,623	1,622	32,653	49,014	1,099
Provincial Transfers	4,565	5,541	6,767	9,391	11,243	400	7,581	6,512	146
Federal Transfers	7,613	11,139	39,682	52,246	34,302	1,219	25,067	42,442	952
Other Transfers	215	219	204	78	78	3	5	60	1
Current Expenditures	194,649	284,756	398,443	509,869	666,363	23,686	440,117	674,829	15,134
Personnel	98,236	147,830	198,343	251,989	315,942	11,230	211,153	301,677	6,765
Good and Services	10,372	17,472	19,084	26,670	32,065	1,140	16,703	26,559	596
Property Rent	6,721	9,874	15,963	20,979	41,496	1,475	25,362	51,815	1,162
Social Security System Benefits	35,171	50,006	69,835	96,047	129,171	4,591	88,307	132,252	2,966
Current Transfers	44,146	59,569	95,203	114,183	143,991	5,118	96,687	161,084	3,612
Miscellaneous	3	6	16	0	3,699	131	1,905	1,440	32
Current Account Balance	3,353	(15,820)	(12,381)	11,715	13,441	478	41,929	15,346	344
Capital Revenues	4,981	5,369	8,035	7,805	7,403	263	5,031	3,761	84
Capital Expenditures	7,534	11,019	26,701	41,826	43,126	1,533	26,220	29,860	670
Capital Investments	3,870	5,240	8,678	24,040	21,405	761	12,101	13,144	295
Transfers for Public Works	2,587	3,028	13,049	11,510	15,970	568	10,762	12,095	271
Loans and Capital Contributions	1,078	2,750	4,974	6,275	5,751	204	3,358	4,621	104
Total Revenues	202,983	274,305	394,097	529,389	687,207	24,427	487,077	693,936	15,562
Total Expenditures	202,183	295,775	425,145	551,695	709,489	25,219	466,337	704,689	15,803
Primary Balance	7,521	(11,596)	(15,085)	(1,327)	19,213	683	46,103	41,062	921
Financial Balance	800	(21,470)	(31,047)	(22,306)	(22,283)	(792)	20,739	(10,753)	(241)

(1) Peso amounts for the year ended December 31, 2018 have been converted into USD solely for the convenience of the reader at a rate of ARS 28.133 per USD 1.00, which was the average rate published by the Central Bank in 2017.

(2) Peso amounts for the nine-month period ended September 30, 2019 have been converted into USD solely for the convenience of the reader at a rate of ARS 44.591 per USD 1.00, which was the average rate published by the Central Bank for that period. The USD equivalent information should not be construed to imply that the peso amounts represent or could have been or could be converted into USD at such rates or any other rate.

Source: Ministry of Treasury and Finance of the Province.

The following tables set forth the composition of the Province's tax revenues (including federal transfers) from 2014 through September 30, 2019.

Composition of Tax Revenues
(in millions of nominal pesos)

	For the year ended December 31,					For the nine months ended September 30,	
	2014	2015	2016	2017	2018	2018	2019
Federal Tax Transfers							
Federal Tax Co-Participation.....	42,009	48,106	63,550	91,000	160,759	114,755	171,607
Education Financing	8,961	21,610	28,357	34,326	43,769	32,738	48,513
Conurbano Fund.....	650	650	650	650	0	0	0
FONAVI.....	992	1,223	1,546	2,213	2,384	1,777	2,237
Highway Fund.....	588	777	1,040	1,623	1,658	1,236	1,589
Others	4,665	5,972	7,081	7,141	7,383	6,545	7,824
Total Federal Transfers.....	57,865	78,338	102,225	136,952	215,952	157,051	231,770
Provincial Taxes							
Gross Revenues Tax	67,023	87,372	114,692	152,212	191,054	136,363	184,413
Real Estate Tax	5,612	6,972	10,155	15,838	28,748	18,122	23,596
Automobile Tax	5,693	9,067	13,413	19,483	22,296	19,504	26,211
Stamp Tax	6,397	9,330	12,911	21,525	24,907	18,588	21,408
Tax Amnesty Plans	3,470	4,146	5,435	6,547	5,061	8,310	9,687
Gratuitous Transfers of Property	181	427	411	521	533	323	385
Others	1,157	1,465	2,204	3,796	3,862	3,559	1,304
Total Provincial Taxes.....	89,532	118,778	159,221	219,922	276,461	204,770	267,002

Source: Ministry of Treasury and Finance of the Province.

Fiscal Result of 2015 Compared to Fiscal Result of 2014

Total Revenues. In 2015, total revenues increased by 35.1%, to ARS 274.3 billion from ARS 203.0 billion in 2014. This increase reflects the following:

- a 33.7% increase in total tax revenues, to ARS 197.1 billion in 2015 from ARS 147.4 billion in 2014, due to (i) a 35.4% increase in federal tax transfers, which increased to ARS 78.34 billion in 2015 from ARS 57.87 billion in 2014, and (ii) a 32.7% increase in provincial tax revenues, which increased to ARS 118.78 billion in 2015 from ARS 89.53 billion in 2014. The increase in provincial tax revenues was mainly due to:
 - a 30.4% increase in gross revenue tax collections, to ARS 87.4 billion in 2015 from ARS 67.0 billion in 2014;
 - a 24.2% increase in real estate tax collections, to ARS 7.0 billion in 2015 from ARS 5.6 billion in 2014; and
 - a 59.2% increase in automobile tax collections, to ARS 9.1 billion in 2015 from ARS 5.7 billion in 2014.

Total Expenditures. In 2015, the Province's total expenditures increased by 46.3%, to ARS 295.8 billion from ARS 202.2 billion in 2014. This increase primarily reflects the following:

- a 50.5% increase in personnel expenditures, to ARS 147.8 billion in 2015 from ARS 98.2 billion in 2014, principally reflecting the cumulative effect of salary increases granted in 2014 and 2015;
- a 34.9% increase in current transfers, to ARS 59.6 billion in 2015 from ARS 44.2 billion in 2014, mainly due to increased transfers to municipalities resulting from the increase in overall tax collections and co-participation transfers;
- a 42.2% increase in social security benefits, to ARS 50.0 billion from ARS 35.2 billion in 2014, attributable to the salary adjustment mechanism; and
- a 46.2% increase in capital expenditures, to ARS 11.0 billion from ARS 7.5 billion in 2014, due to increased spending on public works.

Primary Balance. In 2015, the Province's primary balance decreased from a surplus of ARS 7.5 billion in 2014 to a deficit of ARS 11.6 billion in 2015, due to a 46.3% increase in total expenditures compared to a 35.1% increase in total revenues.

Financial Results. In 2015, the Province recorded a financial deficit of ARS 21.5 billion, compared to a total surplus of ARS 0.8 billion in 2014, attributable to the decrease in the primary balance.

Fiscal Result of 2016 Compared to Fiscal Result of 2015

Total Revenues. In 2016, total revenues increased by 43.7%, to ARS 394.1 billion from ARS 274.3 billion in 2015. This increase reflects the following:

- a 32.6% increase in total tax revenues, to ARS 261.4 billion in 2016 from ARS 197.1 billion in 2015, due to (i) a 30.5% increase in federal tax transfers, to ARS 102.2 billion in 2016 from ARS 78.3 billion in 2015, and (ii) a 34.0% increase in provincial tax revenues, to ARS 159.2 billion in 2016 from ARS 118.8 billion in 2015. The increase in provincial tax revenues was mainly due to:
 - a 31.3% increase in gross revenue tax collections, to ARS 114.7 billion in 2016 from ARS 87.4 billion in 2015;
 - a 47.9% increase in automobile tax collections, to ARS 13.4 billion in 2016 from ARS 9.1 billion in 2015;
 - a 38.4% increase in stamp tax revenues, to ARS 12.9 billion in 2016 from ARS 9.3 billion in 2015; and
 - a 37.5% increase in social security benefits, to ARS 66.4 billion in 2016 from ARS 48.3 billion in 2015.

Total Expenditures. In 2016, the Province's total expenditures increased by 43.7%, to ARS 425.1 billion from ARS 295.8 billion in 2015. This increase primarily reflects the following:

- a 34.2% increase in personnel expenditures, to ARS 198.3 billion in 2016 from ARS 147.8 billion in 2015, principally reflecting the cumulative impact of the salary increases granted in mid-year 2015 and further increases granted in 2016;
- a 59.8% increase in current transfers, to ARS 95.2 billion in 2016 from ARS 59.6 billion in 2015, reflecting increased transfers to municipalities due to an increase in overall tax collections and co-participation transfers. Additionally, the Province recorded ARS 11.5 billion in current transfers to reimburse advances made by Banco Provincia to cover Banco Provincia's pension fund deficit during the 2012-2016 period. These advances were reimbursed by the Province through debt securities issued by the Province during 2017 and 2018. In 2017, ARS 7.4 billion principal amount of debt securities were issued to cover the 2015/2016 deficit. In 2018, ARS 4.1 billion principal amount of debt securities were issued to cover the period 2012-2014. See "Public Sector Debt—Debt Denominated in Pesos";
- a 39.7% increase in social security benefits, to ARS 69.83 billion in 2016 from ARS 50.01 billion in 2015, attributable to the salary increase adjustment mechanism;
- a 9.2% increase in goods and services expenditures, to ARS 19.08 billion in 2016 from ARS 17.5 billion in 2015, primarily due to an increase in the cost of goods; and
- a 142.3% increase in capital expenditures, to ARS 26.7 billion in 2016 from ARS 11.0 billion in 2015, due to increased spending on public works. An increase of 55.1% of total capital investment and 68.4% of real direct investment was recorded during the fourth quarter of 2016.

Primary Balance. In 2016, the Province's primary deficit increased by 30.1%, from a deficit of ARS 11.6 billion in 2015 to a deficit of ARS 15.1 billion in 2016, mainly due to the increase of capital expenditures.

Financial Result. In 2016, the Province recorded a financial deficit of ARS 31.1 billion, compared to a financial deficit of ARS 21.5 billion in 2015, mainly due to the increase in the primary deficit.

Fiscal Result of 2017 Compared to Fiscal Result of 2016

Total revenues. In 2017, the total revenues increased by 34.3%, to ARS 529.4 billion from ARS 394.1 billion in 2016. This increase reflects the following:

- a 36.5% increase in total tax revenues to ARS 356.9 billion in 2017 from ARS 261.5 billion in 2016, due to (i) a 34.0% increase in federal tax revenues, to ARS 137.0 billion in 2017 from ARS 102.2 billion in 2016, and (ii) a 38.1% increase in provincial tax revenues to ARS 219.9 billion in 2017 from ARS 159.2 billion in 2016. The increase in provincial tax revenues was mainly due to:
 - a 32.7% increase in gross revenues tax collection, to ARS 152.2 billion in 2017 from ARS 114.7 billion in 2016;
 - a 56.0% in real estate tax collection, to ARS 15.8 billion in 2017 from ARS 10.2 billion in 2016;
 - a 45.2% increase in automobile tax collection, to ARS 19.48 billion in 2017 from ARS 13.4 billion in 2016; and
 - a 66.7% increase in stamp tax collection, to ARS 21.5 billion in 2017 from ARS 12.9 billion in 2016.

Total expenditures. In 2017, total expenditures of the Province increased by 29.8%, to ARS 551.7 billion from ARS 425.1 billion in 2016. This increase was mainly due to:

- a 27.1% increase in personnel expenditures, to ARS 252.0 billion in 2017 from ARS 198.3 billion in 2016, which was mainly due to the cumulative effect of the salary increases granted in 2016 and 2017;
- a 19.9% increase in current transfers, to ARS 114.2 billion in 2017 from ARS 95.2 billion in 2016, which reflects the increase in transfers to municipalities due to an increase in overall tax collection and co-participation transfers;
- a 37.5% increase in social security benefits, to ARS 96.1 billion from ARS 69.8 billion in 2016, attributable to the salary increase adjustment mechanism;
- a 56.6% increase in capital expenditures, to ARS 41.8 billion from ARS 26.7 billion in 2016, due to increased spending on public works.

Primary balance. The Province's primary deficit decreased by 91.2%, from a deficit of ARS 15.1 billion in 2016 to a deficit of 1.3 billion in 2017, mainly due to a 29.8% increase in total expenditures and 34.3% increase in total revenues.

Financial Result. In 2017, the Province recorded a financial deficit of ARS 22.3 billion, compared to a financial deficit of ARS 31.1 billion in 2016, mainly due to a decrease in the primary deficit.

Fiscal Result of 2018 Compared to Fiscal Result of 2017

Total revenues. In 2018, the total revenues increased by 29.8%, to ARS 687.2 billion from ARS 529.4 billion in 2017. This increase reflects the following:

- a 38.0% increase in total fiscal revenues to ARS 492.4 billion in 2018 from ARS 356.9 billion in 2017, due to (i) a 57.7% increase in federal tax revenues, to ARS 216.0 billion in 2017 from ARS 137.0 billion in 2017, and (ii) a 25.7% increase in provincial tax revenues, to ARS 276.5 billion in 2017 from ARS 219.9 billion in 2017. The increase in provincial tax revenues was mainly due to:

- a 25.5% increase in gross revenues tax collection, to ARS 191.1 billion in 2018 from ARS 152.2 billion in 2017;
- a 81.5% increase in real estate tax collection, to ARS 28.8 billion in 2018 from ARS 15.8 billion in 2017;
- a 14.4% increase in automobile tax collection, to ARS 22.3 billion in 2018 from ARS 19.5 billion in 2017; and
- a 15.7% increase in stamp tax collection, to ARS 24.9 billion in 2018 from ARS 21.5 billion in 2017.

Total expenditures. In 2018, total expenditures of the Province increased by 28.6%, to ARS 709.5 billion from ARS 551.7 billion in 2017. This increase was mainly due to:

- a 25.4% increase in personnel expenditures, to ARS 315.9 billion in 2018 from ARS 252.0 billion in 2017, which was mainly due to the cumulative effect of the salary increases granted in 2017 and 2018;
- a 26.1% increase in current transfers, to ARS 144.0 billion in 2018 from ARS 114.2 billion in 2017, which reflects the increase in transfers to municipalities due to an increase in overall tax collection and co-participation transfers;
- a 34.5% increase in social security benefits, to ARS 129.2 billion from ARS 96.1 billion in 2017, attributable to the salary increase adjustment mechanism;
- a 3.1% increase in capital expenditures, to ARS 43.1 billion from ARS 41.8 billion in 2017, due to increased spending on public works.

Primary balance. The Province's primary deficit decreased from a deficit of ARS 1.3 billion in 2017 to a surplus of 19.21 billion in 2018.

Financial Result. In 2018, The Province recorded a financial deficit of ARS 22.3 billion, similar to the financial deficit of ARS 22.3 billion in 2017.

Fiscal Results for the Nine-Month Period Ended September 30, 2019 compared to Fiscal Results for the Nine-Month Period Ended September 30, 2018

Total Revenues. For the nine-month period ended September 30, 2019, total revenues increased by 42.5%, to ARS 693.9 billion from ARS 487.1 billion in the same period in 2018. This increase reflects the following:

- a 37.9% increase in total tax revenues, to ARS 498.8 billion for the nine-month period ended September 30, 2019 from ARS 361.8 billion in the same period in 2018, due to a 47.6% increase in federal tax transfers, to ARS 231.8 billion for the nine-month period ended September 30, 2019 from ARS 157.1 billion in the same period in 2018 and a 30.4% increase in provincial tax revenues, to ARS 267.00 billion for the nine-month period ended September 30, 2019 from ARS 204.8 billion in the same period in 2018, mainly due to:
 - a 35.2% increase in gross revenue tax collections, to ARS 184.4 billion for the nine-month period ended September 30, 2019 from ARS 136.4 billion in the same period in 2018;
 - a 34.4% increase in automobile tax collections, to ARS 26.2 billion for the nine-month period ended September 30, 2019 from ARS 19.50 billion in the same period in 2018;
 - a 30.2% increase in real estate tax collections, to ARS 23.6 billion for the nine-month period ended September 30, 2019 from ARS 18.1 billion in the same period in 2018; and
 - a 15.1% increase in stamp tax revenues, to ARS 21.4 billion for the nine-month period ended September 30, 2019 from ARS 18.6 billion in the same period in 2018.

- a 49.3% increase in social security system contributions, to ARS 110.3 billion for the nine-month period ended September 30, 2019 from ARS 73.9 billion in the same period in 2018.

Total Expenditures. For the nine-month period ended September 30, 2019, total expenditures of the Province increased by 51.1%, to ARS 704.7 billion from ARS 466.3 billion in the same period in 2018. This increase was mainly due to:

- a 42.9% increase in personnel expenditures, to ARS 301.7 billion for the nine-month period ended September 30, 2019 from ARS 211.2 billion in the same period in 2018, which was mainly due to the cumulative effect of the salary increases granted in 2018 and 2019;
- a 66.6% increase in current transfers, to ARS 161.1 billion for the nine-month period ended September 30, 2019 from ARS 96.7 billion in the same period in 2018, which reflects the increase in transfer to municipalities due to an increase in overall tax collection and co-participation transfers, increased social welfare transfers and increased transfers to private schools as a result of increases in wages;
- a 49.8% increase in social security benefits, to ARS 132.3 billion for the nine-month period ended September 30, 2019 from ARS 88.3 billion in the same period in 2018, attributable to the salary increase adjustment mechanism;
- a 13.9% increase in capital expenditures, to ARS 29.9 billion for the nine-month period ended September 30, 2019 from ARS 26.2 billion in the same period in 2018, primarily due to increased spending on public works.

Primary Balance. For the nine-month period ended September 30, 2019, the Province's primary balance decreased by 10.9% compared to the same period in 2018. The Province's primary balance amounted to a ARS 41.06 billion surplus compared to a ARS 46.1 billion surplus in the same period in 2018, mainly due to the increase in total expenditures exceeding the increase in total revenues.

Financial Results. For the nine-month period ended September 30, 2019, the Province recorded a financial deficit of ARS 10.8 billion, compared to a financial surplus of ARS 20.7 billion in the same period in 2018.

2019 Projected Results

The following table shows the 2019 projected results, as compared to actual fiscal results for 2018:

2019 Projected Results (in millions of nominal pesos, except for percentages)

	2018	Projected 2019	Variation
Current Revenues	679,804	981,339	44.4%
Total Tax Revenues	492,413	684,728	39.1%
Provincial Taxes	276,461	367,061	32.8%
Federal Tax Transfers	215,952	317,666	47.1%
Social Security System Contributions	116,818	156,042	33.6%
Non Tax revenues	70,572	140,570	99.2%
Other non Tax Revenues	24,950	44,533	78.5%
Current Transfers	45,623	96,037	110.5%
Provincial Transfers	11,243	11,492	2.2%
Federal Transfers	34,302	84,545	146.5%
Others	78	-	(100.0)%
Current Expenditures	666,363	980,649	47.2%
Personnel	315,942	433,585	37.2%
Good and Services	32,065	43,763	36.5%
Property Rent	41,496	77,139	85.9%
Social Security System Benefits	129,171	191,684	48.4%
Current Transfers	143,991	232,747	61.6%
Others	3,699	1,732	(53.2)%

	2018	Projected 2019	Variation
Current Account Balance	13,441	690	(94.9)%
Capital Revenues	7,403	5,574	(24.7)%
Capital Expenditures	43,126	42,578	(1.3)%
Capital Investments	21,405	19,622	(8.3)%
Transfers for Public Works	15,970	16,637	4.2%
Loans and Capital Contributions	5,751	6,319	9.9%
Total Revenues	687,207	986,913	43.6%
Total Expenditures	709,489	1,023,227	44.2%
Primary Balance	19,213	40,825	112.5%
Financial Balance	(22,283)	(36,314)	63.0%

Source: Ministry of Treasury and Finance of the Province.

Total Revenues. The 2019 projected results reflect an increase in total provincial revenues of 43.6% to ARS 986.9 billion, as compared to 2018 revenues of ARS 687.2 billion. This increase is mainly due to a projected 39.1% increase in total tax revenues to ARS 684.7 billion projected in 2019, from ARS 492.4 billion in 2018.

Total Expenditures. In 2019, total provincial expenditures are projected to increase by 44.2%, to ARS 1,023.2 billion from ARS 709.5 billion in 2018, mainly due to:

- 37.2% increase in personnel expenditures, to ARS 433.6 billion projected in 2019 from ARS 315.9 billion in 2018;
- 36.5% increase in goods and services expenditures, to ARS 43.8 billion projected in 2019 from ARS 32.1 billion in 2018; and
- 61.6% increase in current transfers, to ARS 232.7 billion projected in 2019 from ARS 144.0 billion in 2018, mainly due to increased federal co-participation tax revenues, which will result in an increase in transfers to municipalities.

Primary Balance. In 2019, the Province projected the primary balance to increase to a ARS 40.8 billion surplus from ARS 19.2 billion surplus in 2018.

Financial Result. In 2019, the Province projected to record a financial deficit of ARS 36.3 billion, compared to a financial deficit of ARS 22.3 billion in 2018.

2020 Budget Law

Overview of the Provincial Budget Process

Under the provincial constitution, the Governor is required to submit the annual budget bill to the legislature by August 31 of the current year for the following year. The annual budget represents an estimate of the Province's revenues for the budgeted year on the basis of forecasts of the economic activity of Argentina and the Province, and of the necessary expenditures to render public services and to comply with the Province's obligations. In addition, the budget, when approved, represents the amount that the Province is authorized to spend and the maximum amount that the Province may borrow. The provincial legislature has full power to amend or reject the budget bill submitted by the Governor.

Extension of the 2019 Budget for Fiscal Year 2020 (the "2020 Budget")

Pursuant to Section 26 of Law No. 13,767 of Financial Administration, if at the beginning of a fiscal year the annual budget for that year has not been approved by the legislature, the one in effect at the end of the prior fiscal year will apply, with the adjustments determined by the provincial Executive Power.

Section 24 of Law No. 15,165 extends for the fiscal year 2020 the 2019 Budget until April 15, 2020, a period that can be extended if the macro-fiscal references of the federal government's budget are not available or until the 2020 Budget is approved.

Among other terms, Law No. 15,165 authorizes:

- the General Treasury of the Province to issue Provincial Treasury Bills for up to ARS 8.0 billion, or its equivalent in other currencies.
- The provincial Executive Power to borrow an amount equivalent to the interest and capital debts contracted in previous years that mature during the first quarter of 2020, for up to ARS 66.8 billion.

In addition, Section 27 of Law No. 15,165 provides for the creation of a Municipal Fund for Infrastructure Agreements to finance municipal infrastructure works in 2020, for up to ARS 2 billion.

PUBLIC SECTOR DEBT

General

The Province satisfies its financing needs with a wide variety of sources depending on the provincial and federal economies and the domestic and international financing markets.

The Province's total indebtedness amounted to USD 9.36 billion, USD 12.35 billion, USD 13.65 billion, USD 12.58 billion and USD 10.91 billion as of December 31, 2015, 2016, 2017, 2018 and 2019, respectively.

The Province's total indebtedness amounted to ARS 122,085 million, ARS 196,294 million, ARS 254,532 million, ARS 474,419 million and ARS 653,585 million as of December 31, 2015, 2016, 2017, 2018 and 2019, respectively.

As of December 31, 2019, the federal government held 5.1% of the Province's total indebtedness, while 88.4% was held by local and international bondholders, 5.2% corresponded to multilateral credit organizations and the remaining 1.3% was held by bilateral credit agencies and other creditors. As of December 31, 2019, 16.1% of the Province's total indebtedness was denominated in pesos, with the remaining 70.7%, 12.5%, 0.6% and 0.2% denominated in U.S. dollars, euros, other currencies and CER adjusted pesos, respectively. Also, as of December 31, 2019, 97.9% of the Province's debt stock was medium-term and long-term and 70.4% was at fixed rate.

Evolution of Debt: 2015 to 2019

The following tables describe the evolution of the Province's total outstanding indebtedness from 2015 to 2019, by creditor, currency, interest rate and term:

Total Gross Debt by Creditor ⁽¹⁾
(in millions of USD, and as a percentage of total gross debt)

CREDITOR	As of December 31,									
	2015		2016		2017		2018		2019	
Federal Government	3,234	34.5%	2,836	23.0%	1,431	10.5%	424	3.4%	553	5.1%
Domestic Bondholders	710	7.6%	1,338	10.8%	2,013	14.7%	2,809	22.3%	2,227	20.4%
International Bondholders	4,529	48.4%	7,394	59.9%	9,498	69.6%	8,692	69.1%	7,426	68.0%
Multilateral Credit Agencies	753	8.0%	648	5.2%	570	4.2%	522	4.1%	570	5.2%
Bilateral Credit Agencies	133	1.4%	134	1.1%	137	1.0%	137	1.1%	138	1.3%
Others	3	—	3	—	—	—	—	—	—	—
Total	9,362	100.0%	12,353	100.0%	13,649	100.0%	12,584	100.0%	10,913	100.0%
Exchange Rates,										
ARS/USD ⁽²⁾	13.040		15.890		18.649		37.700		59.890	
CER ⁽³⁾	5.036		6.838		8.384		12.339		18.701	

(1) Excluding past and due interest.

