

IMPORTANT NOTICE

THE ATTACHED INVITATION MEMORANDUM DOES NOT CONSTITUTE A PROSPECTUS WITHIN THE MEANING OF EU REGULATION 2017/1129, AS AMENDED (THE “PROSPECTUS REGULATION”), AND NO SUCH PROSPECTUS HAS BEEN OR WILL BE PREPARED IN CONNECTION WITH THE INVITATION. THE ATTACHED INVITATION MEMORANDUM HAS NOT BEEN REVIEWED OR APPROVED BY ANY COMPETENT AUTHORITY OF ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA.

THE DISTRIBUTION OF THE ATTACHED INVITATION MEMORANDUM IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. SEE THE ISSUE AND RESALE RESTRICTIONS. PERSONS INTO WHOSE POSSESSION THE ATTACHED INVITATION MEMORANDUM COMES ARE REQUIRED BY THE PROVINCE OF BUENOS AIRES TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached invitation memorandum, and you are therefore required to read this disclaimer carefully before accessing, reading or making any other use of the attached invitation memorandum. By accessing the attached invitation memorandum, you shall be deemed to agree (in addition to giving the representations below) to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from the Province of Buenos Aires or D.F. King as information, tabulation and exchange agent, as a result of such access. Terms used in this notice and defined in the attached invitation memorandum are used herein as so defined.

THIS ELECTRONIC TRANSMISSION DOES NOT CONTAIN OR CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO EXCHANGE, BUY OR SUBSCRIBE FOR SECURITIES TO OR FROM ANY PERSON IN ANY JURISDICTION TO WHOM OR IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL. THE EXCHANGE OFFER DESCRIBED IN THE ATTACHED INVITATION MEMORANDUM IS DIRECTED TO, AND ELIGIBLE BONDS MAY BE EXCHANGED FOR NEW SECURITIES AS DESCRIBED THEREIN ONLY BY, A HOLDER OF ELIGIBLE BONDS (AS DEFINED BELOW) THAT IS: (A) A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OR (B) (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 IN THE UNITED KINGDOM (THE “UK”), A “QUALIFIED INVESTOR” AS DEFINED IN REGULATION (EU) 1129/2017 AND (Z) IF LOCATED OUTSIDE THE EEA OR THE UK, IS ELIGIBLE TO RECEIVE THIS OFFER UNDER THE LAWS OF ITS JURISDICTION (EACH AN “ELIGIBLE HOLDER”).

THIS INVITATION MEMORANDUM HAS BEEN PREPARED ON THE BASIS THAT ALL OFFERS OF THE NEW SECURITIES IN ANY EEA MEMBER STATE OR THE UK WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE PROSPECTUS REGULATION, FROM THE REQUIREMENT TO PRODUCE A PROSPECTUS FOR OFFERS OF THE NEW SECURITIES. ACCORDINGLY ANY PERSON MAKING OR INTENDING TO MAKE ANY OFFER WITHIN THE EEA OR THE UK OF THE NEW SECURITIES WHICH ARE THE SUBJECT OF THE PLACEMENT CONTEMPLATED IN THIS INVITATION MEMORANDUM MAY ONLY DO SO WITH RESPECT TO QUALIFIED INVESTORS WITHIN THE MEANING OF THE PROSPECTUS REGULATION AND SHOULD ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE PROVINCE OF BUENOS AIRES OR ANY OF THE DEALER MANAGERS TO PRODUCE A PROSPECTUS FOR SUCH OFFER. NEITHER THE PROVINCE OF BUENOS AIRES NOR THE DEALER MANAGERS HAVE AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF THE NEW SECURITIES THROUGH ANY FINANCIAL INTERMEDIARY OR IN CIRCUMSTANCES IN WHICH AN OBLIGATION ARISES FOR THE PROVINCE OF BUENOS AIRES OR THE DEALER MANAGERS TO PUBLISH A PROSPECTUS FOR THE OFFER.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS—THE NEW SECURITIES 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 OR 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 (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED (“MIFID II”); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (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 PROSPECTUS REGULATION. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE “PRIIPS REGULATION”), FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA OR IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES

OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA OR IN THE UK MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

THIS COMMUNICATION AND ANY OTHER DOCUMENT OR MATERIALS RELATING TO THE ISSUE OF THE NEW SECURITIES OFFERED HEREBY IS NOT BEING MADE, AND SUCH DOCUMENTS AND/OR MATERIALS HAVE NOT BEEN APPROVED, BY AN AUTHORIZED PERSON FOR THE PURPOSES OF SECTION 21 OF THE UK'S FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (THE "FSMA"). ACCORDINGLY, SUCH DOCUMENTS AND/OR MATERIALS ARE NOT BEING DISTRIBUTED TO, AND MUST NOT BE PASSED ON TO, THE GENERAL PUBLIC IN THE UK. THE COMMUNICATION OF SUCH DOCUMENTS AND/OR MATERIALS AS A FINANCIAL PROMOTION IS ONLY BEING MADE TO THOSE PERSONS IN THE UNITED KINGDOM WHO ARE "QUALIFIED INVESTORS" (AS DEFINED IN THE PROSPECTUS REGULATION) WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND WHO FALL WITHIN THE DEFINITION OF INVESTMENT PROFESSIONALS (AS DEFINED IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER")), OR (II) FALL WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, OR (III) WHO ARE ANY OTHER PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY BE MADE UNDER THE ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). IN THE UK, THE NEW SECURITIES OFFERED HEREBY ARE ONLY AVAILABLE TO, AND ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS INVITATION MEMORANDUM RELATES WILL BE ENGAGED IN ONLY WITH, RELEVANT PERSONS. ANY PERSON IN THE UK THAT IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS INVITATION MEMORANDUM OR ANY OF ITS CONTENTS.

THE RECIPIENT MAY NOT FORWARD OR DISTRIBUTE THE ATTACHED INVITATION MEMORANDUM IN WHOLE OR IN PART TO ANY OTHER PERSON OR REPRODUCE THE ATTACHED INVITATION MEMORANDUM IN ANY MANNER WHATSOEVER AND ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED INVITATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view the attached invitation memorandum or make an investment decision with respect to the invitation by the Province of Buenos Aires pursuant to the attached invitation memorandum, you must be an Eligible Holder and otherwise be able to participate lawfully in the Invitation (as defined in the invitation memorandum) on the terms and subject to the conditions set out in the attached invitation memorandum, including the jurisdictional restrictions beginning on page 181 (the "Jurisdictional Restrictions"). The attached invitation memorandum was provided to you at your request, and by accessing the attached invitation memorandum, you shall be deemed to have represented to the Province of Buenos Aires that:

- (i) you are a holder or a beneficial owner of Eligible Bonds;
- (ii) you are (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, (y) if located within a member state of the European Economic Area or in the United Kingdom, a "qualified investor" as defined in Regulation (EU) 1129/2017, and (z) if located outside the EEA or the UK, is eligible to receive this offer under the laws of its jurisdiction; and
- (iii) you consent to delivery of the attached invitation memorandum by electronic transmission.

The attached invitation memorandum has been provided to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently none of the Province of Buenos Aires, the sender of the invitation memorandum, nor any person who is an official or a director, officer, employee, agent or affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the actual invitation memorandum and the version you have.

You are also reminded that the attached invitation memorandum has been provided to you on the basis that you are a person into whose possession the attached invitation memorandum may be lawfully delivered in accordance with (i) the laws of the jurisdiction in which you are located or resident and (ii) the Jurisdictional Restrictions, and you may not, nor are you authorized to, deliver the attached invitation memorandum to any other person.

Any materials relating to the Invitation do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law.

The attached invitation memorandum contains important information which should be read carefully before any decision is made with respect to the Invitation. If any holder of Eligible Bonds is in any doubt as to the action it should take, such holder of Eligible Bonds should seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, legal adviser, accountant or other independent financial adviser. Any investor whose Eligible Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Invitation with respect to its Eligible Bonds.