(2) Last exchange rate recorded for each period.

(3) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

Total Gross Debt by Currency ⁽¹⁾
(in millions of USD, and as a percentage of total gross debt)

CURRENCY	As of December 31,									
	2015		2016		2017		2018		2019	
Pesos	3,913	41.8%	4,145	33.6%	3,410	25.0%	2,465	19.6%	1,753	16.1%
CER adjusted pesos	30	0.3%	33	0.3%	34	0.2%	24	0.2%	23	0.2%
USD	4,022	43.0%	6,847	55.4%	8,224	60.3%	8,424	66.9%	7,711	70.7%
EUR	1,338	14.3%	1,269	10.3%	1,917	14.0%	1,608	12.8%	1,362	12.5%
Others ⁽²⁾	59	0.6%	60	0.5%	63	0.5%	63	0.5%	64	0.6%
Total	9,362	100.0%	12,353	100.0%	13,649	100.0%	12,584	100.0%	10,913	100.0%
Exchange Rates										
ARS/USD ⁽³⁾	13.040		15.890		18.649		37.700		59.890	
CER ⁽⁴⁾	5.036		6.838		8.384		12.339		18.701	

(1) Excluding past and due interest.

(2) Figures include Italian Lira, Swiss Francs and Japanese Yen.

(3) Last exchange rate recorded for each period.

(4) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

Total Gross Debt by Type of Interest Rate ⁽¹⁾
(in millions of USD, and as a percentage of total gross debt)

BY INTEREST TYPE	As of December 31,									
	2015		2016		2017		2018		2019	
Fixed rate ⁽²⁾	5,637	60.2%	8,543	69.2%	9,192	67.3%	8,425	67.0%	7,686	70.4%
Fixed rate + CER adjustment ⁽³⁾ ...	30	0.3%	33	0.3%	34	0.2%	24	0.2%	23	0.2%
Fixed Step-up rate	1,801	19.2%	1,764	14.3%	1,809	13.3%	1,509	12.0%	1,254	11.5%
Variable rate	1,895	20.2%	2,014	16.3%	2,614	19.2%	2,626	20.9%	1,950	17.9%
IDB -WB ⁽⁴⁾	124	1.3%	89	0.7%	64	0.5%	49	0.4%	44	0.4%
LIBOR	629	6.7%	559	4.5%	505	3.7%	472	3.8%	526	4.8%
Tasa BADLAR ⁽⁵⁾	1,077	11.5%	1,303	10.5%	1,975	14.5%	2,040	16.2%	1,090	10.0%
Others	64	0.7%	63	0.5%	69	0.5%	64	0.5%	289	2.6%
Total	9,362	100.0%	12,353	100.0%	13,649	100.0%	12,584	100.0%	10,913	100.0%
Exchange Rates										
ARS/USD ⁽⁶⁾	13.040		15.890		18.649		37.700		59.890	
CER ⁽⁷⁾	5.036		6.838		8.384		12.339		18.701	

(1) Excluding past and due interest.

(2) Consists primarily of Eurobonds and the Federal Debt Refinancing Program.

(3) Consists primarily of domestic notes.

(4) Includes multilateral debt.

(5) Rate determined by the Central Bank based on a survey of the rate paid on savings accounts and time deposits in pesos and in dollars by banks in the City of Buenos Aires and in Greater Buenos Aires.

(6) Last exchange rate recorded for each period.

(7) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

Total Gross Debt by Term ⁽¹⁾
(in millions of USD, except for percentages)

TERM	As of December 31,									
	2015		2016		2017		2018		2019	
Short-term ⁽²⁾	327	3.5%	440	3.6%	455	3.3%	301	2.4%	226	2.1%
Medium-term and long term ⁽³⁾	9,036	96.5%	11,914	96.4%	13,193	96.7%	12,283	97.6%	10,687	97.9%
Total	9,362	100.0%	12,353	100.0%	13,649	100.0%	12,584	100.0%	10,913	100.0%
Exchange Rates										
ARS/USD ⁽⁴⁾	13.040		15.890		18.649		37.700		59.890	
CER ⁽⁵⁾	5.036		6.838		8.384		12.339		18.701	

(1) Excluding past and due interest.

(2) Debt with original maturity of one year or less.

(3) Debt with original maturity of more than one year.

(4) Last exchange rate recorded for each period.

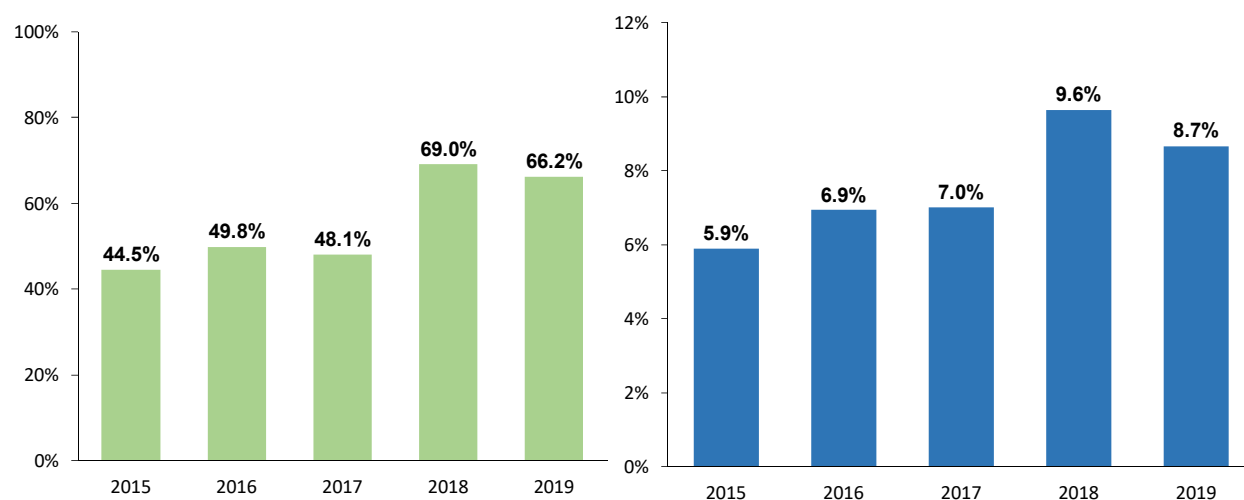
(5) CER accumulated from February 4, 2002 until the end of each period.

Source: Ministry of Treasury and Finance of the Province.

Between 2015 and 2019, the federal government's share of the Province's public debt has fluctuated between 34.5% and 5.1%. The Province received significant financial assistance from the federal government in 2015 through transfers of funds under an agreement known as *Programa de Asistencia Financiera* (Financial Assistance Program, or "PAF"). This agreement helped fund, among other things, the Province's debt service obligations. Moreover, the Province entered into additional agreements with the federal government to offset debt and to suspend and refinance the debt service owed by the Province to the federal government and other creditors. See "Public Sector Debt—Debt Denominated in Pesos—Argentine Provincial Indebtedness Federal Refinancing Program" and "Public Sector Debt—Debt Denominated in Pesos—Debt Refinancing Agreements with the Federal Government." As of June 29, 2018, the Province had repaid the full outstanding indebtedness owed to the federal government under the Financial Assistance Programs and the Federal Debt Refinancing Program of ARS 15.7 billion. On May 3, 2019, the Province entered into the 2019 Financial Assistance Agreement for an amount of ARS 20.0 billion, which was canceled on November 1, 2019 through a new agreement signed between the federal government and the Province. On December 6, 2019 the Province entered into an agreement with the Trust Fund for Provincial Development for an amount of ARS 7.0 billion. See "Public Sector Debt—Debt Denominated in Pesos—December 2017 Agreement with the Federal Government."

Another important milestone in the history of provincial indebtedness was the 2006 provincial restructuring of Eurobonds, which had been in default since December 2001. See "—Debt Denominated in Foreign Currencies—Exchange Bonds." This debt restructuring helped the Province return to the international capital markets in October 2006.

The following charts show debt divided by total revenues and debt divided by provincial GDP from 2015 through 2019.



GDP 2015-2018: Provincial GDP at current prices base 2004, released by the Provincial Bureau of Statistics.

GDP 2019: Own estimates.

Source: Ministry of Treasury and Finance of the Province.

The following table sets forth the Province's total outstanding indebtedness as of the periods specified below.

Total Outstanding Indebtedness
(in millions of USD and ARS and as a percentage change)

	As of December 31,						Variation	
	2017		2018		2019		2019 vs. 2018	
	USD	ARS	USD	ARS	USD	ARS	ARS	%
Debt in Pesos - adjusted by CER-								
PyMES Bond (Law No. 12,421)	34	626.2	24	915.4	23	1,379.6	464.1	50.7%
Total debt in Pesos - adjusted by CER-	34	626.2	24	915.4	23	1,379.6	464.1	50.7%
Debt in Pesos								
Federal Refinancing Program on Dec 29, 2017	841	15,686.2						
2011 FFDP Loan	12	228.9	3	114.6			(114.6)	(100.0)%
2016 FGS Loan	333	6,207.0	165	6,207.0	108	6,207.0		
2017 FGS Loan	222	4,139.3	110	4,139.3	72	4,139.3		
2018 FGS Loan			132	4,990.4	87	4,990.4		
2019 FGS Loan					175	10,085.4	10,085.4	
2019 Fondo Fiduciario Desarrollo Federal Loan					117	7,000.0	7,000.0	
Federal Trust Fund for Regional Infrastructure	23	421.5	14	541.4	12	726.1	184.7	34.1%
Bonds Law No. 10,328	-	-	-	-	-	-	-	(32.4)%
Bonds of the Province of Buenos Aires – Section 45, Law No. 14,062	2	36.7	1	23.4	-	10.0	(13.3)	(57.1)%
Bonds of the Province of Buenos Aires – Due March 14, 2023	395	7,374.3	240	9,042.5	151	9,042.5		
Bonds of the Province of Buenos Aires – Due January 10, 2024			108	4,069.7	68	4,069.7		
Treasury Bills	455	8,486.0	301	11,348.5	178	10,686.9	(661.6)	(5.8)%
Law No. 14,315-Serie E	3	51.0						
Suppliers Bond	107	1,999.3						
2016 Local Program Series I class I	17	314.3						
2016 Local Program Series I class II	161	2,995.3	192	7,254.9			(7,257.9)	(100.0)%
2016 Local Program Series II	23.1	430.8						
Local Bond due 2022	814	15,182.4	403	15,182.4	254	15,182.4		
Local Bond due 2025			796	30,000.0	501	30,000.0		
PBA Bonds due on February 28, 2020					23	1,381.9	1,381.9	
PBA Bonds due on April 30, 2020					25	1,479.4	1,479.4	
Fiscal Credit Certificate	2.4	45.6						
Total Debt in pesos	3,410	63,598.7	2,465	92,914.0	1,753	105,001.1	12,087.1	13.0%
Debt in Foreign Currency								
Eurobonds	9,498	177,127	8,692	327,693.7	7,426	444,713.5	117,019.8	35.7%
USD - denominated Long Term Par Bond	488	9,095.1	488	18,386.2	488	29,208.2	10,822.0	58.9%
EUR - denominated Long Term Par Bond	695	12,959.3	662	24,953.6	649	38,865.7	13,912.0	55.8%
USD - denominated Medium Term Par Bond	53	989.9	32	1,200.7	11	635.88	(564.9)	(47.0)%
EUR - denominated Medium Term Par Bond	573	10,690.8	328	12,351.3	107	6,412.4	(5,938.8)	(48.1)%
Eurobonds (Untendered Holdings) (1)	63	1,183.8	61	2,303.4	60	3,615.5	1,312.1	57.0%
USD 475 M – 9.375% bonds due 2018-	475	8,858.3						
USD 400 M – 9.625% bonds due 2028-	400	7,459.6	400	15,080.0	400	23,956.0	8,876.0	58.9%
USD 750 M – 10.875% bonds due 2021-	750	13,986.8	750	28,275.0	500	29,946.5	1,671.5	5.9%
USD 899 M – 9.950% bonds due 2021-	899	16,774.3	899	33,910.2	899	53,869.6	19,959.4	58.9%
USD 1,250 M – 9.125% bonds due 2024-	1,250	23,311.3	1,250	47,125.0	1,250	74,862.5	27,737.5	58.9%
USD 750 M – 5.750% bonds due 2019-	750	13,986.8	750	28,275.0			(28,275.0)	(100.0)%
USD 1,750 M – 7.875% bonds due 2027-	1,750	32,635.8	1,750	65,975.0	1,750	104,807.5	38,832.5	58.9%
USD 750 M – 6.500% bonds due 2023-	750	13,986.8	750	28,275.0	750	44,917.5	16,642.5	58.9%
EUR 500 M – 5.375% bonds due 2023-	601	11,209.0	573	21,583.3	561	33,616.3	12,033.0	55.8%
Local Bonds			744	28,048.8	1,004	60,121.5	32,072.7	114.3%
USD250 M – 9.500% bonds due 2020			250	9,425.0	250	14,972.5	5,547.5	58.9%
USD250 M – 9.750% bonds due 2020			250	9,425.0	250	14,972.5	5,547.5	58.9%
USD244 M – 9.875% bonds due 2021			244	9,198.8	244	14,613.2	5,414.4	58.9%
USD250 M – 7.893% bonds due 2019					260	15,563.4	15,563.4	
Multilateral Loans (IDB-IRDB-CAF-FONPLATA)	570	10,627.6	522	19,666.2	570	34,125.8	14,459.6	73.5%

	As of December 31,						Variation	
	2017		2018		2019		2019 vs. 2018	
	USD	ARS	USD	ARS	USD	ARS	ARS	%
Bilateral Loans ⁽¹⁾	137	2,551.7	137	5,181.0	138	8,243.2	3,062.2	59.1%
USD	84	1,564.5	84	3,162.8	84	5,024.4	1,861.6	58.9%
Yen.....	42	782.5	43	1,624.2	43	2,605.1	980.9	60.4%
Liras.....	11	204.6	10	394.0	10	613.7	219.7	55.8%
Total Debt in Foreign Currencies	10,205	190,306.7	10,095	380,589.8	9,137	547,204.1	166,614.3	43.8%
Total Indebtedness	13,649	254,531.6	12,584	474,419.3	10,913	653,584.7	179,165.5	37.8%

	As of December 31		
	2017	2018	2019
Exchange rates			
ARS/USD	18.649	37.700	59.890
ARS/JPY	0.166	0.344	0.551
ARS/CHF.....	19.153	38.348	61.947
ARS/EUR	22.418	43.167	67.233
ARS/ITL	0.012	0.022	0.035
Accumulated CER	8.384	12.339	18.701

(1) Excluding past and due interest as of December 2001

Source: Ministry of Treasury and Finance of the Province.

Causes of debt stock variation between December 31, 2018 and December 31, 2019

For the year-ended December 31, 2019, the Province's indebtedness, when measured in pesos, increased by ARS 179.2 billion, or 37.8%, as compared to December 31, 2018.

The following table describes the increases and decreases in the Province's outstanding indebtedness that led to the net increase, when measured in pesos, in the provincial debt stock from December 31, 2018 to December 31, 2019.

Causes of Debt Stock Variation, December 31, 2019 vs. December 31, 2018 (in millions of ARS)

	Variation
Debt Increases	ARS 276,763
Exchange Rate Effect ⁽¹⁾	206,385
Federal Government Loans	37,163
Issuances in Local Capital Market	24,902
Disbursements of Multilateral Loans	7,010
Inflation Effect	714
Interest capitalization	589
Debt Reduction	(97,597)
Amortization in the international capital markets	(54,256)
Amortization of federal government's loans	(20,255)
Amortization in domestic capital markets	(18,620)
Amortization of multilateral credit agencies	(4,467)
Debt Stock Variation	ARS 179,166

(1) Includes the devaluation of the peso against the U.S. Dollar, Euro, Japanese Yen and Swiss Franc.

Source: Ministry of Treasury and Finance of the Province

The increase in the Province's indebtedness when measured in pesos during 2019 was mainly due to:

- the exchange rate depreciation of the ARS against the USD, EUR, JPY and CHF for an aggregate amount of ARS 206.4 billion, which accounted for 74.6% of the total gross increase;
- new disbursements from the federal government totaling ARS 37.2 billion, which accounted for 13.4% of the total gross increase. These disbursements included the funds of three new agreements, signed in 2019, for ARS 10.1 billion disbursed in January 17, 2019 under the FGS Loan, for ARS 20.0 billion disbursed in June 4, 2019 and for ARS 7.0 billion disbursed in December 6, 2019; the remainder disbursement came from FFFIR for a total amount ARS 78.0 million;

- the issuance of ARS 24.9 billion, which accounted for 9.0% of the total gross increase, consisting of (a) the issuance of the 2019 FGS Bond for an aggregate principal amount of USD 250 million, which represents ARS 11.4 billion in May 2019, the issuance of Treasury Bills for ARS 10.7 billion and the issuance of two Provincial Bonds for ARS 2.9 billion;
- multilateral credit agencies' disbursements totaling ARS 7.0 billion, which accounted for 2.5% of the total gross increase; the impact of inflation on the debt denominated in ARS and adjusted by CER, which accounted for 0.3% of the total gross increase; and
- interest capitalization totaling ARS 0.6 billion, which accounted for 0.2% of the total gross increase.

The increase was partially offset by the following decreases:

- amortization of debt issued in the international capital markets amounting to ARS 54.3 billion, which accounted for 55.6% of the total gross decrease. This amount includes USD 750 million of 5.75% bonds due 2019 and the first installment of USD 250 million of the USD 750 million 10.875% bonds due 2021;
- ARS 20.3 billion in amortization of debt held by the federal government which accounted for 20.8% of the total gross decrease. This amount includes the cancellation of the 2019 Federal Government Loan for ARS 20.0 billion signed in May 2019.
- amortization of debt issued in the local capital market, which amounted to ARS 18.6 billion, which accounted for 19.1% of the total gross decrease. This amount includes (i) ARS 11.4 billion in Treasury Bills amortizations, (ii) ARS 7.3 billion in 2016 Local Program Series I Class II, and (ii) ARS 0.02 billion in repayments of other debts and;
- amortization payments under multilateral credit lines for ARS 4.5 billion, which accounted for 4.6% of the total gross decrease.

Estimated Debt Service

The following table shows projected debt service by creditor and year based on the Province's outstanding indebtedness as of December 31, 2019.

Estimated Debt Service by Creditor ^{(1) (2)} (in millions of USD)

Creditor	Outstanding	As of December 31,					
	As of December 31, 2019	2020	2021	2022	2023	2024	2025-2051
Federal Government	553						
<i>Amortization</i>		119	99	114	199	16	5
<i>Interest</i>		103	56	34	13	1	0
Bondholders	9,652						
<i>Amortization</i>		1,880	1,337	1,069	1,339	498	3,469
<i>Interest</i>		1,216	987	781	613	522	623
USD	7,057						
<i>Amortization</i>		1,486	1,226	699	699	449	2,491
<i>Interest</i>		530	402	313	257	210	378
EUR	1,362						
<i>Amortization</i>		129	43	43	605	43	454
<i>Interest</i>		58	55	53	51	19	100
ARS	1,200						
<i>Amortization</i>		264	67	326	35	6	501
<i>Interest</i>		628	530	415	304	293	145
ARS + CER	23						
<i>Amortization</i>		0	0				23
<i>Interest</i>							
CHF	10						
<i>Amortization</i>							
<i>Interest</i>							
Multilateral	570						
<i>Amortization</i>		78	65	44	32	29	322
<i>Interest</i>		20	18	16	15	14	85
Bilateral	138						
<i>Amortization</i>							
<i>Interest</i>							
TOTAL	10,913						
<i>Amortization</i>		2,077	1,501	1,227	1,570	544	3,796
<i>Interest</i>		1,340	1,061	831	640	536	708

Exchange rates as of December 31, 2019

ARS/USD	59.890
ARS/JPY	0.551
ARS/CHF	61.947
ARS/EUR	67.233
ARS/ITL	0.035
Accumulated CER as of December 31, 2019	18.701
Pesifications	1.40

(1) Calculated based on the stock of debt, exchange rate and interest rates as of December 31, 2019. Data does not include any adjustment for inflation with respect to the debt denominated in CER adjusted, ICC adjusted pesos (pesos adjusted pursuant to the *Índice de Costos de la Construcción* (Construction Costs Index)) or any other debt excluding past and due interest.

(2) Does not reflect amortization or interest payments on debt issued or refinanced after December 31, 2019.

Source: Ministry of Treasury and Finance of the Province.

Pledge of Tax Co-Participation Revenues

The Province has pledged a portion of its federal tax transfers to secure its obligations under certain of its outstanding indebtedness, most of which is owed to the federal government. Pursuant to these security arrangements, the federal government is entitled to withhold a portion of the Province's federal tax transfers to cover principal and interest payments on the secured debt.

The following table sets forth the amount of federal tax transfers withheld to cover provincial debt service payments for each of the indicated periods.

Withheld Federal Tax Transfers 2015 to 2019
(in millions of pesos)

	For the year ended December 31,				
	2015	2016	2017	2018	2019
Federal Tax Co-Participation	76,640	100,098	134,295	210,231	310,322
Withholdings					
Federal Government ⁽¹⁾	2,438	1,491	3,889	2,580	2,874
Other Withholdings ⁽²⁾	239	212	1,388	67	-
Total	2,676	1,703	5,277	2,647	2,874
Percentage Withheld	3.5%	1.7%	3.9%	1.3%	0.9%

(1) These secured debts consisted primarily of financing provided pursuant to the Federal Refinancing Program whose grace period was extended until December 31, 2016, the Trust Fund for Provincial Development, the FGS Loan, PAF 2014 and PAF 2015.

(2) Includes withholdings to make debt service payments to multilateral creditors.

Source: Ministry of Treasury and Finance of the Province and Banco de la Nación Argentina.

Debt Denominated in CER-adjusted Pesos

PyMEs Bond

In May 2000, the Province enacted Law No. 12,421 (further amended by Law No. 12,721 and Law No. 12,786) implementing a financial support program for PyMEs in financial distress with outstanding bank loans from Banco Provincia. Through this program, an eligible PyME could refinance debt by extending the term of its loans to 15, 20 or 25 years and purchasing zero-coupon dollar-denominated provincial bonds issued by the Province ("PyMEs Bonds") and depositing these bonds at Banco Provincia as collateral for its loans. At maturity, the Province would redeem PyMEs Bonds collateralizing the principal amount of the loans, which would be cancelled. Participating PyMEs may be excluded from this program if they default on their loans, in which case the PyMEs Bonds that serve as collateral for the defaulted loans will be redeemed by the Province at their then-current value.

As of December 31, 2019 the aggregate nominal amount of outstanding PyMEs Bonds was ARS 1.4 billion, which, if all participating PyMEs had been excluded and all PyMEs Bonds had been redeemed, the Province would have been required to pay approximately ARS 0.2 billion to Banco Provincia.

Debt Denominated in Pesos

Argentine Provincial Indebtedness Federal Refinancing Program

On May 10, 2010, the federal government issued Decree No. 660/10, creating the Federal Debt Refinancing Program. The Federal Debt Refinancing Program:

- reduces indebtedness owed by provinces to the federal government by applying funds held in the National Treasury Contributions Fund as of December 31, 2009 to reduce, on a pro rata basis, the indebtedness of provinces that agreed to participate in the Federal Debt Refinancing Program prior to May 31, 2010; and
- allows provinces to refinance indebtedness held with the federal government as of May 31, 2010 under the Fiscal Responsibility Law, the Trust Fund for Provincial Development, the Monetary Unification Program (PUM), the Financial Assistance Program (PAF), Interest Suspension Agreements, *Bogar*, and *Boden*.

In 2010, the Province agreed to participate in this program. The agreement entered into with the federal government in connection with the program provided that the refinanced indebtedness would be denominated in pesos and have a grace period until December 31, 2011, after which the principal had to be repaid in 227 consecutive monthly installments of 0.439% of the principal and a final installment of 0.347% of the principal. All outstanding amounts would bear interest at an annual fixed rate of 6.0%, and interest would be capitalized until December 31, 2011. The Federal Debt Refinancing Program eliminated all provincial CER-adjusted debt owed to the federal government. The Province secured the amounts owed under the Federal Debt Refinancing Program by pledging federal tax co-participable funds that it is entitled to receive.

On December 11, 2017, the Province and the federal government entered into a new agreement (the “December 2017 Agreement with the Federal Government”) to cancel the outstanding debt owed by the Province to the federal government relating to the Federal Debt Refinancing Program. See “Public Sector Debt—Debt Denominated in Pesos—Debt Refinancing Agreements with the Federal Government.”

The following table shows the amounts owed by the Province to the federal government as of May 31, 2010, the amount of this debt that was reduced through the application of funds held in the National Treasury Contributions Fund, and the amount of debt that was refinanced through the Federal Debt Refinancing Program.

Provincial Debt included in the Federal Debt Refinancing Program as of May 31, 2010

	As of May 31, 2010	
	Outstanding principal (in millions)	
	ARS	USD
Provincial Debt Exchange (BOGAR)	13,928.7	3,545.1
Monetary Unification Program (BODEN 2011).....	599.4	152.6
Financial Assistance 2005	702.0	178.7
Financial Assistance 2006	1,352.3	344.2
Financial Assistance 2007 ⁽¹⁾	2,469.8	628.6
Financial Assistance 2008 ⁽¹⁾	3,105.2	790.3
Financial Assistance 2009 ⁽¹⁾	3,551.7	904.0
FFDP Loan 2008	426.3	108.5
FFDP Loan 2009	1,671.3	425.4
Outstanding principal	27,806.9	7,077.3
National Treasury Funds to be applied ⁽²⁾	(4,134.2)	(1,052.2)
Outstanding principal net of National Treasury Funds	23,672.7	6,025.1
Exchange rate ARS /USD	1	3.929

(1) Includes debt from the Interest Suspension Agreements in 2007, 2008 and 2009.

(2) Includes an additional ARS 40.8 million to the original ARS 4,093.4 million held in the National Treasury Contributions Fund due to the Province of Chubut’s refusal to participate in the program, which allowed the federal government to reallocate those funds among all the participating provinces.

Source: Ministry of Treasury and Finance of the Province.

In June 2010, the federal government withheld ARS 0.3 billion of federal co-participable tax revenues to cover interest and principal payments owed on refinanced debt prior to June 23, 2010. These amounts were used to reduce amounts owed to the federal government under the Federal Debt Refinancing Program.

In December 2011, pursuant to Resolution No. 33/11, the federal government amended the terms and conditions of the Federal Debt Refinancing Program and the PAF 2010. Under the new conditions, the debt outstanding under these programs would be paid in 203 consecutive and monthly installments equivalent to 0.49% of the principal each, and one last installment equivalent to 0.53% of the principal. All outstanding amounts would continue to bear interest at an annual fixed rate of 6.0% and interest would be capitalized until December 31, 2013. The grace period was extended to December 31, 2013 and the first installment would be paid in January 2014. Certain terms of the Federal Debt Refinancing Program were subsequently amended in 2013, 2014 and 2015 through the execution of several Debt Refinancing Agreements. See “Public Sector Debt—Debt Denominated in Pesos—Debt Refinancing Agreements with the Federal Government.”

Financial Assistance Programs (PAFs)

In August 2004, the federal government created the *Régimen Federal de Responsabilidad Fiscal* (Federal Fiscal Responsibility Regime), which went into effect as of January 1, 2005. This regime established general rules of fiscal behavior and transparency for Argentina’s national, provincial and municipal public sectors. In addition, the federal government established, pursuant to various bilateral agreements, financing programs (the “**Financial Assistance Programs**”) for those provinces that do not have other sources of funds and are in compliance with the fiscal responsibility rules established under this regime. The Province and the federal government entered into Financial Assistance Programs on each year from 2005 through 2012, which were all later refinanced.

On December 18, 2014, the federal government and the Province entered into the 2014 Financial Assistance Program (the “**PAF 2014**”), pursuant to which the federal government granted the Province a ARS 1.2 billion loan. This loan is scheduled to amortize in 84 consecutive monthly installments, commencing in January

2016. Interest on principal would accrue at a rate of 6.00% per annum. All payments under this loan were secured by revenues from the federal tax co-participation regime. This loan was later incorporated into further debt refinancing agreements with the national government. See “Public Sector Debt—Debt Denominated in Pesos—Debt Refinancing Agreements with the Federal Government.”

On November 25, 2015, the federal government and the Province entered into the 2015 Financial Assistance Program (“**PAF 2015**”), pursuant to which the federal government granted the Province a loan for ARS 5.9 billion. This loan is scheduled to amortize in 168 consecutive monthly installments, commencing in January 2017. Interest on principal accrues at a rate of 6.0% per annum and was capitalized until December 31, 2016. All payments under this loan are secured by revenues from the federal tax co-participation regime.

On December 2, 2015, in addition to the PAF 2015, the federal government and the Province entered into a loan agreement for an additional ARS 700 million, with the same conditions as the loan granted under the PAF 2015 (“**December 2015 PAF**”).

The PAF 2015 and the December 2015 PAF were later incorporated into further debt refinancing agreements with the federal government. See “Public Sector Debt—Debt Denominated in Pesos—Debt Refinancing Agreements with the Federal Government.”

In addition, on December 18, 2015, the federal government and the Province entered into an agreement under the Financial Assistance Program for ARS 4.2 billion, which will be repaid in nine monthly installments following a principal and interest grace period, with expiration date on March 31, 2016. Interest will be calculated at the rate of the LEBACs. This debt was cancelled with the National Treasury Contributions Fund provided by the federal government pursuant to the agreement entered into on December 27, 2016 between the Province and the federal government. See “Public Sector Finances—Main Sources of Revenues—Federal Tax Co-Participation Regime”.

In January 2016, pursuant to Decree No. 124/16, the federal government advanced ARS 3.5 billion to the Province on account of future tax co-participation revenues, to allow the Province to pay urgent budgeted expenditures and service its debt. This debt was cancelled with the National Treasury Contributions Fund provided by the federal government pursuant to the agreement entered into on December 27, 2016 between the Province and the federal government. See “Public Sector Finances—Main Sources of Revenues—Federal Tax Co-Participation Regime.”

On December 11, 2017, the Province and the federal government entered into the December 2017 Agreement with the Federal Government (the “**PAF 2017**”) to cancel the outstanding debt owed by the Province to the federal government relating to the agreements entered into under the Financial Assistance Program in 2010, 2011, 2012, 2014 and 2015. See “Public Sector Debt—Debt Denominated in Pesos—Debt Refinancing Agreements with the Federal Government.”

On May 3, 2019 the federal government and the Province entered into the 2019 Financial Assistance Program (the “**PAF 2019**”), pursuant to which the federal government granted the Province a ARS 20.0 billion loan for purposes of addressing fiscal imbalances, treasury payment delays and making debt service payments. The PAF 2019 included a one-and-a-half-year grace period and is required to be repaid in 36 monthly and consecutive installments. Outstanding amounts bear interest at an annual fixed rate of 6.72%. All payments under this loan are secured by federal tax co-participation funds that the Province would otherwise be entitled to receive. On October 31, 2019 the federal government transferred ARS 20.54 billion from the National Treasury Contributions Fund to the Province to cancel in full the debt originated by the PAF 2019, plus the interest accrued through November 1, 2019.

Debt Refinancing Agreements with the Federal Government

2015 Refinancing Agreement

On January 30, 2015, the Province and the federal government entered into a *Convenio entre la Provincia de Buenos Aires y el Gobierno Nacional* (the “**January 2015 Debt Refinancing Agreement**”), which was approved by Provincial Decree No. 95/15, to refinance the total debt outstanding as of December 31, 2014 under the previous

debt refinancing agreements (including the PAF 2014). The total refinanced amount was ARS 32.59 billion. In addition, due to the implementation of the National Treasury Contributions Fund for ARS 4.75 billion, which was used to cancel the refinanced debt in part, the net debt as of December 31, 2014 was ARS 27.84 billion. Pursuant to the terms of the January 2015 Debt Refinancing Agreement, principal is amortized in 189 installments following a grace period until March 31, 2015 on both principal and interest. Interest was capitalized until such grace period, and then payable on a monthly basis. The outstanding amounts will accrue interest at a fixed annual rate of 6.0%. In addition, the agreement provides that the grace period may be extended during 2015 if the Province joins the federal government in the implementation of certain public policies and provides certain information to the federal government. Debt service was secured by the revenues of the Province from the federal tax co-participation regime.

On May 12, 2015, the Province and the federal government entered into a *Convenio entre la Provincia de Buenos Aires y el Gobierno Nacional* (the “**May 2015 Debt Refinancing Agreement**”), to refinance the total debt outstanding of ARS 28.24 billion as of March 31, 2015 under the same conditions as the January 2015 Debt Refinancing Agreement. On July 8, 2015, Provincial Decree No. 542/15 approved the May 2015 Debt Refinancing Agreement.

On August 20, 2015, the Province and the federal government entered into a *Convenio entre la Provincia de Buenos Aires y el Gobierno Nacional* (the “**August 2015 Debt Refinancing Agreement**”), to refinance the total outstanding debt of ARS 28,648 million as of June 30, 2015, which was approved by Provincial Decree No. 1035/15. Pursuant to the terms of the August 2015 Debt Refinancing Agreement, principal will be amortized in 183 installments following a grace period on both principal and interest until September 30, 2015. Interest will be capitalized until such grace period, and then payable on a monthly basis. The outstanding amounts will accrue interest at a fixed annual rate of 6%. In addition, the agreement provides that the grace period may be extended during 2015 as long as the Province joins the federal government in the implementation of certain public policies and continues to provide certain information to the federal government. Debt services are secured by the revenues of the Province from the federal tax co-participation regime.

On November 25, 2015, the Province and the federal government entered into a *Convenio entre la Provincia de Buenos Aires y el Gobierno Nacional* (the “**November 2015 Debt Refinancing Agreement**” and, together with the January 2015 Debt Refinancing Agreement, the May 2015 Debt Refinancing Agreement and the August 2015 Debt Refinancing Agreement, the “**2015 Debt Refinancing Agreement**”), to refinance the total outstanding debt of ARS 29.07 billion as of September 30, 2015, which is expected to be approved by a provincial decree. Pursuant to the terms of the November 2015 Debt Refinancing Agreement, principal will be amortized in 168 installments following a thirteen-month grace period on both principal and interest until December 31, 2016. Interest will be capitalized during such grace period, and then payable on a monthly basis. The outstanding amounts will accrue interest at a fixed annual rate of 6%. Debt services are secured by the revenues of the Province from the federal tax co-participation regime.

2017 Refinancing Agreement

On March 1, 2017, the Province and the federal government entered into a *Convenio entre la Provincia de Buenos Aires y el Gobierno Nacional* (the “**2017 Debt Refinancing Agreement**”) which was approved by Provincial Decree No. 952/17, to refinance principal and interest due in 2017 under the November 2015 Debt Refinancing Agreement, the PAF 2015 and the December 2015 PAF for an aggregate amount of ARS 4.86 billion. Under the terms of the 2017 Debt Refinancing Agreement, interest payments due in 2017 under the refinanced agreements were capitalized from each due date of each installment until December 31, 2017. Pursuant to the terms of the 2017 Debt Refinancing Agreement, principal (which includes capitalized interest and principal due under the original agreements) was to be amortized in 36 installments, starting in January 2018. Interest was to be paid on a monthly basis and was to accrue at a fixed annual rate of 15%. The 2017 Debt Refinancing Agreement was secured by the provincial revenues from the federal tax co-participation regime.

From the beginning of 2017 until May 29, 2017, the Province made payments of principal and interest due under the November 2015 Debt Refinancing Agreement, the PAF 2015 and the December 2015 PAF for an aggregate amount of ARS 2.05 billion. Such amount was refinanced under the 2017 Debt Refinancing Agreement and, pursuant to the terms of this agreement, was reimbursed by the federal government.

December 2017 Agreement with the Federal Government

On December 11, 2017, the Province and the federal government entered into an agreement with the federal government (the “**December 2017 Agreement with the Federal Government**”) to cancel the outstanding debt owed by the Province to the federal government relating to the agreements entered into under the Federal Debt Refinancing Program, the 2015 PAF, the December 2015 PAF and the 2017 Debt Refinancing Agreement. This agreement also established that the federal government would transfer to the Province funds generated by the National Treasury Contributions Fund to cancel the outstanding debt instruments covered by the December 2017 Agreement with the Federal Government. In December 2017, the National Treasury Contributions Fund granted ARS 40.0 billion to the Province, ARS 25.0 billion of which were used to partially cancel this debt and the Province received the remaining ARS 15.0 billion in cash. Between January and June 2018, the Province paid monthly interest on the outstanding amount at a rate of 8.00% per annum. In June 2018, the National Treasury Contributions Fund granted ARS 21.0 billion to the Province, which was used to partially cancel the outstanding debt instruments covered by the December 2017 Agreement with the Federal Government, and the Province cancelled the remaining outstanding amount under such debt instruments for a total amount of ARS 15.7 billion.

Cancellation of Outstanding Debt with the Federal Government

All outstanding refinanced debt of the Province with the federal government was canceled on June 29, 2018 and consequently, as of December 31, 2019, all refinanced debt with the federal government had been fully repaid.

Sustainable Guaranty Fund Loan - ANSeS

In August 2016, pursuant to the Co-Participation Framework Agreement entered into by and among the federal government, the City of Buenos Aires, and the provinces on May 18, 2016, the federal government and the Province executed a loan agreement approved by Decree No. 1831/2016. The agreement provides that the federal government will determine the amounts to be disbursed throughout each year until 2019. The agreement further provides that for 2016, the disbursement was ARS 6.2 billion. As of the date of this invitation memorandum, this loan has been disbursed in full. See “Public Sector Finances—Main Sources of Revenues—Federal Tax Revenue Co-Participation Regime.” The loan accrues interest at an annual rate of 15% with respect to the disbursements made in 2016 and 2017 and at an annual rate of 12% with respect to the disbursements made in 2018 and 2019, payable semi-annually. Principal of each disbursement will be paid in a single installment four years after such disbursement in August 2020. The loan is secured by provincial revenues from the federal tax co-participation regime.

Consequently, pursuant to the Co-Participation Framework Agreement and the agreement described above, the federal government has disbursed the amounts described below:

- ARS 4.1 billion in January 2017.
- ARS 4.99 billion in January 2018.
- ARS 10.09 billion in January 2019.

As of December 31, 2019, the total amount outstanding under the loan agreement entered into with the Sustainable Guaranty Fund – ANSeS, referred to above was ARS 25.42 billion.

Trust Fund Loan for Provincial Development

On December 23, 2011, the Province entered into a loan agreement with the federal government under the Trust Fund for Provincial Development for ARS 800 million to cover teachers’ salaries and social plans. The loan began to be repaid in January 2013 in 84 monthly and consecutive installments. Outstanding amounts bore interest at an annual fixed rate of 6.0%. Interest was capitalized until December 31, 2011 and the first interest payment was on January 31, 2012. This loan was fully repaid on December 31, 2019.

In December 2019, the Province and the federal government entered into a new loan agreement under the Trust Fund for Provincial Development for ARS 7.0 billion to be allocated to social services and basic social infrastructure works. This loan will be repaid in 48 monthly installments beginning June 2020, and will accrue interest at the BADLAR rate. The first interest payment was in January 2020. All of the payments due under these

bonds are secured by federal tax co-participable funds that the Province is entitled to receive. This loan was disbursed on December 6, 2019 and matures on June 30, 2024.

Federal Trust Fund for Regional Infrastructure

In 1997, the federal government created the FFFIR to finance provincial infrastructure projects and other public works in order to promote regional economic development and increase national economic productivity. The Province has entered into twenty loan agreements with the FFFIR, twelve of which are allocated to improve public roads, one is intended to renew and expand a port, four are allocated to build city halls, two are aimed at improving the water and sanitary systems, and one is aimed at financing a land reclamation project.

As of December 31, 2019, the Province had received approximately ARS 692.9 million under these agreements and the aggregate outstanding amount was ARS 726.1 million. These agreements are denominated in pesos adjusted by the *Índice del Costo de la Construcción* (Construction Price Index). All payments under these loans are secured by federal tax co-participable funds that the Province is entitled to receive.

Bonds Law No. 10,328

In November 2006, pursuant to Law No.13,576, the Province created the *Plan de Adecuación Salarial del Personal de Vialidad* (Wage Plan Adequacy for Road Personnel), applicable to certain road personnel covered by Provincial Law No. 10,328. This Wage Plan Adequacy for Road Personnel authorized the Province to issue bonds for a nominal value of ARS 20 million to cancel obligations with such personnel.

As of December 31, 2019, there was only one series outstanding for a total amount of ARS 0.01 million.

Provincial Treasury Bills

In 2010, the Province began to issue treasury bills as a new short-term financing instrument (the “**Provincial Treasury Bills**”). The Provincial Treasury Bills must be fully amortized within a year of their issuance and their repayment is secured with federal tax co-participation revenues to which the Province is entitled. If Provincial Treasury Bills are not fully amortized within the fiscal year of their issuance, they are automatically converted into outstanding indebtedness for the previous fiscal year. The Provincial Treasury Bills can be issued with a discount or with an interest coupon, in local or foreign currency with a single amortization at maturity.

The Treasury Bills are listed on the Buenos Aires Stock Exchange and the MAE. As of January 10, 2019, the program under which the 2019 Provincial Treasury Bills were issued were rated “B2” by Moody’s Latin America on the Global Local Currency Instruments scale, and A3.ar on the Argentine Instruments scale and, as of April 7, 2020, the program under which the 2020 Provincial Treasury Bills were issued were rated “Caa2” by Moody’s Latin America on the Global Local Currency Instruments scale, and Ca.ar on the Argentine Instruments scale.

As of December 31, 2015, 2016, 2017, 2018 and 2019, the nominal amount of Provincial Treasury Bills that were not amortized within each relevant fiscal year and were converted into outstanding indebtedness for the subsequent fiscal year amounted to ARS 4.26 billion, ARS 6.99 billion, ARS 8.49 billion, ARS 11.35 billion and ARS 10.69 billion, respectively.

For 2020, the terms of the 2019 Budget Law were extended, authorizing the Province to issue up to ARS 8.0 billion in Provincial Treasury Bills. In addition, the Permanent Complementary Budget Law authorized the issuance of additional Provincial Treasury Bills to refinance the Provincial Treasury Bills issued in 2019. Resolution No. 37/20 of the General Treasury Office authorized the issuance of Provincial Treasury Bills for up to ARS 18.69 billion for this purpose.

From January 1, 2020 to the date of this invitation memorandum, the Province has issued the following Provincial Treasury Bills:

First Tranche 2020 (issued on January 31, 2020):

Type	Rate	Amount	Maturity
Discount	35.5001%	ARS 2,485.99 million	February 28, 2020
Discount	36.5002%	ARS 2,504.94 million	March 31, 2020
Coupon	BADLAR + 5.75%	ARS 4,317.83 million	July 30, 2020

Second Tranche 2020 (issued on February 27, 2020):

Type	Rate	Amount	Maturity
Discount	34.0007%	ARS 2,434.94 million	March 31, 2020
Discount	35.0001%	ARS 1,936.77 million	April 30, 2020
Coupon	BADLAR + 6.50%	ARS 1,728.05 million	August 28, 2020

Third Tranche 2020 (issued on March 26, 2020):

Type	Rate	Amount	Maturity
Discount	33.9998%	ARS 3,779.98 million	April 30, 2020
Discount	33.4997%	ARS 196.22 million	May 29, 2020
Coupon	BADLAR + 6.50%	ARS 592.10 million	September 30, 2020

Source: Ministry of Treasury and Finance of the Province.

On April 6, 2020 the Province re-opened the Discount Treasury Bill issued on March 26, 2020, due on May 29, 2020 for an additional amount of ARS 272.59 million.

As of the date of this invitation memorandum, the principal amount outstanding of Provincial Treasury Bills is ARS 14.37 billion.

Bonds of the Province of Buenos Aires – Section 45, Law No. 14,062 (“Law No. 14,062 Bonds”)

In December 2010, in accordance with Section 45 of the 2010 Budget Law, the Province issued bonds with a face value of ARS 133.5 million to the pension fund for Banco Provincia personnel. These bonds were approved by Decree No. 2155/2010 and were issued to repay funds advanced by Banco Provincia to the pension fund from 2000 to 2008 to cover financial imbalances in the fund. The Law No. 14,062 Bonds had an issue date of September 20, 2010, and all amortizations and interest accruals were made retroactive to that date. The Law No. 14,062 Bonds bear interest at an annual rate of 6.0% paid quarterly each year. These bonds are to be repaid in 40 consecutive and equal quarterly installments and mature on September 20, 2020. The first installment on these bonds was paid on December 20, 2010. All of the payments under this loan are secured by federal tax co-participable funds that the Province is entitled to receive. As of December 31, 2019, the principal amount outstanding under the Law No. 14,062 Bonds was ARS 10.0 million.

Public Debt Issuance Program in the Local Capital Markets for 2016

Pursuant to Provincial Decree No. 104/16, the Province created the “Public Debt Issuance Program in the Local Capital Markets for 2016” (the “**2016 Local Program**”) for a total amount up to ARS 8.0 billion.

On December 6, 2016, the Province issued the first series of bonds pursuant to this program for a total amount of ARS 1.78 billion. The terms and conditions were approved by Resolution No. 215/16 of the Ministry of Economy of the Province. The first series included two classes of bonds:

- Class I: Aggregate principal amount of ARS 314.3 million, with a term of 18 months. Principal will be repaid in a single installment at maturity and interest is payable on a quarterly basis. The first interest payment will be calculated at a variable rate with a floor of 25.25%; whereas the remaining interest

payments will be calculated at a variable rate, which will be determined at BADLAR rate plus 2.90% with a floor of 25.25% for the first quarter. This bond is secured by revenues from the federal tax co-participation regime.

- Class II: Aggregate principal amount of ARS 1.47 billion, with a term of 36 months. Principal will be repaid at maturity in a single installment and interest is payable on a quarterly basis. The interest rate is BADLAR plus 4.00% with a floor of 25.25% for the first quarter and a floor of 15% for the remaining quarters. This bond is secured by revenues from the federal tax co-participation regime.

On December 28, 2016, the Province issued the second series of bonds pursuant to this program for an aggregate principal amount of ARS 1.96 billion. The terms and conditions were approved by Resolution No. 229/16 of the Ministry of Economy. The second series included one class of new bonds and the reopening of the Series I-Class II:

- Class I: Aggregate principal amount of ARS 430.8 million, with a term of 24 months. Principal will be repaid in three equal installments on June 28, 2018, September 28, 2018 and December 2018. Interest is paid on a quarterly basis. The interest rate is BADLAR plus 3.50%, with a floor of 25.25% for the first quarter and a floor of 15% for the remaining quarters. This bond is secured by revenues from the federal tax co-participation regime.
- Reopening of the Series I-Class II: Aggregate principal amount of an additional ARS 1.53 billion principal amount of Class II. The additional bonds have identical terms and conditions as the initial bonds.

On March 5, 2018, the Province issued the remaining Series I-Class II bonds for ARS 4.3 billion. The terms and conditions were approved by Decree No. 53/18 of the Ministry of Economy.

As of December 6, 2019 these bonds had been fully cancelled.

Bonds of the Province of Buenos Aires – Due March 14, 2023

In March 2017, pursuant to Section 36 of the 2017 Budget Law, the Province issued ARS 7.4 billion aggregate principal amount of bonds to the Banco Provincia's pension fund. The terms and conditions were approved by Decree No. 163/2017. These bonds were issued to reimburse funds advanced by Banco Provincia to the pension fund from 2015 to 2016 and to cover financial imbalances. The bonds were issued to the pension fund which transferred them to the Banco Provincia. See "Public Sector Finances—Fiscal Result of 2016 Compared to Fiscal Result of 2015." The bonds were issued on March 14, 2017, will mature on March 14, 2023 and accrue interest at a rate equal to BADLAR plus 150 basis points. Interest was capitalized from the issue date up to March 14, 2018. The first interest payment date was June 14, 2018 and thereafter interest is paid on a quarterly basis. These bonds will be repaid in 11 quarterly installments, starting on June 14, 2020, of 8.33% and one last quarterly installment of 8.37%. As of December 31, 2019, the principal amount outstanding under these bonds was ARS 9.04 billion.

Bonds of the Province of Buenos Aires due 2022

On May 31, 2017, pursuant to Section 34 of the 2017 Budget Law, the Province issued ARS 15.2 billion aggregate principal amount of its floating rate peso-denominated bonds ("**2022 ARS Bonds**") governed by Argentine law. The terms and conditions were approved by Resolution No. 88/2017 of the Ministry of Economy. Principal on the 2022 ARS Bonds will be paid at maturity, whereas interest, which accrues at a rate equal to BADLAR plus 3.83%, will be repaid on a quarterly basis. The minimum interest rate will be 24.50% for the first two quarters and 15% thereafter. These bonds are secured by revenues from the federal tax co-participation regime. As of December 31, 2019, the principal amount outstanding of these bonds was ARS 15.2 billion.

Bonds of the Province of Buenos Aires due 2025

On April 12, 2018, the Province issued ARS 30.0 billion aggregate principal amount of its floating rate peso-denominated bonds ("**2025 ARS Bonds**") governed by Argentine law. The terms and conditions were

approved by Resolution No. 88/2018 and Resolution No. 106/2018 of the Ministry of Economy. Principal on the 2025 ARS Bonds will be paid at maturity, whereas interest, which will accrue at a rate equal to BADLAR plus 3.75%, is payable on a quarterly basis. The minimum interest rate will be 27.0% for the first two quarters. These bonds are secured by revenues from the federal tax co-participation regime. As of December 31, 2019, the principal amount outstanding of these bonds was ARS 30.0 billion.