Invitation Memorandum

THE PROVINCE OF BUENOS AIRES

(A Province of the Republic of Argentina)

Invites Eligible Holders (as defined below) of

each series of bonds issued under the 2006 Indenture (as defined below) (collectively, the “2006 Indenture Eligible Bonds”) and each series of bonds issued under the 2015 Indenture (as defined below) (collectively, the “2015 Indenture Eligible Bonds”, and together with the 2006 Indenture Eligible Bonds, the “Eligible Bonds”) listed below

to exchange Eligible Bonds for new securities (the “New Securities”) to be issued under the 2015 Indenture on the terms and subject to the conditions described in this Invitation Memorandum (the “Invitation”)

2006 Indenture Eligible Bonds	ISIN	Outstanding amount	Exchange Offer Consideration ⁽¹⁾
4.000% USD MTN Due 2020	Reg S XS0234086196/144 A XS0234086436	U.S.\$10,616,350.67	U.S.\$90 principal amount of the U.S. dollar amortizing step-up bonds due 2032 (the “ New USD 2032 Bonds ”) (subject to the USD Bond Cap) and U.S.\$90 reference amount of the U.S. dollar-denominated interest-only securities (the “ USD Interest-Only Securities ”); or U.S.\$95 principal amount of U.S. dollar amortizing step-up bonds due 2040 (the “ New USD 2040 Bonds ”) and U.S.\$95 reference amount of the USD Interest-Only Securities.
10.875% USD Bonds Due 2021	Reg S XS0584493349/144 A XS0584497175	U.S.\$247,416,140.00	
9.625% USD Bonds Due 2028	Reg S XS0290125391/144 A XS0290124154	U.S.\$400,000,000.00	
4.000% USD Bonds Due 2035	Reg S XS0234084738/144 A XS0234085032	U.S.\$480,445,406.00	
4.000% EUR MTN Due 2020	Reg S XS0234085461/144 A XS0234085891	€95,376,888.15	€90 principal amount of the euro-denominated amortizing step-up bonds due 2032 (the “ New Euro 2032 Bonds ”) (subject to the Euro Bond Cap) and €90 reference amount of the euro-denominated interest-only securities (the “ Euro Interest-Only Securities ”); or
4.000% EUR Bonds Due 2035	Reg S XS0234082872/144 A XS0234084142	€577,388,900.00	€95 principal amount of the euro-denominated amortizing step-up bonds due 2040 (the “ New Euro 2040 Bonds ”) and €95 reference amount of the Euro Interest-Only Securities.
2015 Indenture Eligible Bonds			
9.950% USD Bonds Due 2021	Reg S XS1244682487/144 A XS1244682057	U.S.\$898,380,908.00	U.S.\$90 principal amount of the New USD 2032 Bonds (subject to the USD Bond Cap); or U.S.\$95 principal amount of the New USD 2040 Bonds.
6.500% USD Bonds Due 2023	Reg S XS1566193295/144 A XS1566193378	U.S.\$746,875,000.00	
9.125% USD Bonds Due 2024	Reg S XS1380274735/144 A XS1380327368	U.S.\$1,243,557,000.00	
7.875% USD Bonds Due 2027	Reg S XS1433314314/144 A XS1433314587	U.S.\$1,749,400,000.00	
5.375% EUR Bonds Due 2023	Reg S XS1649634034/144 A XS1649634380	€500,000,000.00	€90 principal amount of the New Euro 2032 Bonds (subject to the Euro Bond Cap); or €95 principal amount of the New Euro 2040 Bonds.

(1) Principal or reference amount, as applicable, of New Securities per U.S.\$100 or €100 principal amount outstanding (after taking into account amortization payments to date) of Eligible Bonds.