Bonds of the Province of Buenos Aires – Due January 10, 2024

In June 2018, the Province issued ARS 4.1 billion aggregate principal amount to the Banco Provincia's pension fund for it to reimburse funds advanced to fund by Banco Provincia from 2012 to 2014 to cover financial imbalances. See "Public Sector Finances—Fiscal Result of 2016 Compared to Fiscal Result of 2015." The terms and conditions were approved by Decree No. 965/2018 of the Ministry of Economy. The issuance date of the bonds was January 10, 2018, the bonds will mature on January 10, 2024 and accrue interest, which is payable on a quarterly basis, at a rate equal to BADLAR plus 150 basis points. These bonds will be repaid starting on October 10, 2021 in 11 equal quarterly installments of 8.33% and one last quarterly installment of 8.37%. These bonds are secured by revenues from the federal tax co-participation regime. As of December 31, 2019, the principal amount outstanding of these bonds was ARS 4.1 billion.

Bonds of the Province of Buenos Aires due 2020

In July 2019, the Province issued two series of dual peso-denominated bond governed by Argentine law in an aggregate principal amount of ARS 2.9 billion. The terms and conditions were approved by Resolution No. 377/2019 of the Ministry of Economy. The first series, issued in an aggregate principal amount of ARS 1.4 billion, matured on February 28, 2020 and paid interest at a rate equal to the higher of (i) a fixed rate of 57.0% and (ii) the nominal value divided by the exchange rate as of the issue date plus an annual nominal interest of 6.5%, multiplied by the final exchange rate, minus the nominal value. The second series, issued in an aggregate principal amount of ARS 1.5 billion, matures on April 30, 2020 and pays interest equal to the higher of (i) a fixed rate of 59.9% and (ii) the nominal value divided by the exchange rate as of the issue date plus an annual nominal interest of 7.5%, multiplied by the final exchange rate, minus the nominal value. These bonds are secured by revenues from the federal tax co-participation regime.

As of December 31, 2019 the total amount outstanding of these bonds was ARS 2.9 billion, including ARS 1.4 billion under the first series and ARS 1.5 billion under the second series. The first series was fully canceled, in February 28, 2020.

Debt Denominated in Foreign Currencies

Exchange Bonds

In November 2005, the Province launched an offer to the holders of its outstanding Eurobonds, which had been in default since December 2001, to exchange such bonds for three series of newly issued bonds at a specified exchange ratio that recognized a portion of the accrued and unpaid interest on the Eurobonds.

Holders of approximately 93.7% of the aggregate outstanding principal amount of Eurobonds tendered their bonds in the offer, which expired in December 2005. As a result, in January 2006, the tendered Eurobonds were cancelled and, in exchange, the Province issued the following "Exchange Bonds":

- USD 0.50 billion aggregate principal amount of Discount Bonds due April 15, 2017 ("**Discount Bonds**"), denominated in both dollars and euros, with semi-annual payments of principal, commencing on October 15, 2012 and bearing interest on the principal amount outstanding from December 1, 2005 at an annual rate of 9.2% for the series in dollars and 8.5% for the series in euros, payable every six months on April 15 and October 15, calculated on the basis of a 360 day year. On April 15, 2017, the Discount Bonds were repaid in full;
- USD 0.75 billion aggregate principal amount of Medium Term Par Bonds due May 1, 2020 ("**Medium Term Par Bonds**"), denominated in both dollars and euros, with semi-annual payments of principal, commencing on November 1, 2017, and bearing interest on the principal amount outstanding at an

annual rate of 1.0% on the principal amount outstanding from December 1, 2005 until November 1, 2009, 2.0% from November 2, 2009 to November 1, 2013, 3.0% from November 2, 2013 to November 1, 2017, and thereafter 4.0% until maturity, payable every six months on May 1 and November 1, calculated on the basis of a 360 day year; and

- USD 1.06 billion aggregate principal amount of Long Term Par Bonds due May 15, 2035 (“**Long Term Par Bonds**”), denominated in dollars and euros, with semi-annual payments of principal, commencing on November 15, 2020, and bearing interest on the principal amount outstanding at an annual rate of 2.0% from December 1, 2005 until November 15, 2007, 3.0% from November 16, 2007 to November 15, 2009, and 4.0% thereafter, payable every six months on May 15 and November 15, calculated on the basis of a 360 day year.

The table below provides a summary of the total offerings of Exchange Bonds:

	Currency	Maturity	Amount	Interest rate	Interest payment frequency	Payment days
Discount.....	USD	15-Apr-2017	333,893,191	Fixed, 9.25%	semi-annually	15/Apr and 15/Oct
	Euro	15-Apr-2017	138,536,283	Fixed, 8.50%	semi-annually	15/Apr and 15/Oct
Medium Term Par....	USD	01-May-2020	63,699,456	Step up, from 1 to 4%	semi-annually	1/May and 1/Nov
	Euro	01-May-2020	572,261,329	Step up, from 1 to 4%	semi-annually	1/May and 1/Nov
Long Term Par.....	USD	15-May-2035	488,427,963	Step up, from 2 to 4%	semi-annually	15/May and 15/Nov
	Euro	15-May-2035	578,248,613	Step up, from 2 to 4%	semi-annually	15/May and 15/Nov

Source: Ministry of Treasury and Finance of the Province.

The Discount Bonds were fully repaid on April 15, 2017. As of December 31, 2019, 97.6% of the existing Eurobonds had been exchanged for Exchange Bonds, the aggregate principal amount of Exchange Bonds outstanding was ARS 75.1 billion, and the aggregate principal amount of Eurobonds that have not been exchanged was ARS 3.6 billion.

Bond Issuance in the International Capital Markets

On April 18, 2007, the Province issued USD 400 million aggregate principal amount of bonds due 2028 in the international capital markets. These bonds accrue interest at an annual rate of 9.625% payable semiannually in April and October of each year. Principal is payable in three equal installments in April 2026, April 2027 and April 2028. As of December 31, 2019, the outstanding principal amount of 9.625% Notes due 2028 was USD 400 million.

On January 26, 2011, the Province issued USD 750 million aggregate principal amount of bonds due 2021 in the international capital markets. These bonds accrue interest at an annual rate of 10.875%, payable semi-annually in January and July of each year. Principal is payable in three equal installments during the final three years. On January 26, 2019, the Province paid the first installment under these bonds for an amount of USD 250 million. On February 5, 2020, the Province paid the second installment under these bonds for an amount of USD 250 million. As of the date of this invitation memorandum the outstanding principal amount of 10.875% Notes due 2021 is USD 250 million.

On June 9, 2015, the Province issued USD 500 million aggregate principal amount of its 9.95% Notes due 2021. On June 11, 2015, the Province closed a global exchange offer to exchange up to USD 500 million of its outstanding USD 11.75% Notes due 2015 for 9.95% Notes due 2021. As a result of the exchange offer, the Province cancelled approximately USD 380 million aggregate principal amount of its USD 1.05 billion 11.75% Notes due 2015 and issued approximately USD 400 million aggregate principal amount of additional 9.95% Notes due 2021. This additional issuance was consolidated, forms a single series and is fully fungible with the Province's outstanding 9.95% Notes due 2021 that were previously issued for cash on June 9, 2015. The 9.95% Notes due 2021 accrue interest at an annual rate of 9.95%, payable semi-annually in June and December of each year. Principal is payable in two equal installments in each of the final two years. As of December 31, 2019, the outstanding principal amount of 9.95% Notes due 2021 was USD 899 million.

On March 16, 2016, the Province issued USD 1.25 billion aggregate principal amount of its 9.125% Notes due 2024 in pursuant to the indebtedness authorization provided by the 2016 Budget. The 2024 Notes are payable in three installments during the final three years and will bear interest at the annual rate of 9.125%, payable in March and September of each year. As of December 31, 2019, the aggregate principal amount outstanding of 9.125% Notes due 2024 was USD 1.25 billion.

On June 15, 2016, the Province issued USD 500 million aggregate principal amount of its 5.750% Bonds due 2019 and USD 500 million aggregate principal amount of its 7.875% Notes due 2027 in the international capital markets in accordance with the indebtedness authorization set forth in the 2016 Budget. The 2019 Bonds amortized in a single installment on the maturity, which was paid on June 15, 2019. The principal on the 2027 Bonds is payable in three installments during the final three years and will bear interest at the annual rate of 7.875%. Interest is payable on June 15 and December 15 of each year. On October 20, 2016, the Province reopened its 5.750% Bonds due 2019 and its 7.875% Bonds due 2027 in the aggregate principal amount of USD 250 million and USD 500 million, respectively. On February 15, 2017 the 7.875% Notes due 2027 reopened for an additional aggregate principal amount of USD 750 million. The outstanding amount due under the 2019 Notes was fully cancelled on June 15, 2019. As of December 31, 2019, the aggregate principal amount outstanding of 7.875% Notes due 2027 was USD 1.75 billion.

On February 15, 2017, the Province issued USD 750 million aggregate principal amount of its 6.50% Notes due 2023 in the international capital markets. These notes accrue interest at an annual rate of 6.50%, payable semi-annually in February and August of each year. Principal will be repaid in three equal installments in each of the last three years. As of December 31, 2019, the aggregate principal outstanding amount of the 6.50% Notes due 2023 was USD 750 million.

On July 20, 2017, the Province issued EUR 500 million aggregate principal amount of its 5.375% Notes due 2023 in the international capital market. The 5.375% Notes due 2023 accrue interest at an annual rate of 5.375%, payable annually in January of each year. Principal will be paid in a single installment upon maturity. As of December 31, 2019, the aggregate principal amount outstanding under the 5.375% Notes due 2023 was EUR 500 million.

As of December 31, 2019, the aggregate outstanding principal amount of these bonds issued in the international capital markets was ARS 365.9 billion.

Bond Issuance in the local capital markets

On December 18, 2018, the Province issued three series of bonds for a total aggregate principal amount of USD 744 million to *Fondo de Garantía de Sustentabilidad (FGS) de ANSeS*: (i) USD 250 million 9.50% Bonds due 2020, which accrue interest at an annual rate of 9.50%, payable semi-annually in June 2019 and January 2020, and would initially be repaid in one single installment upon maturity on January 17, 2020; (ii) USD 250 million 9.75% Bonds due 2020, which accrue interest at an annual rate of 9.75%, payable semi-annually in June 2019, December 2019 and June 2020, and will be repaid in one single installment upon maturity on June 18, 2020; and (iii) USD 244 million 9.875% Bonds due 2021, which accrue interest at an annual rate of 9.875%, payable semi-annually in June 2019, December 2019, June 2020 and February 2021, and will be repaid in one single installment upon maturity on February 18, 2021. On January 17, 2020 the USD 250 million 9.50% Bonds due 2020 Bond was rolled over with new terms and conditions. The principal and accrued interest is a total amount of USD 265.1 million, with an annual nominal interest rate of 6.00% and will be repaid in one single installment upon maturity on July 17, 2020 jointly with the interest accrued. As of December 31, 2019, the aggregate principal amount outstanding under these bonds was USD 744 billion.

On May 15, 2019, the Province issued its 7.893% Bonds due November 2019 for a total principal amount of USD 250 million to *Fondo de Garantía de Sustentabilidad (FGS) de ANSeS*. On October 25, 2019, pursuant to Resolution No. 547/2019, the Province renegotiated the payment of these bonds, including the capitalization of accrued interest and extending its maturity. As amended, these bonds have a nominal value of USD 259 million and accrue interest at an annual nominal rate of 9.875% and are to be repaid in one single installment on November 13, 2020.

As of December 31, 2019, the aggregate principal amount outstanding under these bonds issued in the local capital markets was ARS 60.1 billion.

Multilateral Loans

The World Bank, the Inter-American Development Bank (“IDB”), the *Fondo Financiero para el Desarrollo de la Cuenca del Plata* (“FONPLATA”) and *Corporación Andina de Fomento* (the “CAF”) have extended several credit facilities to finance various projects in the Province, such as the construction of roads, water and wastewater infrastructure, public administration strengthening, and education and health reforms. The latest maturity under these credit facilities occurs in 2051. As of December 31, 2019, 96.9% of outstanding multilateral loans are loans that were granted to the Province directly. The 3.1% of total amount of outstanding multilateral loans, were extended to the federal government, which in turn contributes the proceeds available to the relevant provincial agencies or entities.

In December 2014, the Province entered into a USD 230 million loan agreement with the IDB to finance the *Programa de Saneamiento Ambiental de la Cuenca del Río Reconquista* (Program Sanitation and Flood Control in the Reconquista River Basin). As of December 31, 2019, total amounts disbursed under this loan amounted to USD 71 million.

In March 2020, the Province entered into a USD 130 million loan agreement with CAF to improve water supply in the city of Bahía Blanca.

In October 2017, the Province entered into a USD 100 million loan agreement with CAF to finance the extension of a drainage channel and the construction of a bridge in the Luján River under the *Proyecto Implementación del Plan de Manejo Integral de la Cuenca del Río Luján – Etapa I* (Implementation Project of the Integral Management Plan on the Luján River – Stage I). As of December 31, 2019, total disbursements under this loan amounted to USD 10 million.

In October 2017, the Province entered into a USD 10 million financing agreement with CAF to support the construction of a drainage channel and a water embankment at the Salado River under the *Programa de Rehabilitación de Infraestructura de la Provincia de Buenos Aires* (Program of Infrastructure Rehabilitation of the Province). As of December 31, 2019, total disbursements under this loan amounted to USD 3.6 million.

In December 2017, the Province entered into a USD 30 million loan agreement with the World Bank to finance the urban transformation of the Buenos Aires metropolitan area. As of December 31, 2019, total disbursements under this loan amounted to USD 7.3 million. In December 2017, the Province entered into a USD 300 million loan agreement with the World Bank to finance the *Proyecto de Gestión Integral de la Cuenca del Río Salado* (Integral Management Project on the Salado River Basin). As of December 31, 2019, total disbursements under this loan amounted to USD 30.8 million.

In January 2018, the Province entered into a USD 51 million loan agreement with the Kuwait Fund for Arab Economic Development and in February 2018 the Province entered into a USD 119 million loan agreement with CAF. The proceeds from these loan agreements will be used for the construction of a water treatment plant that will provide water to the cities of La Plata, Berisso and Ensenada. As of December 31, 2019, no disbursements had been made under these loans agreements. In October, 2018, the Province entered into a USD 40 million loan agreement with FONPLATA to finance the *Proyecto de Conectividad del Conurbano en la Provincia de Buenos Aires* (Project for Connectivity of the Conurbano in the Province). The project seeks to improve connectivity in municipalities of the *Conurbano Bonaerense* through three components: (i) roadway works, (ii) expropriations and (iii) management, which will take place through activities in the *Conurbano Bonaerense*. As of December 31, 2019, total disbursements under this loan amounted to USD 4.3 million.

In December, 2018, the Province entered into a USD 20 million loan agreement with the IDB to finance the *Programa de Fortalecimiento de la Capacidad de Gestión de la Provincia de Buenos Aires* (Program for Strengthening the Management Capacity of the Province). The project seeks to improve the efficiency of the administrative and technical management of the public investment processes of the Province, with the goal of reducing the loss of social benefits generated by the delay in the implementation of projects related to road improvement, access to water and school infrastructure projects. As of December 31, 2019, total disbursements

under this loan amounted to USD 2.0 million. In December 2018, the Province entered into a USD 150 million loan agreement with the IDB to finance the *Programa de Drenaje y Control de Inundaciones en la Provincia de Buenos Aires* (Drainage and Flood Control Program in the Province). The project aims to improve the protection of the population flood risks and reduce the costs associated with such events, with a focus on reducing flood damage in the Northwest Region of the Province, Pergamino and San Antonio de Areco. As of December 31, 2019, total disbursements under this loan amounted to USD 4.0 million.

In July, 2019, the Province entered into a USD 200 million loan agreement with the IDB to finance the *Programa de Conectividad y Seguridad en Corredores Viales de la Provincia de Buenos Aires* (Program for Connectivity and Safety on the Roadways of the Province). The project seeks to improve the productivity Province's economic productivity through improvements in roadway infrastructure. As of December 31, 2019, no disbursements had been made under this loan agreement.

In March, 2020, the Province entered into a USD 150 million loan agreement with the IDB to finance the *Programa de Fortalecimiento e Integración de Redes de Salud en la Provincia de Buenos Aires* (Program for Strengthening and Integrating the Health Networks in the Province).

Additionally, in October 2019, the Province entered into a USD 150 million loan agreement with the World Bank to finance a project for the transition of the electricity social tariff in the Province and in November 2019, the Province entered into a USD 50 million loan with the FONPLATA to finance the *Programa de Fortalecimiento al Servicio Alimentario Escolar de la Provincia de Buenos Aires* (Program for Strengthening the School Food Service of the Province).

As of December 31, 2019, the Province was party to 24 multilateral credit facilities, 16 of which are direct loans to the Province by multilateral agencies for which the federal government acts as guarantor, and the remaining 8 of which are subsidiary lending arrangements through credit facilities extended to the federal government. Under the subsidiary lending arrangements, the federal government is the direct obligor rather than the guarantor, and the Province has a subsidiary obligation to reimburse the federal government for any repayments made under the facilities. Under each arrangement, the Province's obligation to reimburse the federal government is secured by a portion of the federal tax co-participation transfers to which the Province is entitled. In addition, the proceeds of three credit facilities extended by the IDB and the World Bank have been made available to the municipalities through further subsidiary lending arrangements.

The table below provides a summary of the total disbursements made under outstanding multilateral loans as of December 31, 2019.

Disbursements of Loans as of December 31, 2019
(in millions of USD)

Loan Agreement	Program	Use of Funds	Year	Contractual Amount	Amount disbursed as of Dec 31, 2019
IDB 3256	Program Sanitation and Flood Control in the Reconquista River Basin	Infrastructure	2014	230.0	71.0
IDB 4427	Drainage and Flood Control Program in the Province of Buenos Aires	Infrastructure	2018	150.0	4.0
IDB 4435	Program for the Strengthening the Management Capacity of the Province of Buenos Aires	Institutional Strengthening	2018	20.0	2.0
IDB 4416	Connectivity and Security in road corridors	Infrastructure	2019	200.0	0.0
CAF 10059	Program of Infrastructure Rehabilitation of the Province of Buenos Aires	Infrastructure	2017	10.0	3.6
CAF 10061	Implementation Project of the Integral Management Plan on the Lujan River – Stage I	Infrastructure	2017	100.0	10.0
IBRD 8707	Metropolitan Buenos Aires Urban Transformation Project - Province of Buenos Aires	Infrastructure	2017	30.0	7.3
IBRD 8736	Salado Integrated River Basin Management Support Project	Infrastructure	2017	300.0	30.8
IBRD 9007	Support for the Implementation of the Social Electricity Rate in the province of Buenos Aires	Infrastructure	2019	150.0	30.4
FONPLATA ARS-36/2017	Project for Connectivity of the Conurbano in the Province of Buenos Aires	Infrastructure	2018	50.0	4.3
FONPLATA 43/2019 - SAE	Program for the School Food Service of the Province of Buenos Aires.	Infrastructure	2019	50.0	24.9

Source: Ministry of Treasury and Finance of the Province.

As of December 31, 2019, the principal amount outstanding owed under these multilateral loans or credit facilities totaled ARS 34.1 billion.

Bilateral Lending and Credit Facilities

Member states of the Organization for Economic Co-operation and Development (the “OECD”) have extended loans or credit facilities to the Province for various purposes. These loans or facilities include:

- bilateral loans from the governments of Italy and Spain;
- credit facilities provided by Credit Lyonnais and guaranteed by COFACE, the French export-import insurance agency; and
- financing extended by the Export-Import Bank of Japan and the Japan Bank for International Cooperation, both of which are agencies of the government of Japan.

Each of these loans and credit facilities has been extended to the Province to finance the import of equipment necessary for essential public services.

The federal government guarantees the Province’s payment obligations under these loans and credit facilities. Any payments made by the federal government pursuant to this guarantee are secured by federal tax co-participation revenues owed to the Province.

In 2001, the Province entered into default under certain loans and credit facilities. Following such default, the Province authorized the federal government to conduct negotiations on its behalf to restructure these loans and credit facilities. The federal government reached an agreement for these credit lines in 2015, and has been making payments on behalf of the Province in connection with the settlement. An agreement for these payments between federal government and the Province is still pending. As of December 31, 2019, the principal amount outstanding owed under these loans and credit facilities totaled ARS 8.2 billion.

Authorizations under the Fiscal Responsibility Law

Under the Fiscal Responsibility Law established in 2004 and adopted by the Province in 2005, all of the provincial governments are required to obtain the authorization from the federal government before incurring any indebtedness. See “Public Sector Finances—Overview of Provincial Accounts—Fiscal Responsibility Law.”

Since the regime has come into effect, the Province has made several requests for the federal government’s authorization to incur new indebtedness, including with respect to the New Securities or modifying the financial terms of the Province’s existing indebtedness. As of the date of this invitation memorandum, the Province has obtained a favorable response to substantially all of its requests.

BANCO PROVINCIA

Overview

Banco de la Provincia de Buenos Aires (“**Banco Provincia**”) is an *entidad autárquica* (self-administered public institution), whose origin, guarantees and privileges are set forth in the Preamble and in Sections 31 and 104, ratified by Sections 31 and 121 of the federal constitution as amended in 1994, in Law No. 1029 of 1880, and in the relevant provincial laws.

As of December 31, 2019, Banco Provincia was the fourth largest bank in Argentina in terms of total assets, with total assets of ARS 551.1 billion, and the third largest bank in terms of total deposits, with total deposits of ARS 451.4 billion, representing 9.3% of the total deposits in Argentina.

Banco Provincia is governed by a board of directors appointed by the Governor of the Province with the approval of the provincial Senate. Banco Provincia acts as the financial agent of the Province and collects provincial taxes and duties on the Province’s behalf. Banco Provincia is also the exclusive paying agent of the Province, handling payments of civil servants’ wages and salaries and pension and retirement benefits, as well as payments to the Province’s creditors. In addition, Banco Provincia is the exclusive agent for judicial deposits related to non-federal cases in provincial courts.

In accordance with Banco Provincia’s charter approved by Provincial Decree-Law No. 9,434/79, the Province guarantees all deposits, bonds, securities and other liabilities of Banco Provincia. However, since the specific nature, scope and procedural aspects of the Province’s obligations under the guarantee are not expressly defined under the provincial decree-law, the Province believes that the guarantee is an indirect and subsidiary obligation of the Province under general provincial legal principles. As a result, creditors of Banco Provincia seeking to enforce the guarantee must exhaust all legal remedies against Banco Provincia before requesting payment from the Province under the guarantee.

Banco Provincia is one of the largest providers of general, commercial and retail banking services in Argentina, with corporate offices in the cities of La Plata and Buenos Aires and a local retail network of 414 branch offices located throughout the provincial territory and in the City of Buenos Aires. Banco Provincia also offers trade finance and international products through its network of foreign offices in Brazil, and Uruguay. At December 31, 2019, Banco Provincia had 10,393 employees.

Banco Provincia’s activities are mainly focused on individuals and small and mid-sized enterprises, but it also offers a wide variety of products to large companies in the agricultural, industrial, commercial and services sectors. It offers traditional credit services to businesses, including foreign trade, project and commercial financing, as well as consumer and mortgage loans and a broad range of other products and services to individuals, including credit and debit cards and ATM and other cash dispenser facilities. Through Grupo Bapro S.A. and its subsidiaries, Banco Provincia also offers a range of other financial and investment products and services, such as insurance, leasing, securities investments and mutual funds. Banco Provincia holds a participation of 99.97% in the equity of Grupo Bapro S.A.

Regulatory Framework

Banco Provincia is exempt from compliance with Argentine financial and banking regulations under an agreement entered into by the Province and the federal government in 1859. However, Banco Provincia voluntarily adheres to the regulatory framework of the Argentine financial sector and therefore is regulated by Law No. 21,526, as amended, and complies with the banking regulations and rules adopted by the Central Bank, including regulations and rules relating to minimum capital, solvency and liquidity requirements and the supervisory powers of the Central Bank. Because of its special status as a provincial self-administered public institution, Banco Provincia is not subject to any federal income or other tax liability.

Furthermore, Banco Provincia is subject to control of the *Contaduría General de la Provincia* (General Accounting Office) and the *Tribunal de Cuentas* (Audit Tribunal).

Law No. 24,485 enacted on April 12, 1995, as amended by Law No. 25,089 and Decree No. 540/95, created the *Sistema de Seguro de Garantía de los Depósitos* (Bank Deposit Insurance System, or “SSGD”), which is overseen by the Central Bank. The SSGD was implemented by the *Fondo de Garantía para los Depósitos* (Deposit Insurance Fund, or “FGD”) and is managed by the private company *Seguros de Depósitos S.A.* (Deposit Insurance Company, or “SEDESA”). The shareholders of SEDESA are the federal government (through the Central Bank) and a trust established by the financial institutions that participate in the system. These entities are required to pay monthly contributions to FGD as determined pursuant to Central Bank rules. The SSGD is financed through regular and supplemental contributions by the participating financial institutions.

The SSGD covers all peso and foreign currency deposits held in accounts with the participating financial institutions, including demand deposit accounts, savings accounts and time deposits, limited to ARS 1,000,000 per depositor (limited to ARS 1,500,000 per depositor as of May 1, 2020), and subject to various other limitations and exceptions. Banco Provincia has been a voluntary participant in the SSGD since 1997.

As of December 31, 2019, Banco Provincia’s capital ratio was 11.96%. The capital ratio represents the quotient of regulatory capital over risk-weighted assets, determined in accordance with the regulations of the Central Bank. On June 15, 2018, the Central Bank through resolution No. 277/18 approved Banco Provincia’s plan to remedy the deficiency in its capitalization ratio by December 31, 2022.

On January 16, 2018, the Province enacted Law No. 15,008, which modifies the Caja de Jubilaciones, Subsidios y Pensiones del Personal del Banco de la Provincia de Buenos Aires (Retirement and Pension Fund for Banco de la Provincia de Buenos Aires Personnel). Such law modifies the right to retire for employees of Banco Provincia, gradually raising the retirement age from sixty to sixty-five over the next ten years.

Until December 31, 2017, the Central Bank required financial institutions to prepare their financial statements in accordance with accounting standards established by the Central Bank (“**Central Bank Accounting Standards**”). Beginning on January 1, 2018, the Central Bank required financial institutions to present their Financial Statements in accordance with the International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (IASB). Therefore, information presented below for the period 2015-2016 is not comparable with information for the period 2017-2019.

The following selected financial information has been derived from Banco Provincia’s audited financial statements prepared in accordance with the Central Bank Accounting Standards for the periods indicated below.

	As of and for the year ended December 31,		
	2015	2016	2017
	(in millions of pesos)		
Balance Sheet Data			
Assets			
Cash and due from banks	19,920	36,760	55,977
Government and corporate securities.....	17,122	42,586	51,687
Net Loans.....	85,626	102,312	165,632
Other receivables from financial brokerage activities	10,320	18,748	25,099
Property, equipment and miscellaneous assets	1,347	1,463	1,849
Other assets.....	4,065	7,093	7,116
Total Assets	138,400	208,962	307,360
Liabilities			
Deposits	122,045	180,325	260,015
Liabilities from financial brokerage activities	5,624	14,680	25,756
Miscellaneous liabilities	915	987	1,382
Provisions	686	799	1,018
Items for which classification is pending.....	26	22	92
Total Liabilities	129,296	196,813	288,263
Total Net Equity	9,104	12,149	19,097
Total Net Equity and Liabilities.....	138,400	208,962	307,360
Income Statement Data			
Financial income	20,966	31,151	37,893
Financial expenditure	(12,404)	(16,368)	(15,366)
Financial intermediation margin	8,562	14,783	22,527
Provision for loan losses	(712)	(1,320)	(2,120)
Net income from services.....	4,225	5,536	4,012
Administrative expenses.....	(10,844)	(14,541)	(18,368)
Net income (loss) on financial Brokerage activities	1,231	4,458	6,051
Net miscellaneous (loss) income.....	(3)	(1,287)	911
Net Income	1,228	3,171	6,962
Source: Banco Provincia.			

The following selected financial information has been derived from Banco Provincia's audited financial statements prepared in accordance with IFRS for the periods indicated below.

Balance Sheet Data	As of and for the year ended December 31		
	2017	2018	2019
	(in millions of pesos)		
Assets			
Cash and due from banks.....	55,977	122,538	105,297
Debt securities at fair value through profit and loss.....	1,001	95,433	84,631
Repo transactions.....	11,508	67	34,832
Other financial assets.....	4,760	701	656
Loans and other receivables.....	173,929	214,486	246,007
Other debt securities.....	38,099	25,810	30,539
Financial assets in guarantee.....	5,073	7,300	11,130
Investments in equity instruments.....	449	584	2,492
Investments in other companies (subsidiaries and joint ventures).....	3,254	5,060	8,098
Property, plant and equipment.....	10,428	24,219	25,741
Intangible assets.....	127	208	195
Deferred income tax assets.....	3	-	-
Other non financial assets.....	340	798	1,242
Non-current assets held for sale.....	-	27	237
Total Assets	304,948	497,231	551,097
Liabilities			
Deposits.....	260,015	414,952	451,447
Repo transactions.....	94	210	342
Other financial liabilities.....	6,564	13,670	18,905
Financing received from Central Bank and other financial institutions.....	484	1,353	247
Issued corporate bonds.....	4,533	10,894	8,098
Provisions.....	2,363	3,255	8,764
Deferred income tax liabilities.....	-	-	2
Other non-financial assets.....	5,069	7,292	9,344
Total Liabilities	279,122	451,626	497,149
Total del Shareholders' equity	25,826	45,605	53,948
Total Liabilities and Shareholders' equity	304,948	497,231	551,097
Income Statement Data			
Net Interest Income	21,144	23,576	(8,090)
Net Fee Income	1,095	9,855	14,961
Net Income from financial instruments at Fair Value Through Profit & Loss.....	528	14,797	65,965
Difference in quoted prices of gold and foreign currency.....	885	(2,006)	6,498
Other operating income.....	10,223	12,015	5,716
Provision for loan losses.....	2,154	4,475	12,961
Net Operating Income	31,721	44,929	72,089
Personal expenses.....	14,802	24,896	38,551
Administrative expenses.....	4,320	6,351	8,551
Depreciation and impairment of assets.....	591	468	867
Other operating expense.....	9,064	9,185	22,399
Operating Income	2,944	4,029	1,721
Income from associates and joint ventures.....	2,779	1,386	5,876
Net Income before income tax on continuing operations	5,723	5,415	7,597
Income tax on continuing operations.....	2	6	6
Net Income from continuing operations.....	5,721	5,409	7,591
Net Income for the period	5,721	5,409	7,591
Other Comprehensive Income			
Net Income for the period.....	5,721	5,409	7,591
Components of Other comprehensive income that will not be reclassified			
Income for the period			
Revaluation of Property, Plant and Equipment, and Intangible.....	-	13,536	5
Total.....	-	13,536	5
Components of Other comprehensive income that will be reclassified			
Foreign currency translation differences in financial statements conversion.....	80	632	725
Profits or losses from financial assets measured at fair value through other comprehensive income.....	31	202	21
Total	111	834	746
Total comprehensive income for the period	111	14,370	751
Total Integral Income	5,832	19,779	8,342

Source: Banco Provincia.

Consolidated Assets

Public Sector Exposure

As of December 31, 2019, Banco Provincia had a public sector exposure in Argentina of approximately ARS 50.9 billion, which represented 9.25% of its total assets. This significant public sector exposure was primarily due to financing provided to the provincial government in accordance with Banco Provincia's charter and Central Bank regulations.

The following table shows the total exposure of Banco Provincia to the Argentine public sector, both national and provincial, at the dates indicated:

Banco Provincia's Public Sector Exposure

Government Securities	As of and for the year ended December 31,				
	2015	2016	2017	2018	2019
	(in millions of pesos)				
Bote 2020 ⁽¹⁾	-	-	-	13,465	14,432
Bono de la Provincia de Buenos Aires due 2019.....	-	-	-	4,253	-
Bono de la Provincia de Buenos Aires due 2024.....	-	-	-	3,931	3,986
Bogar 2018	6,648	4,881	912	-	-
Bono de la Provincia de Buenos Aires due 2023.....	-	-	7,855	8,623	8,700
Bonar Pesos 2016	227	-	-	-	-
Bonar Pesos 2017	1	-	-	-	-
Bonar Pesos 2019	97	96	96	101	-
Bonar USD 2017	27	100	-	-	-
Bonar USD 2024	-	72	82	-	42
Bonac July 2016.....	19	-	-	-	-
Bono Ciudad de Buenos Aires 2021	-	19	22	41	41
Bono Buenos Aires 9,95 PBJ21	-	20	24	43	64
Bonar USD 2026	-	17	22	41	62
Treasury Bills USD ⁽¹⁾	-	16	4,420	11,116	13,796
Bonar 2021	-	17	-	-	-
Boncer 2021.....	-	-	-	-	95
Bocon 2024.....	-	-	-	2	2
Bono Par 2038	-	-	-	1	1
Others.....	98	37	47	92	71
Total Government Securities.....	7,117	5,275	13,480	41,709	41,292
Public Sector Loans.....	11,163	8,041	9,025	9,020	5,635
Other receivables from financial brokerage activities	7,464	7,640	7,464	3,436	3,436
Others Assets.....					
Banco Provincia Retirement Fund	3,408	7,469	5,314	-	-
Guarantee.....	-	-	-	204	180
Others	-	-	-	514	447
Total Others Assets.....	3,408	7,469	5,314	718	627
Total	29,152	28,425	35,283	54,883	50,990

(1) Acquired in accordance with Central Bank Communication "A" 6526.

Source: Banco Provincia.

Bogar and Boden

In February 2002, the federal government ordered the mandatory conversion of dollar-denominated deposits to CER-adjusted pesos deposits at a rate of ARS 1.40 per USD 1.00. This measure was known as the "pesification." As a result of the pesification of deposits and loans at different rates (known as "asymmetric pesification"), Argentine banks, including Banco Provincia, recorded losses reflecting the difference between their pesified assets and their pesified liabilities. To compensate banks for these losses, the federal government issued a new type of financial instrument to these banks, known as the *Boden Compensation* ("Boden 2007"). In addition, in May 2002, the federal government issued a new type of bond, known as the *Boden Coverage* ("Boden 2012"), to compensate banks for losses incurred, based on their balance sheets at December 31, 2001, reflecting any amounts by which their remaining foreign-currency denominated liabilities not subject to pesification exceeded their remaining foreign-currency denominated assets not subject to pesification.

In 2004, pursuant a request by the federal Ministry of Economy and Production under the terms of Decree No. 905/02, Banco Provincia delivered Guaranteed Bonds (“**Bogar 2018**”) in exchange for Boden 2012, and agreed to exchange any Boden 2007 it received for such Bogar 2018. On July 31, 2006, Banco Provincia confirmed to the Central Bank that it agreed with the quantities of Boden 2007 and Boden 2012 owed to Banco Provincia pursuant to Articles 28 and 29 of Decree No. 905/02 as determined by the *Superintendencia de Entidades Financieras y Cambiarias* (the Superintendence of Financial Institutions and Exchanges or “SEFyC”). On October 3, 2006, as a result of its confirmation to the SEFyC regarding the quantities of Boden 2007, Banco Provincia agreed with the federal Ministry of Economy and Production to execute the exchange of Boden 2007 for Bogar 2018. On October 13, 2006, the federal Ministry of Economy and Production delivered Bogar 2018 with a face value of ARS 136.0 million to Banco Provincia. As of December 31, 2018, the Bogar 2018 had been repaid in full.

Loan Portfolio

The following table shows Banco Provincia’s loan portfolio by type of client as of and for the periods indicated, prepared in accordance with the Central Bank Accounting Standards:

Evolution of Loans of Banco Provincia

	As of and for the year ended December 31,				
	2015	2016	2017	2018	2019
	(in millions of pesos)				
Public	11,163	8,041	16,489	12,456	9,071
Financial.....	7	279	771	118	111
Private	76,232	96,627	160,574	209,082	253,031
Total.....	87,402	104,947	177,834	221,656	262,213
Allowances	(1,776)	(2,635)	(3,905)	(7,170)	(16,206)
Total Net Loans	85,626	102,312	173,929	214,486	246,007

Source: Banco Provincia.

The increase in allowances for the loan portfolio from 2018 to 2019 was mainly due to (i) non-performing loans of same large corporate clients such as Molinos Cañuelas S.A., Compañía Argentina de Granos S.A., and Vicentín S.A.; (ii) the currency devaluation of the peso, which increased the allowances of dollar-denominated loans; and (iii) an increase in the amount of minimum allowances in accordance with Central Bank regulations.

The following table shows Banco Provincia’s loan portfolio by type of client as of and for the periods indicated, prepared in accordance with IFRS:

Banco Provincia’s Loan Portfolio by Type of Client

	As of and for the year ended December 31,		
	2017	2018	2019
	(in millions of pesos)		
Loans and Other financial activities	173,929	214,486	246,007
Non-Financial Public Sector	16,489	12,456	9,071
Other Financial Entities	771	118	111
Non-Financial Private Sector and Residents Abroad	156,669	201,912	236,825

Source: Banco Provincia.

As of December 31, 2016, loans increased by 19.5% to ARS 102.31 billion as compared to December 31, 2015, mainly due to a 26.7% increase in private sector loans.

As of December 31, 2017, loans increased by 70.0% to ARS 173.93 billion as compared to December 31, 2016, mainly due to a 66.2% increase in private sector loans.

As of December 31, 2018, loans increased by 23.3% to ARS 214.49 billion as compared to December 31, 2017, as a result of a decrease of 24.5% in public sector loans and an increase of 30.2% in private sector loans.

As of December 31, 2019, loans increased by 14.7% to ARS 246.0 billion as compared to December 31, 2018, mainly as a result of a decrease of 27.2% in public sector loans and an increase of 21.0% in private sector loans.

Loan Loss Rates

The following table shows the loan loss rates for loans in Banco Provincia's portfolio for the periods indicated:

Banco Provincia's Loan Loss Rates

	As of and for the year ended December 31,				
	2015	2016	2017	2018	2019
Loan Loss Rates	1.60%	2.40%	2.00%	4.80%	6.70%

Source: Banco Provincia.

Between December 31, 2018 and December 31, 2019, the loan loss rates increased from 4.8% to 6.7%. The increase in loan loss rates was mainly due to non-performing loans of some medium and large companies that were heavily affected by the economic condition of the country.

Sources of Funds

Banco Provincia's main funding source has been deposits, particularly from the private sector. As of December 31, 2019, deposits represented 90.8% of its total liabilities.

Deposits

The table below shows the evolution of Banco Provincia's total deposits by sector as of and for the periods indicated:

Evolution of Deposits of Banco Provincia

	As of and for the year ended December 31,				
	2015	2016	2017	2018	2019
	(in millions of pesos)				
Non-Financial Public Sector.....	21,314	47,209	72,121	132,639	101,291
Financial Sector.....	217	240	283	447	566
Non-Financial Private Sector.....	100,514	132,876	187,611	281,866	349,590
Checking Accounts.....	14,402	19,330	25,836	28,329	39,836
Savings Accounts	29,813	48,250	79,210	115,099	146,551
Fixed Term Deposits	53,024	58,827	75,600	127,492	141,049
Others ⁽¹⁾	2,288	5,741	5,687	6,285	16,881
Accrued Interest, adjustments and quotation differences payable.....	987	728	1,278	4,661	5,273
Total.....	122,045	180,325	260,015	414,952	451,447

(1) Includes investment accounts and others.

Source: Banco Provincia.

As of December 31, 2016, deposits increased by 47.8% to ARS 180.3 billion as compared to December 31, 2015. This increase was mainly due to an increase in deposits of the non-financial public sector of 121.4% (ARS 25.895 billion) and from the non-financial private sector of 32.1% (ARS 32.362 billion).

As of December 31, 2017, deposits increased by 44.2% to ARS 260.0 billion as compared to December 31, 2016. This increase was mainly due to an increase in deposits of the non-financial public sector of 52.7% (ARS 24.912 billion) and from the non-financial private sector of 41.1% (ARS 54.735 billion).

As of December 31, 2018, deposits increased by 59.6% to ARS 415.0 billion as compared to December 31, 2017. This increase was mainly due to an increase in deposits of the non-financial public sector of 83.9% (ARS 94.255 billion) and from the non-financial private sector of 50.2% (ARS 60.518 billion).

As of December 31, 2019, deposits increased by 8.8% to ARS 451.4 billion as compared to December 31, 2018. This increase was mainly due to an increase in deposits of the non-financial private sector of 24% (ARS 67.724 billion) which offsets a drop in deposits from the non-financial public sector of 23.6% (ARS 31.348 billion).

Issuance of Bonds

In November 2016, Banco Provincia began issuing bonds in pesos as a new source of funding. As of December 31, 2019, Banco Provincia's bonds represented 2.3% of its total liabilities.

The table below shows the book value of Banco Provincia's bond issuances as of the dates specified below:

Banco Provincia's Bond Issuances			
	Book Value as of December 31,		
	2017	2018	2019
	(in millions of pesos)		
Bonds due May 8, 2018.....	127	-	-
Bonds due November 8, 2019	283	283	-
Bonds due October 19, 2018	178	-	-
Bonds due April 19, 2020.....	1,198	1,765	2,676
Bonds due April 19, 2021.....	286	286	286
Bonds due November 1, 2019	2,070	2,070	-
Bonds due November 1, 2020	393	393	393
Bonds due April 18, 2019.....	-	1,232	-
Bonds due April 18, 2021.....	-	2,503	3,801
Bonds due April 18, 2022.....	-	2,882	2,928
Bonds due November 15, 2019	-	-	-
Bonds due August 15, 2020.....	-	-	1,372
Total.....	4,536	11,414	11,456

Provisions

Banco Provincia recognizes a provision when there is a potential obligation for an amount that can be reliably estimated, and it is likely that resources will be spent to settle such obligation. Risks and uncertainties are taken into account when evaluating provisions, based on the opinion of Banco Provincia's internal and external legal advisors.

The table below shows Banco Provincia's provisions as of the dates specified below:

Banco Provincia's Provisions		
	As of December 31,	
	2018	2019
	(in millions of pesos)	
Provisions.....	3,255	8,764
Provisions for eventual commitments	-	10
Provisions for onerous contracts	57	90
Provisions for post-employment benefit plans	1,500	2,259
Other	1,698	6,405

Source: Banco Provincia.

The increase in "Other" provisions is mainly an estimate of the potential impact of the application of the accounting adjustments required by Resolution No. 1039/19 issued by the *Superintendencia de Seguros de la Nación* (the National Superintendence of Insurance). Such regulation is still pending implementation, in accordance with Circular IF-2020-09955470-APN-GCG # SSN issued by the *Superintendencia de Seguros de la Nación*.

The main provisions recorded under “Other” are the following:

- *Unión de Usuarios y Consumidores* (Users and Consumers Association): The *Asociación de Defensa de los Consumidores* (Association for the Defense of Consumers or “ADECUA”) brought a class action suit against Banco Provincia for the collection of fees on group life insurance policies (*Provincia Seguros*) on loans.
- Future dollar sale transactions: On November 22, 2012, Banco Provincia was served notice of the complaint filed by Citibank over certain disagreements in connection with future dollar sale transactions made before 2001.
- Financing cost for deferred credit card payments: The Proconsumer consumer association brought an action against Banco Provincia for reimbursement of the amounts charged to clients on account of “financing cost for deferred credit card payments.” The association understood that such charge was neither expected nor authorized by the Central Bank and that it represented a veiled interest amount.
- *Centro de Orientación Defensa y Educación del Consumidor* (Center for Consumer Guidance, Protection and Education or “CODEC”): CODEC has brought an action against Banco Provincia for breach of its reporting duties under the consumers’ protection law and for other issues related to consumer loans. A motion to dismiss based on the running of the statute of limitations was introduced, and a defense based on the plaintiff’s lack of legal standing to sue was also filed.

External Indebtedness

The table below shows the amounts of foreign currency financing provided by financial institutions outside of Argentina to Banco Provincia. The amounts are shown by source and for the periods specified below.

Foreign Currency Financing Provided to Banco Provincia

	As of and for the year ended December 31,				
	2015	2016	2017	2018	2019
	(in millions of dollars)				
Trade finance (short-term).....	28	26	10	-	-
Interbank lines (medium term)	-	-	-	-	-
Secured Financing (short-term).....	-	5	5	6	6
Total.....	28	31	15	6	6

Source: Banco Provincia.

Banco Provincia’s external indebtedness reflected no significant variation between December 31, 2018 and December 31, 2019.

Liquidity and Financial Position

The table below shows Banco Provincia’s liquidity ratios for the periods specified below:

Liquidity Ratios

	As of and for the year ended December 31,				
	2015	2016	2017	2018	2019
Cash and due from Banks/Deposits.....	16.3%	20.4%	21.5%	29.5%	23.3%
Net Loans/Assets.....	61.9%	49.0%	53.9%	43.1%	44.6%

Source: Banco Provincia.

The table below shows Banco Provincia's solvency ratios for the periods specified below:

Solvency Ratios

	As of and for the year ended December 31,				
	2015	2016	2017	2018	2019
Net Equity/Assets	6.6%	5.8%	6.2%	9.2%	9.8%
Net Equity/Loans.....	10.6%	11.9%	11.5%	21.3%	21.9%

Source: Banco Provincia.

Net Income

Banco Provincia recorded net income of ARS 1,228 million in 2015, ARS 3,171 million in 2016, ARS 5,721 million in 2017, ARS 5,409 million in 2018 and ARS 7,591 million in December 31, 2019.

Branches Abroad

On March 19, 2009, by Resolution No. 324/09, Banco Provincia's board of directors decided to close the Banco Provincia's Grand Cayman branch. As of December 31, 2019, after several months of winding down operations, the Grand Cayman branch was closed. On October 26, 2017, by Resolution No. 1318/17, Banco Provincia's board of directors decided to change Banco Provincia's Brazil branch status from branch to representation office.

As of the date of this invitation memorandum, Banco Provincia had a branch in Uruguay and representation offices in Spain and Brazil.

ANNEX B

FORM OF TERMS AND CONDITIONS OF THE 2006 INDENTURE NEW BONDS¹

1. General. (a) This Security is one of a duly authorized series of debt securities (each, a “Series”) of The Province of Buenos Aires (the “Province”), designated as its [●]% Notes Due [●] (each Security of this Series a “Security”, and collectively, the “Securities”), and issued or to be issued in one or more Series (such Series collectively, the “Debt Securities”) pursuant to a Trust Indenture dated as of January 12, 2006 between the Province and The Bank of New York Mellon (formerly, The Bank of New York), as Trustee (the “Trustee”), as amended from time to time (the “Indenture”). The Holders (as defined below) of the Securities will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Indenture. A copy of the Indenture is on file and may be inspected at the Corporate Trust Office of the Trustee in the City of New York. Subject to Paragraph 2, the Province hereby certifies and warrants that all acts, conditions and things required to be done and performed and to have happened precedent to the creation, execution and, as applicable, issuance of the Indenture and the Securities and to constitute the same legal, valid and binding obligations of the Province enforceable in accordance with their terms, have been done and performed and have happened in due and strict compliance with all applicable laws. All capitalized terms used in this Security but not defined herein shall have the meanings assigned to them in the Indenture. Insofar as the provisions of the Indenture may conflict with the provisions set forth in this Security, the latter shall control for purposes of this Security.

(b) The Securities are issuable only in fully registered form without coupons. Securities may be issued in certificated form (the “Certificated Securities”), or may be represented by one or more registered global securities (each, a “Global Security”) held by or on behalf of the Person or Persons that are designated pursuant to the Indenture, by the Province to act as depositary for such Global Securities (the “Depository”). Certificated Securities will be available only in the limited circumstances set forth in the Indenture. The Securities, and transfers thereof, shall be registered as provided in Section 2.6 of the Indenture. Any person in whose name a Security shall be registered (each, a “Holder”) may (to the fullest extent permitted by applicable law) be treated at all times, by all persons and for all purposes as the absolute owner of such Security regardless of any notice of ownership, theft, loss or any writing thereon.

(c) The Securities are issuable in authorized denominations of [U.S.\$1.00][€ 1.00] and integral multiples of [U.S.\$1.00][€1.00] in excess thereof.

(d) As used herein, the following terms have the meanings set forth below:

“Business Day” means any day except a Saturday, Sunday or any other day on which commercial banks in New York City or in the City of Buenos Aires (or in the city where the relevant paying or transfer agent is located) are required or authorized by law to close. [If applicable, insert definition of Business Day applicable for Securities denominated in a currency other than U.S. dollars.]

2. Payments and Trustee Paying Agents. (a) Principal of and interest on the Securities will be payable in [U.S. dollars] [euro]. Principal of each Security and interest payable on the Maturity Date will be payable in [U.S. dollars] [euro] in immediately available funds to the person in whose name such Security is registered on the Maturity Date, upon presentation and surrender of the Security at the Corporate Trust Office of the Trustee in the City of New York or, subject to applicable laws and regulations, at the office of any paying agent that shall be appointed by the Trustee, at the expense of the Province (each, a “trustee paying agent”). Principal and Interest on each Security (other than principal and interest payable on the Maturity Date) will be payable to the person in whose name such Security is registered at the close of business on the Record Date whether or not such day is a Business Day notwithstanding the cancellation of such Securities upon any transfer or exchange thereof subsequent to the Record Date and prior to such Payment Date. The Province will make payments of principal of and interest on the Securities by providing the Trustee or trustee paying agent the amount of such payment, in [U.S. dollars] [euro] in immediately available funds, not later than 1:00 P.M. local time on the Business Day prior to the Payment Date, and directing the Trustee to hold these funds in trust for the Trustee and the beneficial owners of the

¹ **Note to Draft:** New USD 2037 B Bonds and New Euro 2037 B Bonds to include the Rights Upon Future Offers provision and provide that any amendments to such provision shall constitute a Reserve Matter Modification, in each case, subject to the Minimum Participation Condition described in the invitation memorandum.

Securities in accordance with their respective interests and to make a wire transfer of such amount in [U.S. dollars] [euro] to The Bank of New York Depositary (Nominees) Limited, as the registered owner of the Securities, which will receive the funds in trust for distribution to the beneficial owners of the Securities; provided that the Province may, subject to applicable laws and regulations, make payments of principal of and interest on the Securities by mailing, or directing the Trustee to mail, from funds made available by the Province for such purpose, a check to the person entitled thereto, on or before the due date for the payment at the address that appears on the security register maintained by the Registrar on the applicable record date. Notwithstanding anything herein to the contrary, the Province's obligation to make payments of principal of and interest on the Securities shall not have been satisfied until such payments are received by the Holders of the Securities.

(b) None of the Province, the Trustee or any trustee paying agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(c) Any payment of principal or interest required to be made on a Payment Date that is not a Business Day need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on such Payment Date, and no interest will accrue with respect to such payment for the period from and after such Payment Date.

(d) Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

(e) The Province has initially appointed The Bank of New York Mellon as principal paying agent, transfer agent and registrar, and The Bank of New York Mellon, London Branch, as London Paying Agent. At the expense of the Republic, the Trustee may at any time appoint additional or other trustee paying agents, transfer agents and registrars and terminate the appointment of those or any paying agents, transfer agents and registrar; provided that while the Bonds are Outstanding the Republic will maintain in The City of New York (i) a paying agent, (ii) an office or agency where the Bonds may be presented for exchange, transfer and registration of transfer as provided in the Indenture and (iii) a registrar. If the Bonds are listed in the Euro MTF Market of the Luxembourg Stock Exchange and the rules of such Exchange so require as notified by the Issuer to the Trustee, the Trustee will maintain a paying agent in Luxembourg. The Republic or the Trustee, as the case may be, will give prompt notice to all Holders of the Bonds of any future appointment or any resignation or removal of any trustee paying agent, transfer agent or registrar or of any change by any trustee paying agent, transfer agent or registrar in any of its specified offices. Subject to the foregoing, the Province shall have the right at any time to instruct the Trustee to terminate any such appointment and to appoint any other paying agents or transfer agents in such other places as it may deem appropriate for the purpose of making payments for the exclusive benefit of Holders. Notwithstanding the foregoing, the trustee paying agent and any trustee paying agent appointed hereunder shall be agents solely of the Trustee, and the Province shall have no authority over or any direct relationship with the trustee paying agent or any such trustee paying agent.

(f) All money paid to the Trustee pursuant to these Terms shall be held by it in trust exclusively for itself and the Holders of the Securities in accordance with their respective interests to be applied by the Trustee to payments due on the Securities or to the Trustee at the time and in the manner provided for in these Terms and in the Indenture, and the Holders of the Securities may, subject to the next sentence, look only to the Trustee for any payment to which the Holders may be entitled. Any monies deposited with the Trustee for the payment of the principal of or interest (including Additional Amounts) on any Security remaining unclaimed for ten years (in the case of principal) or five years (in the case of interest) or, in either case, any shorter prescription period provided by law after such principal or interest shall have become due and payable shall be repaid to the Province upon written request without interest, and the Holder of any such Security may thereafter look only to the Province for any payment to which such Holder may be entitled.

(g) If the Province at any time defaults in the payment of any principal of, or interest (including Additional Amounts) on the Securities, the Province will pay interest on the amount in default (to the extent permitted by law), calculated for each day until paid, at the following rates per annum, together with Additional Amounts, if applicable:

<u>From and including</u>	<u>To but excluding</u>	<u>Interest Rate</u>
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%

3. Additional Amounts. (a) All payments by the Province in respect of the Securities shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Province or the Republic of Argentina ("Argentina"), or any political subdivision or taxing authority or agency therein or thereof having the power to tax (collectively, "Relevant Tax"), unless the withholding or deduction of such Relevant Tax is required by law. In that event, the Province shall pay such additional amounts ("Additional Amounts"), as may be necessary to ensure that the amounts received by the Holders after such withholding or deduction shall equal the respective amounts of principal and interest that would have been receivable in respect of the Securities in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any Security (i) to a Holder (or to a third party on behalf of a Holder) where such Holder or beneficial owner or Responsible Person is liable for such Relevant Taxes in respect of this Security by reason of his having some connection with the Province or Argentina other than the mere holding of such Security, the receipt of principal, premium or interest in respect thereof, or the enforcement of rights hereunder; (ii) presented for payment by or on behalf of a Holder who would have been able to avoid the withholding or deduction by presenting the relevant Security to another paying agent in a member state of the European Union; (iii) presented for payment more than 30 days after the Relevant Date, as defined herein, except to the extent that the Holder thereof would have been entitled to Additional Amounts on presenting the same for payment on the last day of such period of 30 days; or (iv) to a Holder of this Security (or a third party on behalf of a Holder) where such Holder or beneficial owner or Responsible Person of this Security would not be liable for or subject to such deduction or withholding by making a declaration of non-residence or other claim for exemption or reduction to the relevant tax authorities if such Holder of this Security is eligible to make such declaration or other claim and, after having been requested to make such a declaration or claim, such Holder of this Security fails to timely do so, provided that (x) the Province has provided the Holder with at least 60 days' prior written notice (in accordance with Paragraph 10 of these Terms) of an opportunity to satisfy such a requirement or make such a declaration or claim, and (y) in no event, shall such Holder or beneficial owner or Responsible Person's obligation to satisfy such a requirement or to make such a declaration or claim require such Holder or beneficial owner or Responsible Person to provide any materially more onerous information, documents or other evidence than would be required to be provided had such Holder been required to file IRS Forms W-8BEN, W-8BEN-E, W-8ECI, W-8EXP and/or W-8IMY.

As used in this Paragraph 3(a),

"Relevant Date" in respect of any Security means the date on which payment in respect thereof becomes due or (if the full amount of the money payable on such date has not been received by the Trustee on or prior to such due date) the date on which notice is duly given to the Holders that such moneys have been so received and are available for payment. Any reference herein to "principal" and/or "interest" shall be deemed to include any Additional Amounts which may be payable on this Security.]

"Responsible Person" means an individual, corporation, partnership, limited liability company, limited liability partnership, association, trust or any other entity or organization (including a government or political subdivision or an agency or instrumentality thereof), other than a Holder or beneficial owner, which, as a result of applicable Argentine tax regulations in force from time to time, qualifies as statutorily responsible for the payment of any Argentine Taxes.

4. Status and Negative Pledge Covenant. (a) The Securities will constitute the direct, unconditional, unsecured and unsubordinated obligations of the Province. Each Series will rank *pari passu* with each other Series, without any preference one over the other by reason of priority of date of issue or currency of payment or otherwise, and at least equally with all other present and future unsecured and unsubordinated Indebtedness (as defined herein) of the Province.

(b) So long as any Security remains Outstanding (as defined in Paragraph 16 hereof), the Province will not create or permit to subsist any Lien (as defined below) upon the whole or any part of its property or assets to secure any Indebtedness of the Province unless (i) at the same time or prior thereto, the Province's obligations under the Securities either (A) are secured equally and ratably therewith or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the Holders of Securities (as provided in Paragraph 16 hereof) or (ii) after giving effect thereto, the aggregate amount then outstanding of all such Indebtedness so secured would not exceed 8% of the Province's annual revenues for the fiscal year most recently ended prior to the incurrence of the Lien.

(c) Notwithstanding the foregoing, the Province may create or permit to subsist:

(i) any Lien in existence on the date of the Indenture;

(ii) any Lien upon bank accounts, deposits or proceeds thereof (or arising from the existence of rights of set-off against such accounts, deposits or proceeds) securing Indebtedness of the Province incurred in connection with letters of credit issued by, or trade finance transactions with, a bank to which such Lien is granted or holding such rights, and which Indebtedness has a final maturity of not greater than 180 days from the date on which payment under such letter of credit or in connection with such trade finance transactions is due and payable;

(iii) any Lien upon any property to secure Indebtedness of the Province incurred specifically for the purpose of financing the acquisition of the property subject to such Lien;

(iv) any Lien existing on any property at the time of its acquisition to secure Indebtedness of the Province;

(v) any Lien securing Indebtedness incurred for the purpose of financing all or part of the costs of the acquisition, construction or development of a project, provided that the property over which such Lien is granted consists solely of the assets and revenues of such project or the ownership interest therein;

(vi) any Lien securing Indebtedness incurred for the purpose of financing all or part of the cost of personal property sold or services provided to the Province;

(vii) any replacement, renewal or extension of any Lien permitted by clauses (i) through (vi) above upon the same property theretofore subject to such Lien, including any replacement, renewal or extension of such Lien resulting from the refinancing (without increase in the principal amount) of the Indebtedness secured by such Lien; provided that the Province shall not be permitted to replace, renew or extend any Lien in respect of Indebtedness to the federal government unless the federal government remains the creditor;

(viii) any Lien to secure public or statutory obligations or otherwise arising by law to secure claims other than for borrowed money; and

(ix) any Lien securing Indebtedness of the Province to the federal government of Argentina encumbering the right of the Province to receive Co-Participation Payments; provided that the incurrence of such Indebtedness so secured will not cause the Co-Participation Secured Indebtedness Ratio to exceed 50% in any fiscal year;

provided that any Lien described in clauses (i) through (ix) above may not secure any payment obligation, including any contingent liability of any Person, arising from Securities, debentures, notes or other securities which are, or were intended at the time of issue to be, quoted, listed or traded on any stock exchange, automated trading system, or over-the-counter or other securities market or sold in whole or in part pursuant to a private placement exemption in any jurisdiction.

(d) So long as any Security remains outstanding, the Province shall publish on an annual basis and no later than November 30 of the relevant year (by posting to a publicly available website maintained by the Province), (i) the following data as of the close of the preceding fiscal year of the Province: (x) the total public debt stock of the Province, setting forth the amounts which have been issued under local law and the amounts which have been issued under foreign law; (y) the total debt stock guaranteed by the Province or collateralized with assets of the Province; and (z) the title, date of issue, date of maturity, interest rate, and amount outstanding, together with the currency or currencies in which payable, of each issue of in foreign-law governed debt securities issued by the Province, and (ii) a summary in English of the Province's budget law for such year.

(e) For purposes of these Terms:

“Co-Participation Payments” means any transfers made by the federal government of Argentina to the Province pursuant to federal law No. 23,548, as amended or replaced from time to time, and any other law, decree or regulation governing the obligation of the federal government of Argentina to distribute taxes collected by it to the Argentine provinces.

“Co-Participation Secured Indebtedness Ratio” means the percentage that is equal to (A) in any fiscal year, the aggregate amount of payments of principal and interest that will become due in such fiscal year (after giving pro forma effect to the incurrence of Indebtedness secured by a Lien on the Province's right to receive Co-Participation Payments) in respect of Indebtedness that is secured by a Lien on the Province's right to receive Co-Participation Payments, divided by (B) the aggregate amount of Co-Participation Payments actually received by the Province for the fiscal year most recently ended prior to the incurrence of the Lien, (C) multiplied by 100, provided that, with respect to the calculation of payments to be made in respect of principal and interest, inflation adjustment accrued through the most recent fiscal year on such principal and interest shall be given effect, but no effect shall be given for inflation adjustment for the current and any future fiscal years; provided further that the Co-Participation Secured Indebtedness Ratio is to be calculated for each future fiscal year on a stand-alone basis and not by aggregating the principal and interest payments for more than one fiscal year.

“Indebtedness” means, with respect to any Person, whether outstanding on the original issuance date of a Series of Debt Securities or at any time thereafter: (i) all indebtedness of such Person for borrowed money; (ii) all reimbursement obligations of such Person (to the extent no longer contingent) under or in respect of letters of credit or bankers' acceptances; (iii) all obligations of such Person to repay deposits with or advances to such Person; (iv) all obligations of such Person (other than those specified in clauses (i) and (ii) above) evidenced by Securities, debentures, notes or similar instruments; and (v) to the extent no longer contingent, all direct guarantees, endorsements, *avales* or similar obligations of such Person in respect of, and all direct obligations of such Person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of any other Person specified in clause (i), (ii), (iii) or (iv) above.

“Lien” means any lien, pledge, mortgage, security interest, deed of trust, charge or other encumbrance on or with respect to, or any preferential arrangement which has the practical effect of constituting a security interest with respect to the payment of any obligation with or from the proceeds of, any currently existing or future asset or revenues of any kind under the laws of Argentina.

“Public Sector Instrumentality” means the *Banco de la Provincia de Buenos Aires*, any department, ministry or agency of the government of the Province or any corporation, trust, financial institution or other entity owned or controlled by the government of the Province or any of the foregoing, and the term “control” means the power, directly or indirectly, through the ownership of voting securities or other ownership or other ownership interests or otherwise, to direct the management of or elect or appoint a Majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or entity.

5. Notification of Events or Conditions Under Other Indebtedness. So long as any Securities remain outstanding, the Province shall promptly:

(a) notify the Trustee of any meeting or communication (whether written or oral) with any creditor under any instrument or agreement evidencing any Indebtedness of the Province regarding (i) any default in the payment of principal of, or interest on, any such Indebtedness (other than Excluded Indebtedness) or (ii) the occurrence of any event, or the existence of any condition, under any instrument or agreement relating to such Indebtedness (other than Excluded Indebtedness) of the Province that, with the giving of notice or the passage of time, or both, would permit such creditor to cause such Indebtedness to become due prior to its maturity; and

(b) deliver to the Trustee a copy of any written notice sent or received by the Province to or from any creditor describing (i) any default in the payment of principal of, or interest on, any such Indebtedness (other than Excluded Indebtedness) or (ii) an event or condition under any instrument or agreement relating to any Indebtedness (other than Excluded Indebtedness) of the Province that, with the giving of notice or the passage of time, or both, would permit such creditor to cause such Indebtedness to become due prior to its maturity.

For purposes of these Terms:

“Excluded Indebtedness” means (i) any series of Existing Securities and (ii) any indebtedness incurred prior to the issue date of the Securities under credit facilities extended or guaranteed by member states of the Organisation for Economic Cooperation and Development (OECD) or any agency or instrumentality thereof.

“Existing Securities” means (a) USD Zero Coupon Notes due 2002, (b) USD 12.50% Notes due 2002, (c) Euro 7.875% Notes due 2002, (d) Euro 9% Notes due 2002, (e) Euro 10.25% Notes due 2003, (f) USD 12.75% Notes due 2003, (g) SFr 7.75% Notes due 2003, (h) Euro 10.375% Notes due 2004, (i) Euro 9.75% Notes due 2004, (j) Euro 10% Notes due 2004, (k) Euro 10.75% Notes due 2005, (l) EUR 10.625% Notes due 2006, (m) USD 13.75% Notes due 2007, (n) USD 13.25% Notes due 2010; (o) 4.000% USD Securities Due 2020 MTN, (p) 10.875% USD Securities Due 2021, (q) 9.625% USD Securities Due 2028, (r) 4.000% USD Securities Due 2035, (s) 4.000% EUR Securities Due 2020 MTN, (t) 4.000% EUR Securities Due 2035, (u) 9.950% USD Securities Due 2021, (v) 6.500% USD Securities Due 2023, (w) 9.125% USD Securities Due 2024, (x) 7.875% USD Securities Due 2027, and (y) 5.375% EUR Securities Due 2023.

6. Default; Acceleration of Maturity. (a) Each of the following events will constitute an “Event of Default” under the Securities:

(i) The Province fails to pay any principal due on any Securities when due and payable for 10 days after the applicable Payment Date; or

(ii) The Province fails to pay any interest or Additional Amounts due on any Securities when due and payable for 30 days after the applicable Payment Date; or

(iii) The Province fails to duly perform or observe any term or obligation contained in the Securities or in the Indenture, which failure continues unremedied for 60 days after written notice thereof has been given to the Province by the Trustee; or

(iv) The Province fails to make any payment when due, after any applicable grace periods, on any of its Indebtedness (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to U.S.\$15,000,000 (or its equivalent in other currencies); or

(v) Any Indebtedness of the Province (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to U.S.\$15,000,000 (or its equivalent in other currencies) is accelerated due to an event of default, unless the acceleration is rescinded or annulled; or

(vi) The Province declares a moratorium of payment of its Indebtedness (other than Excluded Indebtedness);

(vii) There has been entered against the Province or a provincial agency a final judgment, decree or order by a court of competent jurisdiction from which no appeal may be or is taken for the payment of money in excess of U.S.\$15,000,000 (or the equivalent thereof in another currency or

currencies) (other than a final judgment, decree or order in respect of any Excluded Indebtedness) and 90 days shall have passed since the entry of such final judgment, decree or order without it having been satisfied or stayed;

(viii) The validity of the Securities or of the Indenture is contested by the Province; or

(ix) (A) Any constitutional provision, law, regulation, ordinance or decree necessary to enable the Province to perform its obligations under the Securities or the Indenture, or for the validity or enforceability thereof, shall expire, is withheld, revoked or terminated or otherwise ceases to remain in full force and effect, or is modified in a manner which materially adversely affects, or may reasonably be expected to materially adversely affect, any rights or claims of any of the Holders of Securities, or (B) any final decision by any court in Argentina having jurisdiction from which no appeal may be or is taken shall purport to render any material provision of the Securities or the Indenture invalid or unenforceable or purport to prevent or delay the performance or observance by the Province of its obligations under such Securities or the Indenture, and, in each case, such expiration, withholding, revocation, termination, cessation, invalidity, unenforceability or delay shall continue in effect for a period of 90 days.

(b) Upon the occurrence and during the continuance of an Event of Default, the Holders of at least 25% in aggregate principal amount of the Securities then Outstanding may by written notice given to the Province (with a copy to the Trustee) declare the Securities to be immediately due and payable; and upon such declaration the principal amount of the Securities and the accrued interest on the Securities will become immediately due and payable upon the date that such written notice is received at the office of the Trustee, unless prior to such date the event giving rise to such Event of Default has been cured before such declaration is made. Holders holding in the aggregate at least 50% in principal amount of the then Outstanding Securities may waive any existing defaults, and rescind or annul any notice of acceleration, on behalf of all Holders of Securities, if (A) following the declaration of the Securities due and payable immediately, the Province has deposited with the Trustee or a trustee paying agent an amount sufficient to pay all overdue installments of principal, interest and Additional Amounts in respect of the Securities (with interest on overdue amounts of interest, to the extent permitted by law, and on such principal of each of the Securities at the rate of interest applicable thereto, to the date of such payment or interest) as well as the reasonable fees and compensation of the Trustee; and (B) all other Events of Default with respect to such Securities have been remedied. In the event of a declaration of acceleration because of an Event of Default set forth in clause (iii) or (iv) above, such declaration of acceleration shall be automatically rescinded and annulled if the event triggering such Event of Default pursuant to such clause (iii) or (iv) above shall be remedied, cured or waived by the Holders of the relevant indebtedness, within 60 days after such event.

(c) Upon the occurrence of an Event of Default under Paragraph 6(a), the Province shall give written notice promptly after becoming aware thereof to the Trustee. Within 15 days after becoming aware of the occurrence of an event which with the giving of notice or lapse of time or both would, unless remedied, cured or waived, become an Event of Default under Paragraph 6(a), the Province shall give written notice thereof to the Trustee.

7. Purchase of the Securities by the Province. The Province may at any time purchase or acquire any of the Securities in any manner and at any price in the open market, in privately negotiated transactions or otherwise. Securities that are purchased or acquired by the Province may, at the Province's discretion, be held, resold or surrendered to the Trustee for cancellation, but any Security so purchased by the Province may not be re-issued or resold except in compliance with the Securities Act and other applicable law.

8. Replacement, Exchange and Transfer of Securities.

(a) If any Security becomes mutilated or is defaced, destroyed, lost or stolen, the Trustee shall authenticate and deliver a new Security, on such terms as the Province and the Trustee may require, in exchange and substitution for the mutilated or defaced Security or in lieu of and in substitution for the destroyed, lost or stolen Security. In every case of mutilation, defacement, destruction, loss or theft, the applicant for a substitute Security must furnish to the Province and the Trustee such indemnity as the Province and the Trustee may require and evidence to their satisfaction of the destruction, loss or theft of such Security and of the ownership thereof. In every case of mutilation or defacement of a Security, the Holder must surrender to the Trustee the

Security so mutilated or defaced. In addition, prior to the issuance of any substitute Security, the Province may require the payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith. If any Security that has matured or is scheduled to mature within 15 days becomes mutilated or defaced or is apparently destroyed, lost or stolen, the Province may pay or authorize payment of such Security without issuing a substitute Security.

(b) Upon the terms and subject to the conditions set forth in the Indenture, a Security or Securities may be exchanged for a Security or Securities of equal aggregate principal amount in such same or different authorized denominations as may be requested by the Holder, by surrender of such Security or Securities at the office of the Registrar, or at the office of any trustee paying agent, together with a written request for the exchange. Any registration of transfer or exchange shall be effected upon the Province being satisfied with the documents of title and identity of the person making the request and subject to such reasonable regulations as the Province may from time to time agree with the Trustee.

(c) Upon the terms and subject to the conditions set forth in the Indenture, a Security may be transferred in whole or in part by the Holder or Holders surrendering the Security for registration of transfer at the Corporate Trust Office of the Trustee in the City of New York [City in European Union for securities denominated in euro] or at the office of any trustee paying agent, duly endorsed by or accompanied by a written instrument of transfer in form satisfactory to the Province and the Registrar or any such trustee paying agent, as the case may be, duly executed by the Holder or Holders thereof or its attorney-in-fact or attorneys-in-fact duly authorized in writing.

(d) No service charge will be imposed upon the Holder of a Security in connection with exchanges for Securities of a different denomination or for registration of transfers thereof, but the Province and the Trustee may charge the party requesting any registration of transfer, exchange or registration of Securities a sum sufficient to reimburse it for any stamp or other tax or other governmental charge required to be paid in connection with such transfer, exchange or registration.

9. Meetings. The Province or the Trustee at any time may, and upon a request in writing to the Trustee made by Holders holding not less than 10% in aggregate principal amount of the Securities the Trustee shall, convene a meeting of Holders of the Securities. The Trustee shall give notice of each meeting of Holders of the Securities, setting forth the time and place of the meeting and in general terms the topics to be discussed, or the action to be taken, at that meeting, not less than 30 nor more than 60 days prior to the date fixed for the meeting. To be entitled to vote at any meeting of Holders of Securities, a Person shall be, as of the date reasonably set by the Trustee, (i) a Holder of one or more Securities or (ii) a Person appointed by an instrument in writing as proxy by the Holder of one or more Securities. The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Persons entitled to vote at such meeting and their counsel, the Trustee and its counsel, and any representatives of the Province and its counsel.

At any meeting of Holders, other than a meeting to discuss a Reserve Matter, the persons entitled to vote a majority in aggregate principal amount of the Securities shall constitute a quorum, and at the reconvening of any such meeting adjourned for a lack of a quorum, any number of persons holding or representing interests on the Securities shall constitute a quorum for the taking of any action set forth in the notice of the original meeting. At any meeting of Holders held to discuss a Reserve Matter, the persons entitled to vote 75% in aggregate principal amount of the Securities shall constitute a quorum.

In the absence of a quorum at any such meeting, the meeting may be adjourned for a period of not less than ten days. Notice of reconvening of any such meeting need be given only once but must be given not less than 30 days nor more than 60 days prior to the date on which the meeting is scheduled to be reconvened. Notice of the reconvening of an adjourned meeting shall state expressly the percentage of the aggregate principal amount the Securities that shall constitute a quorum in accordance with the provisions of this Paragraph 9.

Further provisions for meetings of Holders are contained in Article Ten of the Indenture.

10. Notices. The Province will mail any notices to the Holders of Certificated Securities at their registered addresses as reflected in the books and records of the Trustee. The Province will consider any mailed

notice to have been given when mailed. The Province will give notices to the Holders of a [Global Security] in accordance with the procedures and practices of the Depositary and such notices shall be deemed given upon actual receipt thereof by the Depositary. The Province will also publish notices to the Holders (a) by means of press releases published in an international news service and (b) if and so long as such New Securities are listed on the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the exchange so require, in a leading newspaper having general circulation in Luxembourg (which is expected to be Luxemburger Wort) or on the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>. If publication in a leading newspaper in Luxembourg or in the Luxembourg Stock Exchange is not practicable, the Province will give notices in another way consistent with the rules of the Luxembourg Stock Exchange. The Province will consider any published notice to be given on the date of its first publication.

11. Trustee. For a description of the duties and the immunities and rights of the Trustee under the Indenture, reference is made to the Indenture, and the obligations of the Trustee to the Holder hereof are subject to such immunities and rights.

12. Further Issues of Securities. The Province may from time to time without the consent of the Holders of the Securities create and issue additional debt securities ranking *pari passu* with the Securities and having terms and conditions which are the same as those of the Securities, or the same except for the amount of the first payment of interest, which additional debt securities may be consolidated and form a single Series with the outstanding Securities; provided that such additional debt securities do not have, for purposes of U.S. federal income taxation (regardless of whether any Holders of such additional debt securities are subject to U.S. federal tax laws), a greater amount of original issue discount than the Securities have as of the date of the issue of such additional Securities.

13. Authentication. This Security will not be valid or obligatory for any purpose until the certificate of authentication hereon shall have been executed by manual signature by or on behalf of the Trustee.

14. Governing Law. (a) THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK, UNITED STATES OF AMERICA.

(b) The Province irrevocably submits to the non-exclusive jurisdiction of any U.S. federal or New York state court sitting in the Borough of Manhattan, The City of New York, and any appellate court from any court thereof, in any suit, action or proceeding arising out of or relating to the Securities or the Indenture and irrevocably agrees that all claims in respect of any such suit, action or proceeding may be heard and determined in such U.S. federal or New York state court. The Province also irrevocably waives, to the fullest extent that it may effectively do so, any objection to venue or defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in such jurisdiction.

(c) The Province has appointed [], with an office on the date hereof at [], as its agent (the "Authorized Agent"), to receive on behalf of the Province and its property service of any summons and complaint and other process which may be served in any such suit, action or proceeding brought in such New York State or U.S. federal court sitting in New York City in the Borough of Manhattan. Such service may be made by delivering or mailing a copy of such process to the Province in care of the Authorized Agent at the above specified address and the Province authorizes and directs such Authorized Agent to accept such service on its behalf. In addition to the foregoing, any Holder may serve legal process in any other manner permitted by applicable law. A final judgment that is not appealable in any such suit, action or proceeding shall be conclusive and may be enforced to the extent permitted under applicable law in other jurisdictions by suit on the judgment or in any other manner provided by applicable law. The Province agrees that, if the Authorized Agent shall for any reason cease to act as such agent, it shall promptly appoint a substitute Authorized Agent in the Borough of Manhattan, The City of New York.

(d) The Province irrevocably waives immunity (including sovereign immunity) from jurisdiction to which it might otherwise be entitled in any such suit, action or proceeding arising out of or relating to the Securities or the Indenture. Without limiting the generality of the foregoing, the Province agrees that the waivers set forth in this Paragraph 14 shall be to the fullest extent permitted under the U.S. Foreign Sovereign Immunities Act of 1976 and are intended to be irrevocable for purposes of such Act. Notwithstanding the foregoing, the Province

reserves the right to plead sovereign immunity under the U.S. Foreign Sovereign Immunities Act of 1976 with respect to actions or proceedings brought against it under U.S. federal securities laws or any state securities laws, and the Province's appointment of an Authorized Agent is not intended to extend to such actions or proceedings.

15. Currency Indemnity. (a) In the event the Province is unable to obtain the full amount of the specified currency or to transfer such amounts outside of Argentina in order to make a scheduled payment of principal or interest on the Securities due to a restriction or prohibition on access to the foreign exchange market in Argentina, the Province shall, to the extent permitted by such restriction or prohibition, make such scheduled payment by means of (i) purchasing Euro- or U.S. dollar-denominated Argentine Government Bonds traded outside of Argentina or any other securities or public or private bonds issued in Argentina, with Argentine Pesos, and transferring and selling such instruments outside Argentina for the specified currency or (ii) any other legal mechanism for the acquisition of the specified currency in any foreign exchange market. All costs, including any taxes, relative to such operations to obtain the specified currency will be borne by the Province.

(b) The obligation of the Province to any Holder of Securities that has obtained a court judgment affecting the Securities shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than the currency in which the Security is denominated (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by such Holder of any amount in the Judgment Currency, such Holder may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency (or, if it is not practicable to make that purchase on that day, on the first Business Day on which it is practicable to do so). If the amount of the Agreement Currency so purchased is less than the amount originally to be paid to such Holder in the Agreement Currency, the Province agrees, as a separate obligation and notwithstanding such judgment, to pay the difference, and if the amount of the Agreement Currency so purchased exceeds the amount originally to be paid to such Holder, such Holder agrees to pay to or for the account of the Province such excess, provided that such Holder shall not have any obligation to pay any such excess as long as a default by the Province in its obligations hereunder has occurred and is continuing, in which case such excess may be applied by such Holder to such obligations.

16. Modifications. (a) Any modification, amendment, supplement or waiver (each, a "Modification") to the Indenture or the terms and conditions of the Securities may be made or given (i) pursuant to a written action of the Holders of the Securities without the need for a meeting, or (ii) by vote of the Holders of the Securities taken at a meeting of Holders thereof, in each case in accordance with the terms of this Paragraph 16 and the other applicable provisions of the Securities and the Indenture.

(b) Modifications to the terms and conditions of the Securities or to the Indenture insofar as it affects the Securities, may be made, and future compliance therewith may be waived,

(i) in the case of any Non-Reserve Matter (as defined below), with the consent of the Issuer and the Holders of not less than a majority in aggregate principal amount of the Securities at the time Outstanding, or

(ii) in the case of any Reserve Matter (as defined below), with the consent of the Issuer and the Holders of not less than 75% in aggregate principal amount of the Securities of such series at the time Outstanding.

(c) If the Province proposes any Reserve Matter Modification to these Terms and to those of at least one more series of securities issued pursuant to the Indenture, or to the Indenture insofar as it affects these Securities and at least one more series of securities issued pursuant to the Indenture, in either case as part of a single transaction, the Province may elect to proceed pursuant to this Paragraph 16(c) instead of Paragraph 16(b). Such Modifications may be made, and future compliance therewith may be waived, if made with the consent of the Issuer and

(A) the Holders of not less than 85% in aggregate principal amount of the Outstanding securities of all series that would be affected by that Modification (taken in aggregate), and

(B) the Holders of not less than 66⅔% in aggregate principal amount of the Outstanding securities of each series that would be affected by that Modification (taken individually).

(d) At the time the Province proposes a Modification constituting a Reserve Matter, the Province shall specify to Holders of each Series of Debt Securities to be affected the Modification Method(s) it has selected for such Modification constituting a Reserve Matter. As used herein, “Modification Methods” means Modifications pursuant to Paragraphs 16(b)(ii) and 16(c). The Province shall have the discretion to select the Modification Method(s) for a proposed Modification constituting a Reserve Matter and to designate which Series of Debt Securities (including these Securities) will be included in the aggregated voting for a proposed Modification constituting a Reserve Matter to the terms and conditions of the Debt Securities of two or more Series (the “Initially Designated Series”); *provided, however* that, except as set forth in the following sentence, once the Province selects the Modification Method(s) and the Initially Designated Series, such selection may not be changed, modified or supplemented without providing written notice of such change, modification or supplement to holders of all Series of Debt Securities to be affected (specifying which Series, if any, have been excluded from the list of Initially Designated Series) and granting such Holders no less than five Business Days from the date of such notice to cast, revoke or change any vote or consent delivered in connection with such proposed Modification. Notwithstanding the foregoing, at any time prior to the effectiveness of the Modification constituting a Reserve Matter and without prior notice to holders of any Debt Securities of the Initially Designated Series (including the Holders of these Securities), the Province shall have discretion to re-designate which Series of Debt Securities will be included in the aggregated voting for a proposed Modification constituting a Reserve Matter to the terms and conditions of the Debt Securities of two or more Series if at the time of such redesignation the Province has received the affirmative vote or consent of holders of more than 66⅔% of the aggregate principal amount of the Outstanding Debt Securities of all the Initially Designated Series.

(e) The Province covenants and agrees that it shall not issue new Securities or reopen this Series of Securities with the intention of placing such Securities with Holders expected to support any Modification proposed by the Province (or that the Province plans to propose) for approval pursuant to this Paragraph 16.

(f) Any Modification consented to or approved by the Holders of the Debt Securities of one or more series pursuant to this Paragraph 16 shall be conclusive and binding on all Holders of the Securities, whether or not they have given such consent or were present at a meeting of Holders at which such action was taken, and on all future Holders of the Securities whether or not notation of such Modification is made upon the Securities. Any instrument given by or on behalf of any Holder of a Security in connection with any consent to or approval of any such Modification shall be conclusive and binding on all subsequent Holders of such Security.

(g) (i) Before seeking the consent of any Holder of a Security to a Reserve Matter Modification, the Province shall provide to the Trustee (for onward distribution to the Holders of the Securities) the following information:

(A) a description of the economic or financial or other circumstances that, in the Province’s view, explain the request for the proposed Modification; and

(B) a description of the Province’s proposed treatment of its other major creditor groups (including, where appropriate, multilateral creditors, bilateral creditors and internal debtholders) in connection with the Province’s efforts to address the situation giving rise to the requested Modification.

(ii) Prior to any vote on a Reserve Matter Modification pursuant to Paragraph 16(b) or Paragraph 16(c), the Province shall deliver to the Trustee a certificate signed by an Authorized Official of the Province specifying, for the Province and each Public Sector Instrumentality, any Securities falling within clause (D) of the definition of “Outstanding” set forth below or, if no Securities are owned or controlled by the Province or any Public Sector Instrumentality, a certificate signed by an Authorized Official of the Province to this effect.

(h) For purposes of this Security, the following terms shall have the following meanings:

(i) “Non-Reserve Matter” means any Modification other than a Modification constituting a Reserve Matter.

(ii) “Outstanding” means, in respect of the Securities, the Securities authenticated and delivered pursuant to the Indenture except:

(A) Securities theretofore canceled by the Trustee or delivered to the Trustee for cancellation or held by the Trustee for reissuance but not reissued by the Trustee;

(B) Securities that have been called for redemption in accordance with their terms or which have become due and payable at maturity or otherwise and with respect to which monies sufficient to pay the principal thereof (and premium, if any) and any interest thereon shall have been made available to the Trustee or any trustee paying agent;

(C) Securities in exchange for or in lieu of which other Securities shall have been authenticated and delivered pursuant to the Indenture; and

(D) Securities owned or controlled by the Province or by any Public Sector Instrumentality.

(iii) “Reserve Matter” means any Modification that would:

(A) change the date for payment of principal or premium of, or any installment of interest on, the Securities;

(B) reduce the principal amount or redemption price or premium, if any, payable under the Securities;

(C) reduce the portion of the principal amount which is payable in the event of an acceleration of the maturity of the Securities;

(D) reduce the interest rate on the Securities;

(E) change the currency or place of payment of any amount payable on the Securities;

(F) change the identity of the obligor under the Securities;

(G) change the obligation of the Issuer to pay Additional Amounts in respect of the Securities;

(H) change the definition of “Outstanding” or the percentage of votes required for the taking of any action pursuant to this Paragraph 16 (and the corresponding provision of the Indenture) in respect of the Securities;

(I) authorize the Trustee, on behalf of all Holders of the Securities, to exchange or substitute all the Securities for, or convert all the Securities into, other obligations or securities of the Province or any other Person;

(J) change the ranking, governing law, submission to jurisdiction or waiver of immunities provisions of the terms and conditions of the Securities of a series;

(K) amend Paragraph 16(d); or

(L) increase the percentage of the aggregate principal amount of Securities then Outstanding required to be held by Holders to declare the Securities immediately due and payable, or reduce the percentage of the aggregate principal amount of the Securities then Outstanding required to be held by Holders to waive any existing defaults or rescind or annul any notice of acceleration, in each case, as set forth in Section 4.2 of the Indenture and Paragraph 6(b);

(iv) “Reserve Matter Modification” means any Modification constituting a Reserve Matter.

17. Supplemental Indentures. The Province and the Trustee may, without the consent or vote of the Holders of any Securities, from time to time and at any time enter into an indenture or indentures supplemental hereto for one or more of the following purposes:

(a) to convey, transfer, assign, mortgage or pledge any property or assets to the Trustee as security or collateral for the Securities;

(b) to modify the restrictions on, and procedures for, resale and other transfers of the Securities to the extent required by any change in applicable law or regulation (or the interpretation thereof) or in practices relating to the resale or transfer of restricted debt securities generally;

(c) to accommodate the issuance, if any, of Securities in book-entry or definitive form and matters related thereto;

(d) to add to the covenants of the Province such further covenants, restrictions, conditions or provisions (including, where applicable, provisions for redemption or defeasance) as the Province and the Trustee shall consider to be for the benefit of the Holders of Securities, for the purposes set forth in, and subject to, Section 7.1 of the Indenture;

(e) to surrender any of the rights or powers of the Province set forth in the Securities or the Indenture;

(f) to cure any ambiguity or to correct or supplement any provision contained in the Securities or the Indenture or any supplemental indenture which may be defective or inconsistent with any other provision contained herein or in the affected Securities or in any supplemental indenture; or

(g) to make such other provisions in regard to matters or questions arising under the Securities or the Indenture or any supplemental indenture as the Province and the Trustee may deem necessary or desirable and which shall not adversely affect the interests of the Holders of the Securities.

18. Enforcement. (a) Except as provided in Section 4.8 of the Indenture with respect to the right of any Holder of a Security to enforce the payment of the principal of and interest on its Security on the Stated Maturity Date for such payment expressed in such Security (as the Securities may be amended or modified pursuant to Paragraph 16), no Holder of a Security shall have any right by virtue of or by availing itself of any provision of the Indenture or the Securities to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Indenture or the Securities, or for any other remedy hereunder or under the Indenture, unless:

(a) such Holder previously shall have given to the Trustee written notice of default and of the continuance thereof with respect to the Securities;

(b) the Holders of not less than 25% in aggregate principal amount of the Outstanding Securities shall have made written request to the Trustee to institute such action, suit or proceeding in its own name as Trustee under the Indenture;

(c) such Holder or Holders shall have provided to the Trustee such reasonable indemnity and/or security as it may require against the costs, expenses and liabilities to be incurred therein or thereby;

(d) the Trustee for 60 days after its receipt of such notice, request and provision of indemnity and/or security shall have failed to institute any such action, suit or proceeding; and

(e) no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 4.10 of the Indenture;

it being understood and intended, and being expressly covenanted by every Holder of Securities with every other Holder of Securities and the Trustee, that no one or more Holders shall have any right in any manner whatever by virtue or by availing itself of any provision of the Indenture or of the Securities to affect, disturb or prejudice the rights of any other Holder of Securities or to obtain priority over or preference to any other such Holder, or to enforce any right under the Indenture or under the Securities, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of the Securities. Subject to the foregoing, for the protection and enforcement of this Paragraph 18, each and every Holder and the Trustee shall be entitled to such relief as can be given either at law or in equity. The Province expressly acknowledges, with respect to the right of any Holder to pursue a remedy under the Indenture or the Securities, the right of any beneficial owner of Securities to pursue such remedy with respect to the portion of the Global Security that represents such beneficial owner's interest in this Security as if Certificated Securities had been issued to such beneficial owner.

(f) For purposes of these Terms, "Stated Maturity Date" means, when used with respect to the Securities or any installment of principal thereof or interest thereon, the date expressed in the Securities (as they may be amended or modified pursuant to Article Eleven) as the fixed date on which the principal of the Securities or interest thereon is due and payable, without giving effect to any acceleration of any Payment Dates pursuant to these Terms or otherwise.

19. Prescription. All claims against the Province for payment of principal of or interest (including Additional Amounts) on or in respect of the Securities shall be prescribed unless made within ten years (in the case of principal) and four years (in the case of interest) from the date on which such payment first became due, or a shorter period if provided by law.

20. Effect of Headings. The paragraph headings herein are for convenience only and shall not affect the construction hereof.

FORM OF TERMS AND CONDITIONS OF THE 2015 INDENTURE NEW BONDS

For purposes of this section, the term “Holder” means a registered holder of Securities.

1. General. (a) This Security is one of a duly authorized Series of debt securities of The Province of Buenos Aires (the “**Province**”), designated as its [U.S. Dollar] [Euro] [Amortizing Step-up Securities] due _____ (each Security of this Series a “**Security**” and collectively, the “**Securities**”), and issued or to be issued in one or more Series pursuant to an Indenture dated as of June 9, 2015, between the Province and U.S. Bank National Association, as trustee (the “**Trustee**”), as amended from time to time (the “**Indenture**”). The Holders of the Securities will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Indenture. A copy of the Indenture is on file and may be inspected at the Corporate Trust Office of the Trustee. All capitalized terms used in this Security but not defined herein shall have the meanings assigned to them in the Indenture. Insofar as the provisions of the Indenture may conflict with the provisions set forth in this Security, the latter shall control for purposes of this Security.

(b) The Securities constitute and will constitute direct, general, unconditional and unsubordinated obligations of the Province. The Securities will rank without any preference among themselves and equally with all other unsubordinated Public External Indebtedness of the Province. It is understood that this provision shall not be construed so as to require the Province to make payments under the Securities ratably with payments being made under any other Public External Indebtedness.

(c) [The Securities were authorized and issued under Law No. [•], Resolution No. [•] dated [•] of the Ministry of Treasury and Finance and Resolution No. [•] dated [•] of the Ministry of Treasury Finance.]

(d) The Securities are in fully registered form, without coupons in denominations of [[U.S.\$1.00] [€1.00] and integral multiples of [U.S.\$1.00] [€1.00] in excess thereof]. The Securities may be issued in certificated form (the “**Certificated Securities**”), or may be represented by one or more registered global securities (each, a “**Global Security**”) held by or on behalf of the Depositary. Certificated Securities will be available only in the limited circumstances set forth in the Indenture. The Securities, exchanges and transfers thereof, shall be registered as provided in Section 2.6 of the Indenture. Any Person in whose name a Security shall be registered may (to the fullest extent permitted by applicable law) be treated at all times, by all Persons and for all purposes as the absolute owner of such Security regardless of any notice of ownership, theft, loss or any writing thereon.

(e) For purposes of the foregoing and of these Terms:

“**External Indebtedness**” means obligations for borrowed money or evidenced by securities, debentures, notes or other similar instruments denominated and payable, or which at the option of the holder thereof may be payable, in a currency other than the lawful currency of Argentina, regardless of whether that obligation is incurred or entered into within or outside Argentina.

“**Public External Indebtedness**” means any External Indebtedness of, or guaranteed by, the Province which (i) is publicly offered or privately placed in securities markets, (ii) is in the form of, or represented by, bonds, notes or other securities or any guarantees thereof and (iii) is, or was intended at the time of issue to be, quoted, listed or traded on any stock exchange, automated trading system or over-the-counter securities market (including securities eligible for sale pursuant to Rule 144A under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) (or any successor law or regulation of similar effect)).

2. Payments. (a) the Province covenants and agrees that it will duly and punctually pay or cause to be paid the principal of, and premium, if any, and interest (including Additional Amounts) on, the Securities and any other payments to be made by the Province under the Securities and the Indenture, at the place or places, at the respective times and in the manner provided in the Securities and the Indenture. Payment of principal, premium, if any, or interest (including Additional Amounts (as defined below)) on Securities will be made to the persons in whose name such Securities are registered at the close of business on the applicable Record Date, whether or not such day is a Business Day (as defined below), notwithstanding the cancellation of such Securities upon any transfer or exchange thereof subsequent to the Record Date and prior to such Payment Date; provided that if and to the extent the Province shall default in the payment of the principal, premium, if any, or interest due on such Interest

Payment Date, such defaulted principal, premium, if any, or interest shall be paid to the persons in whose names such Securities are registered as of a subsequent record date established by the Province by notice, as provided in Paragraph 12 of these Terms, by or on behalf of the Province to the Holders of the Securities not less than 15 days preceding such subsequent record date, such record date to be not less than 10 days preceding the date of payment of such defaulted principal, premium, if any, or interest. Notwithstanding the immediately preceding sentence, in the case where such principal, premium, if any, or interest (including Additional Amounts as defined below) is not punctually paid or duly provided for, the Trustee shall have the right to fix such subsequent record date, and, if fixed by the Trustee, such subsequent record date shall supersede any such subsequent record date fixed by the Province. Payment of principal, premium, if any, or interest on Certificated Securities will be made (i) by a [U.S. dollar] [Euro] check drawn on a bank in [New York City] [UK/EU Member State] mailed to the Holder at such Holder's registered address or (ii) upon application by the Holder of at least [U.S.\$/Euro][] in [principal][reference] amount of Certificated Securities to the Trustee not later than the relevant Record Date, by wire transfer in immediately available funds to a [U.S. dollar][Euro] account maintained by the Holder with a bank in [New York City][UK/EU Member State]. Payment of principal, premium, if any, or interest on a [Global Security] will be made (i) by a [U.S. dollar] [Euro] check drawn on a bank in [New York City] [UK/EU Member State] delivered to the Depositary at its registered address or (ii) by wire transfer in immediately available funds to a [U.S. dollar][Euro] account maintained by the Depositary with a bank in [New York City][UK/EU Member State]. "Business Day" shall mean any day except a Saturday, Sunday or any other day on which commercial banks in New York City or in the City of Buenos Aires (or in the city where the relevant paying or transfer agent is located) are required or authorized by law to close. [If applicable, insert definition of Business Day applicable for Securities denominated in a currency other than U.S. dollars.]

(b) In any case where the date of payment of the principal of, premium, if any, or interest (including Additional Amounts) on, the Securities shall not be a Business Day, then payment of principal, premium, if any, or interest (including Additional Amounts) will be made on the next succeeding Business Day at the relevant place of payment. Such payments will be deemed to have been made on the due date, and no interest on the Securities will accrue as a result of the delay in payment.

(c) Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

(d) Any monies deposited with or paid to the Trustee or to any paying agent for the payment of the principal of, premium, if any, or interest (including Additional Amounts) on any Security and not applied but remaining unclaimed for two years after the date upon which such principal, premium, if any, or interest shall have become due and payable shall be repaid to or for the account of the Province by the Trustee or such paying agent, upon the written request of the Province and, to the extent permitted by law, the Holder of such Security shall thereafter look only to the Province for any payment which such Holder may be entitled to collect, and all liability of the Trustee or such paying agent with respect to such monies shall thereupon cease. The Province shall cause all returned, unclaimed monies to be held in trust for the relevant Holder of the Security until such time as the claims against the Province for payment of such amounts shall have prescribed pursuant to Paragraph 14 of these Terms.

(e) If the Province at any time defaults in the payment of any principal of, or interest (including Additional Amounts) on the Securities, the Province will pay interest on the amount in default (to the extent permitted by law), calculated for each day until paid, at the following rates per annum, together with Additional Amounts, if applicable:

<u>From and including</u>	<u>To but excluding</u>	<u>Interest Rate</u>
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%
____, 20__	____, 20__	____%

3. Additional Amounts. (a) All payments by the Province in respect of the Securities shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Province or the Republic of Argentina ("Argentina"), or any political subdivision or taxing authority or agency therein or thereof having the power to tax (collectively, "Relevant Tax"), unless the withholding or

deduction of such Relevant Tax is required by law. In that event, the Province shall pay such additional amounts (“**Additional Amounts**”), as may be necessary to ensure that the amounts received by the Holders after such withholding or deduction shall equal the respective amounts of principal and interest that would have been receivable in respect of the Securities in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any Security (i) to a Holder (or to a third party on behalf of a Holder) where such Holder or beneficial owner or Responsible Person is liable for such Relevant Taxes in respect of this Security by reason of his having some connection with the Province or Argentina other than the mere holding of such Security, the receipt of principal, premium or interest in respect thereof, or the enforcement of rights hereunder; (ii) presented for payment by or on behalf of a Holder who would have been able to avoid the withholding or deduction by presenting the relevant Security to another paying agent in a member state of the European Union; (iii) presented for payment more than 30 days after the Relevant Date, as defined herein, except to the extent that the Holder thereof would have been entitled to Additional Amounts on presenting the same for payment on the last day of such period of 30 days; or (iv) to a Holder of this Security (or a third party on behalf of a Holder) where such Holder or beneficial owner or Responsible Person of this Security would not be liable for or subject to such deduction or withholding by making a declaration of non-residence or other claim for exemption or reduction to the relevant tax authorities if such Holder of this Security is eligible to make such declaration or other claim and, after having been requested to make such a declaration or claim, such Holder of this Security fails to timely do so, provided that (x) the Province has provided the Holder with at least 60 days’ prior written notice (in accordance with Paragraph 12 of these Terms) of an opportunity to satisfy such a requirement or make such a declaration or claim, and (y) in no event, shall such Holder or beneficial owner or Responsible Person’s obligation to satisfy such a requirement or to make such a declaration or claim require such Holder or beneficial owner or Responsible Person to provide any materially more onerous information, documents or other evidence than would be required to be provided had such Holder been required to file IRS Forms W-8BEN, W-8BEN-E, W-8ECI, W-8EXP and/or W-8IMY.

As used in this Paragraph 3(a),

“**Relevant Date**” in respect of any Security means the date on which payment in respect thereof becomes due or (if the full amount of the money payable on such date has not been received by the Trustee on or prior to such due date) the date on which notice is duly given to the Holders that such moneys have been so received and are available for payment. Any reference herein to “principal” and/or “interest” shall be deemed to include any Additional Amounts which may be payable on this Security.]

“**Responsible Person**” means an individual, corporation, partnership, limited liability company, limited liability partnership, association, trust or any other entity or organization (including a government or political subdivision or an agency or instrumentality thereof), other than a Holder or beneficial owner, which, as a result of applicable Argentine tax regulations in force from time to time, qualifies as statutorily responsible for the payment of any Argentine Taxes.

4. Negative Pledge Covenant of the Province. (a) So long as any Security remains Outstanding (as defined in the Indenture), the Province will not create or permit to subsist any Lien (as defined below), other than “Permitted Liens”, upon the whole or any part of its property or assets to secure any Indebtedness of the Province unless at the same time or prior thereto, the Province’s obligations under the Securities are secured equally and ratably therewith.

(b) So long as any Security remain outstanding, the Province shall publish on an annual basis and no later than November 30 of the relevant year (by posting to a publicly available website maintained by the Province), (i) the following data as of the close of the preceding fiscal year of the Province: (x) the total public debt stock of the Province, setting forth the amounts which have been issued under local law and the amounts which have been issued under foreign law; (y) the total debt stock guaranteed by the Province or collateralized with assets of the Province; and (z) the title, date of issue, date of maturity, interest rate, and amount outstanding, together with the currency or currencies in which payable, of each issue of in foreign-law governed debt securities issued by the Province, and (ii) a summary in English of the Province’s budget law for such year.

(c) For purposes of the foregoing and of these Terms:

“**Co-Participation Payments**” means any transfers made by the federal government of Argentina to the Province pursuant to federal law No. 23,548, as amended or replaced from time to time, and any other law, decree or

regulation governing the obligation of the federal government of Argentina to distribute taxes collected by it to the Argentine provinces.

“Co-Participation Secured Indebtedness Ratio” means the percentage that is equal to (A) for the period that includes the most recent four consecutive fiscal quarters ending prior to the date of calculation, the aggregate amount of payments of principal and interest that became due in such periods (after giving pro forma effect to the incurrence of Indebtedness secured by a Lien on the Province’s right to receive Co-Participation Payments) in respect of Indebtedness that is secured by a Lien on the Province’s right to receive Co-Participation Payments, divided by (B) the aggregate amount of Co-Participation Payments actually received by the Province during such period, (C) multiplied by 100.

“Indebtedness” means, with respect to any Person, whether outstanding on the original issuance date of a Series of Debt Securities or at any time thereafter: (i) all indebtedness of such Person for borrowed money; (ii) all reimbursement obligations of such Person (to the extent no longer contingent) under or in respect of letters of credit or bankers’ acceptances; (iii) all obligations of such Person to repay deposits with or advances to such Person; (iv) all obligations of such Person (other than those specified in clauses (i) and (ii) above) evidenced by securities, debentures, notes or similar instruments; and (v) to the extent no longer contingent, all direct guarantees, endorsements, *avales* or similar obligations of such Person in respect of, and all direct obligations of such Person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of any other Person specified in clause (i), (ii), (iii) or (iv) above.

“Lien” means any lien, pledge, mortgage, security interest, deed of trust, charge or other encumbrance on or with respect to, any currently existing or future asset or revenues of any kind under the laws of Argentina.

“Permitted Lien” means:

- (i) any Lien in existence on the date of the Indenture;
- (ii) any Lien upon bank accounts, deposits or proceeds thereof (or arising from the existence of rights of set-off against such accounts, deposits or proceeds) securing Indebtedness of the Province incurred in connection with letters of credit issued by, or trade finance transactions with, a bank to which such Lien is granted or holding such rights, and which Indebtedness has a final maturity of not greater than 365 days from the date on which payment under such letter of credit or in connection with such trade finance transactions is due and payable;
- (iii) any Lien upon any property to secure Indebtedness of the Province incurred specifically for the purpose of financing the acquisition of the property subject to such Lien;
- (iv) any Lien existing on any property at the time of its acquisition to secure Indebtedness of the Province;
- (v) any Lien securing Indebtedness incurred for the purpose of financing all or part of the costs of the acquisition, construction or development of a project, provided that the property over which such Lien is granted consists solely of the assets and revenues of such project or the ownership interest therein;
- (vi) any Lien securing Indebtedness incurred for the purpose of financing all or part of the cost of personal property sold or services provided to the Province;
- (vii) any replacement, renewal or extension of any Lien permitted by clauses (i) through (vi) above upon the same property theretofore subject to such Lien, including any replacement, renewal or extension of such Lien resulting from the refinancing (without increase in the principal amount) of the Indebtedness secured by such Lien; provided that the Province shall not be permitted to replace, renew or extend any Lien in respect of Indebtedness to the federal government unless the federal government remains the creditor;
- (viii) any Lien to secure public or statutory obligations or otherwise arising by law to secure claims other than for borrowed money;

(ix) any Lien securing Indebtedness of the Province to the federal government of Argentina encumbering the right of the Province to receive Co-Participation Payments; provided that the incurrence of such Indebtedness so secured will not cause the Co-Participation Secured Indebtedness Ratio to exceed 50% in the period that includes the most recent four consecutive fiscal quarters ending prior to the date of calculation;

(x) any Lien to secure any indebtedness with the Financial Public Sector of the Province; and

(xi) any other Liens different from those permitted by clauses (i) through (x) above, securing Indebtedness of the Province in an outstanding aggregate principal amount not exceeding at any time 10% of the Province's annual revenues for the period that includes the most recent four consecutive fiscal quarters ending prior to the incurrence of such Lien.

5. Events of Default; Acceleration. (a) If one or more of the following events ("**Events of Default**") shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body): the Province fails to pay any principal due on any Securities when due and payable for 10 days after the applicable Payment Date; or

(ii) the Province fails to pay any interest or Additional Amounts due on any Securities when due and payable for 30 days after the applicable Payment Date; or

(iii) the Province fails to duly perform or observe any term or obligation contained in the Securities or in the Indenture insofar as it relates to such Securities, which failure continues unremedied for 60 days after written notice thereof has been given to the Province by the Trustee; or

(iv) the Province fails to make any payment when due, after any applicable grace periods, on any of its Indebtedness (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to U.S.\$15,000,000 (or its equivalent in other currencies); or

(v) any Indebtedness of the Province (other than Excluded Indebtedness) having an aggregate principal amount greater than or equal to U.S.\$15,000,000 (or its equivalent in other currencies) is accelerated due to an event of default, unless the acceleration is rescinded or annulled; or

(vi) the Province declares a moratorium of payment of its Indebtedness (other than Excluded Indebtedness);

(vii) there has been entered against the Province or a provincial agency a final judgment, decree or order by a court of competent jurisdiction from which no appeal may be or is taken for the payment of money in excess of U.S.\$15,000,000 (or the equivalent thereof in another currency or currencies) (other than a final judgment, decree or order in respect of any Excluded Indebtedness) and 90 days shall have passed since the entry of such final judgment, decree or order without it having been satisfied or stayed;

(viii) the validity of the Securities or of the Indenture is contested by the Province; or

(ix) (a) any constitutional provision, law, regulation, ordinance or decree necessary to enable the Province to perform its obligations under the Securities or the Indenture, or for the validity or enforceability thereof, shall expire, is withheld, revoked or terminated or otherwise ceases to remain in full force and effect, or is modified in a manner which materially adversely affects, or may reasonably be expected to materially adversely affect, any rights or claims of any of the Holders of Securities, or (b) any final decision by any court in Argentina having jurisdiction from which no appeal may be or is taken shall purport to render any material provision of the Securities or any material provision of the Indenture invalid or unenforceable or purport to prevent or delay the performance or observance by the Province of its obligations under such Securities or the Indenture, and, in each case, such expiration, withholding, revocation, termination, cessation, invalidity, unenforceability or delay shall continue in effect for a period of 90 days.

then in each and every such case, upon notice in writing by the Holders (the “**Demanding Holders**”) (acting individually or together) of not less than 25% of the aggregate Outstanding principal amount of the Securities to the Province, with a copy to the Trustee, of any such Event of Default and its continuance, the Demanding Holders may declare the principal amount of all the Securities due and payable immediately, and the same shall become and shall be due and payable upon the date that such written notice is received by or on behalf of the Province, unless prior to such date all Events of Default in respect of all the Securities shall have been cured; provided that if, at any time after the principal of the Securities shall have been so declared due and payable, and before the sale of any property pursuant to any judgment or decree for the payment of monies due which shall have been obtained or entered in connection with the Securities, the Province shall pay or shall deposit (or cause to be paid or deposited) with the Trustee a sum sufficient to pay all matured installments of interest and principal upon all the Securities which shall have become due otherwise than solely by acceleration (with interest on overdue installments of interest, to the extent permitted by law, and on such principal of each Security at the rate of interest specified herein, to the date of such payment of interest or principal) and such amount as shall be sufficient to cover the reasonable fees and expenses of the Trustee, including, without limitation, the fees and expenses of its counsel, and if any and all Events of Default hereunder, other than the nonpayment of the principal of the Securities which shall have become due solely by acceleration, shall have been cured, waived or otherwise remedied as provided herein, then, and in every such case, the Holders of at least 50% in aggregate principal amount of the Securities then Outstanding, by written notice to the Province and to the Trustee, may, on behalf of all of the Holders, waive all defaults and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default, or shall impair any right consequent thereon. Actions by Holders pursuant to this Paragraph 5 need not be taken at a meeting pursuant to Paragraph 7 hereof. Actions by the Trustee and the Holders pursuant to this Paragraph 5 are subject to Article Four of the Indenture.]

In the event of a declaration of acceleration because of an Event of Default set forth in clause (iv) or (v) above, such declaration of acceleration shall be automatically rescinded and annulled if the event triggering such Event of Default pursuant to such clause (iv) or (v) above shall be remedied, cured or waived by the Holders of the relevant indebtedness, within 60 days after such event.

(b) The Province expressly acknowledges, with respect to the right of any Holder to pursue a remedy under the Indenture or the Securities, the right of any beneficial holder of Securities to pursue such remedy with respect to the portion of the Global Security that represents such beneficial holder’s Security as if Certificated Securities had been issued to such Holder.

(c) For purposes of the foregoing and of these Terms:

“**Excluded Indebtedness**” means (i) any series of Existing Securities, and (ii) any indebtedness incurred prior to the issue date of the Securities under credit facilities extended or guaranteed by member states of the Organisation for Economic Cooperation and Development (OECD) or any agency or instrumentality thereof.

“**Existing Securities**” means (a) USD Zero Coupon Notes due 2002, (b) USD 12.50% Notes due 2002, (c) Euro 7.875% Notes due 2002, (d) Euro 9% Notes due 2002, (e) Euro 10.25% Notes due 2003, (f) USD 12.75% Notes due 2003, (g) SFr 7.75% Notes due 2003, (h) Euro 10.375% Notes due 2004, (i) Euro 9.75% Notes due 2004, (j) Euro 10% Notes due 2004, (k) Euro 10.75% Notes due 2005, (l) EUR 10.625% Notes due 2006, (m) USD 13.75% Notes due 2007, (n) USD 13.25% Notes due 2010 and (o) 4.000% USD Securities Due 2020 MTN, (p) 10.875% USD Securities Due 2021, (q) 9.625% USD Securities Due 2028, (r) 4.000% USD Securities Due 2035, (s) 4.000% EUR Securities Due 2020 MTN, (t) 4.000% EUR Securities Due 2035, (u) 9.950% USD Securities Due 2021, (v) 6.500% USD Securities Due 2023, (w) 9.125% USD Securities Due 2024, (x) 7.875% USD Securities Due 2027 and (y) 5.375% EUR Securities Due 2023.

6. Purchase of Debt Securities by the Province. The Province may at any time purchase or acquire any of the Debt Securities in any manner and at any price in the open market, in privately negotiated transactions or otherwise. Debt Securities that are purchased or acquired by the Province may, at the Province’s discretion, be held, resold or surrendered to the Trustee for cancellation, but any Debt Security so purchased by the Province may not be re-issued or resold except in compliance with the Securities Act and other applicable law.

7. Holders’ Meetings and Written Action. The Indenture sets forth the provisions for the convening of meetings of Holders of Securities and actions taken by written consent of the Holders of Securities.

8. Replacement, Exchange and Transfer of the Securities. (a) Upon the terms and subject to the conditions set forth in the Indenture, in case any Security shall become mutilated, defaced or be apparently destroyed, lost or stolen, the Province in its discretion may execute, and upon the request of the Province, the Trustee shall authenticate and deliver, a New Bond bearing a number not contemporaneously Outstanding, in exchange and substitution for the mutilated or defaced Security, or in lieu of and in substitution for the apparently destroyed, lost or stolen Security. In every case, the applicant for a substitute Security shall furnish to the Province and to the Trustee such security or indemnity as may be required by each of them to indemnify, defend and to save each of them and any agent of the Province or the Trustee harmless and, in every case of destruction, loss, theft or evidence to their satisfaction of the apparent destruction, loss or theft of such Security and of the ownership thereof. Upon the issuance of any substitute Security, the Holder of such Security, if so requested by the Province, shall pay a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected with the preparation and issuance of the substitute Security.

(b) Upon the terms and subject to the conditions set forth in the Indenture, and subject to Paragraph 8(e) hereof, a Certificated Security or Securities may be exchanged for an equal aggregate [principal]/[reference] amount of Certificated Securities in different authorized denominations and a beneficial interest in the [Global Security] may be exchanged for Certificated Securities in authorized denominations or for a beneficial interest in another [Global Security] by the Holder or Holders surrendering the Security or Securities for exchange at the Corporate Trust Office, together with a written request for the exchange. Certificated Securities will only be issued in exchange for interests in a [Global Security] pursuant to Section 2.5(e) of the Indenture. The exchange of the Securities will be made by the Trustee.

(c) Upon the terms and subject to the conditions set forth in the Indenture, and subject to Paragraph 8(e) hereof, a Certificated Security may be transferred in whole or in part (in an amount equal to the authorized denomination) by the Holder or Holders surrendering the Certificated Security for transfer at the Corporate Trust Office, at the office of any paying agent or at any other office acceptable to the Trustee, accompanied by an executed instrument of transfer substantially as set forth in Exhibit F to the Indenture. The registration of transfer of the Securities will be made by the Trustee.

(d) The costs and expenses of effecting any exchange, transfer or registration of transfer pursuant to this Paragraph 8 will be borne by the Province, except for the expenses of delivery (if any) not made by regular mail and the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge or insurance charge that may be imposed in relation thereto, which will be borne by the Holder of the Security. Registration of the transfer of a Security by the Trustee shall be deemed to be the acknowledgment of such transfer on behalf of the Province.

(e) The Trustee may decline to accept any request for an exchange or registration of transfer of any Security during the period of 15 days preceding the due date for any payment of principal of, or premium, if any, or interest on, the Securities.

9. Trustee. For a description of the duties and the indemnities, immunities and rights of the Trustee under the Indenture, reference is made to the Indenture, and the obligations of the Trustee to the Holder hereof are subject to such immunities and rights.

10. Paying Agents; Transfer Agents; Registrar. The Province has initially appointed the Corporate Trust Office of the Trustee in the Borough of Manhattan, The City of New York as its paying agent, transfer agent and registrar[, and Elavon Financial Services DAC, UK Branch as London paying agent.]² The Province may at any time appoint additional or other paying agents, transfer agents and registrars and terminate the appointment of those or any paying agents, transfer agents and registrar, *provided* that while the Securities are Outstanding the Province will maintain in [(A)] The City of New York (i) a paying agent, (ii) an office or agency where the Securities may be presented for exchange, transfer and registration of transfer as provided in the Indenture and (iii) a registrar and [(B) London or in a Member State of the European Union a paying agent]³. Notice of any such termination or

² **Note to Draft:** To include in the New Euro Bonds.

³ **Note to Draft:** To include in the New Euro Bonds.

appointment and of any change in the office through which any paying agent, transfer agent or registrar will act will be promptly given in the manner described in Paragraph 12 hereof.

11. Enforcement. Except as provided in Section 4.6 of the Indenture, no Holder of any Securities of any Series shall have any right by virtue of or by availing itself of any provision of the Indenture or of the Securities of such Series to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Indenture or of the Securities, or for any other remedy hereunder or under the Securities, unless (a) such Holder previously shall have given to the Trustee written notice of default and of the continuance thereof with respect to such Series of Securities, (b) the Holders of not less than 25% in aggregate principal amount Outstanding of Securities of such Series shall have made specific written request to the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have provided to the Trustee such indemnity or other security as it may require against the costs, expenses and liabilities to be incurred therein or thereby and (c) the Trustee for 60 days after its receipt of such notice, request and provision of indemnity or other security, shall have failed to institute any such action, suit or proceeding and no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 4.9 of the Indenture, it being understood and intended, and being expressly covenanted by every Holder of Securities of a Series with every other Holder of Securities of such Series and the Trustee, that no one or more Holders shall have any right in any manner whatever by virtue or by availing itself of any provision of the Indenture or of the Securities to affect, disturb or prejudice the rights of any other Holder of Securities of such Series or to obtain priority over or preference to any other such Holder, or to enforce any right under the Indenture or under the Securities of such Series, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Securities of such Series. For the protection and enforcement of this Paragraph 11, each and every Holder and the Trustee shall be entitled to such relief as can be given either at law or in equity. The Province expressly acknowledges, with respect to the right of any Holder to pursue a remedy under the Indenture or the Securities, the right of any beneficial holder of Securities to pursue such remedy with respect to the portion of the Global Security that represents such beneficial holder's Security as if Certificated Securities had been issued to such Holder.

12. Notices. The Province will mail any notices to the Holders of Certificated Securities at their registered addresses as reflected in the books and records of the Trustee. The Province will consider any mailed notice to have been given when mailed. The Province will give notices to the Holders of a [Global Security] in accordance with the procedures and practices of the Depositary and such notices shall be deemed given upon actual receipt thereof by the Depositary. The Province will also publish notices to the Holders (a) by means of press releases published in an international news service and (b) if and so long as such New Bonds are listed on the Euro MTF Market of the Luxembourg Stock Exchange and the rules of the exchange so require, in a leading newspaper having general circulation in Luxembourg (which is expected to be Luxemburger Wort) or on the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>. If publication in a leading newspaper in Luxembourg or in the Luxembourg Stock Exchange is not practicable, the Province will give notices in another way consistent with the rules of the Luxembourg Stock Exchange. The Province will consider any published notice to be given on the date of its first publication.

13. Further Issues of Securities. The Province may from time to time, without the consent of Holders of the Securities, create and issue additional Securities having the same Terms as the Securities in all respects, except for the issue date, issue price and first payment of interest on the Securities; *provided, however*, that any additional Securities subsequently issued that are not fungible with the previously Outstanding Securities for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number from the previously Outstanding Securities. Additional Securities issued in a qualified reopening for U.S. federal income tax purposes will be consolidated with and will form a single Series with the previously Outstanding Securities.

14. Prescription. To the extent permitted by law, claims against the Province for the payment of principal of, premium, if any, or interest or other amounts due on, the Securities (including Additional Amounts) will become void unless made within four years of the date on which that payment first became due.

15. Authentication. This Security shall not become valid or obligatory until the certificate of authentication hereon shall have been duly signed by the Trustee or its agent.

16. Governing Law. (a) The Indenture will be governed by and construed in accordance with the laws of the State of New York; *provided, however*, that all matters governing the Province's authorization and execution of the Indenture and this Security shall in all cases be governed by and construed in accordance

with the laws of Argentina. This Security will be governed by and construed in accordance with the laws of the State of New York.

(b) The Province irrevocably submits to the non-exclusive jurisdiction of any U.S. federal or New York state court sitting in the Borough of Manhattan, The City of New York, and any appellate court from any court thereof, in any suit, action or proceeding arising out of or relating to the Securities or the Indenture and irrevocably agrees that all claims in respect of any such suit, action or proceeding may be heard and determined in such U.S. federal or New York state court. The Province also irrevocably waives, to the fullest extent that it may effectively do so, any objection to venue or defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in such jurisdiction.

(c) The Province has appointed [], with an office on the date hereof at [], as its agent (the “**Authorized Agent**”), to receive on behalf of the Province and its property service of any summons and complaint and other process which may be served in any such suit, action or proceeding brought in such New York State or U.S. federal court sitting in New York City in the Borough of Manhattan. Such service may be made by delivering or mailing a copy of such process to the Province in care of the Authorized Agent at the above specified address and the Province authorizes and directs such Authorized Agent to accept such service on its behalf. In addition to the foregoing, any Holder may serve legal process in any other manner permitted by applicable law. A final judgment that is not appealable in any such suit, action or proceeding shall be conclusive and may be enforced to the extent permitted under applicable law in other jurisdictions by suit on the judgment or in any other manner provided by applicable law. The Province agrees that, if the Authorized Agent shall for any reason cease to act as such agent, it shall promptly appoint a substitute Authorized Agent in the Borough of Manhattan, The City of New York.

(d) To the extent that the Province may in any jurisdiction claim for itself or its assets or revenues (except for properties considered of the public domain or dedicated to the purpose of an essential public service under applicable Argentine and Provincial law) sovereign or other immunity from suit, execution, attachment (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) or other legal process, the Province agrees not to claim and hereby irrevocably waives such immunity in respect of its obligations under this Indenture or the Securities to the fullest extent permitted by the laws of such jurisdiction. Without limiting the generality of the foregoing, the Province agrees that the foregoing waiver of immunity shall have the fullest scope permitted under the United States Foreign Sovereign Immunities Act of 1976, as amended (the “**Immunities Act**”), and is intended to be irrevocable for purposes of such Act. Notwithstanding the foregoing, the Province reserves the right to plead sovereign immunity under the Immunities Act with respect to actions or proceedings brought against it under the U.S. federal securities laws or any state securities laws, and the Province’s appointment of an Authorized Agent is not intended to extend to such actions or proceedings.

(e) Holders may be required to post a Security or other security with the courts of the Republic of Argentina as a condition to the institution, prosecution or completion of any action or proceeding (including appeals) arising out of or relating to this Indenture or the Securities in those courts.

17. Indemnification for Foreign Exchange Fluctuations.

(a) In the event the Province is unable to obtain the full amount of the specified currency or to transfer such amounts outside of Argentina in order to make a scheduled payment of principal or interest on the Securities due to a restriction or prohibition on access to the foreign exchange market in Argentina, the Province shall, to the extent permitted by such restriction or prohibition, make such scheduled payment by means of any legal mechanism for the acquisition of the specified currency in any foreign exchange market. All costs, including any taxes, relative to such operations to obtain the specified currency will be borne by the Province.

(b) The obligation of the Province to any Holder under the Securities that has obtained a court judgment affecting the Securities shall, notwithstanding any judgment in a currency (the “**Judgment Currency**”) other than the currency in which the Security is denominated (the “**Agreement Currency**”), be discharged only to the extent that on the Business Day following receipt by such Holder of any amount in the Judgment Currency, such Holder may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency (or, if it is not practicable to make that purchase on that day, on the first Business Day on which it is practicable to do so). If the amount of the Agreement Currency so purchased is less than the amount originally to be paid to such Holder in the Agreement Currency, the Province agrees, as a separate obligation and notwithstanding such judgment, to pay the difference, and if the amount of the Agreement Currency so purchased exceeds the

amount originally to be paid to such Holder, such Holder agrees to pay to or for the account of the Province such excess, provided that such Holder shall not have any obligation to pay any such excess as long as a default by the Province in its obligations hereunder has occurred and is continuing, in which case such excess may be applied by such Holder to such obligations.

18. Warranty of the Province. Subject to Paragraph 15, Province hereby certifies and warrants that all acts, conditions and things required to be done and performed and to have happened precedent to the creation and issuance of this Security and to constitute the same legal, valid and binding obligations of Province enforceable in accordance with their terms, have been done and performed and have happened in due and strict compliance with all applicable laws.

19. Definitive Headings. The descriptive headings appearing in these Terms are for convenience of reference only and shall not alter, limit or define the provisions hereof.

20. Modifications. (a) Any Modification to the Securities or the Indenture insofar as it affects the Securities shall be made in accordance with Article Ten and Article Eleven of the Indenture.

(b) Any Modification pursuant to this Paragraph 20 will be conclusive and binding on all Holders of the Securities, and on all future Holders of the Securities whether or not notation of such Modification is made upon the Securities. Any instrument given by or on behalf of any Holder of a Security in connection with any consent to or approval of any such Modification will be conclusive and binding on all subsequent Holders of that Security.

ISSUER
Province of Buenos Aires

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The Province of Buenos Aires

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August 6, 2021