The Province of Buenos Aires (the “**Province**”) hereby invites Eligible Holders to submit orders to exchange (the “**Tender Orders**”) their Eligible Bonds for New Securities on the terms and subject to the conditions described in this invitation memorandum (the “**Exchange Offer**”). Each Eligible Holder that submits (and does not validly revoke) a Tender Order thereby also consents to the actions as proposed in this Invitation, including to authorize and direct the 2006 Indenture Trustee (as defined below) and the 2015 Indenture Trustee (as defined below) (each of the 2006 Indenture Trustee and the 2015 Indenture Trustee, a “**Trustee**”), as applicable, to modify any Eligible Bonds of the relevant series that remain outstanding after giving effect to the Exchange Offer by substituting them for the relevant amount of New USD 2040 Bonds (in the case of any Eligible Bonds denominated in USD) or New Euro 2040 Bonds (in the case of any Eligible Bonds denominated in euros) (with respect to each series of Eligible Bonds, the “**Proposed Modifications**”), in each case, on the terms and subject to the conditions described in this invitation memorandum. **If we accept your Tender Order, you will receive New Securities 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 term “Outstanding” for each series of Eligible Bonds has the meaning ascribed to it in the 2006 Indenture (as defined herein) or the 2015 Indenture, as applicable.

Holders who submit valid Tender Orders that are accepted pursuant to the Invitation or whose Eligible Bonds are amended and substituted will not be entitled to receive any cash payment or additional consideration for any interest accrued and unpaid on any Eligible Bond that is exchanged for a New Security pursuant to the Exchange Offer or modified and substituted for a New Security pursuant to the Proposed Modifications, if they become effective.

The Invitation will expire at 5:00 p.m. (Central European Time (“CET”)) on May 11, 2020 (such time and date, as may be extended or earlier terminated by the Province, the “**Expiration**”).

Tender Orders for New USD 2032 Bonds or New Euro 2032 Bonds (collectively, the “**New 2032 Bonds**”) shall be subject to the Bond Caps (as defined below). Holders may revoke their Tender Order at any time prior to the Expiration, as described herein. On the Settlement Date (as defined below), we expect to (i) 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, (ii) accept all valid Tender Orders for Eligible Bonds, whether or not the remaining Eligible Bonds of that series are successfully modified and substituted pursuant to the Proposed Modifications, and (iii) settle the Exchange Offer and the substitutions resulting from any Proposed Modifications.

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 Securities and one or more series of 2015 Indenture Eligible Bonds that are not successfully modified and substituted pursuant to this Invitation (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 Securities 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 written consents (which are part of each Tender Order) 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, we will consider written consents on an aggregated basis for the purpose of determining whether we have received and accepted the Requisite Consents for each Proposed Modification, as follows:

- For the Proposed Modifications affecting the 2006 Indenture Eligible Bonds (the “**2006 Indenture Eligible Bonds Proposed Modifications**”), the written consents of all series of 2006 Indenture Eligible Bonds will be aggregated; and
- For the Proposed Modifications affecting the 2015 Indenture Eligible Bonds (the “**2015 Indenture Eligible Bonds Proposed Modifications**”), the written consents of all series of 2015 Indenture Eligible Bonds and, only to the extent the relevant 2006 Indenture Eligible Bonds Proposed Modification is adopted, the written consents of all such series of 2006 Indenture Eligible Bonds will be aggregated.

In each case, by delivering a Tender Order, 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 2006 Indenture Eligible Bonds Proposed Modifications or the 2015 Indenture Eligible Bonds Proposed Modifications by excluding one or more 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 being excluded. We will not re-designate the series of Eligible Bonds that will be aggregated for the 2015 Indenture Eligible Bonds Proposed Modifications without the consent to the 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 a Tender Order, you will also consent and authorize us to determine whether we have received the Requisite Consents for the Proposed Modifications affecting any such excluded series on a single series basis. See “Terms of the Invitation—Requisite Consents.”

If we receive 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 satisfied or waived and the Proposed Modifications become 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**”). In that event, Holders that submitted a Tender Order will be entitled to receive the New Securities selected in their Tender Order, subject to the Bond Caps with respect to the New 2032 Bonds, and all Eligible Bonds held by non-consenting Holders, including any Ineligible Holders, will be modified and substituted for the relevant amounts of New USD 2040 Bonds or New Euro 2040 Bonds, as applicable, pursuant to the Proposed Modifications.

A separate Tender Order must be submitted in respect of each beneficial owner of Eligible Bonds wishing to tender in the Exchange Offer. Holders may indicate in their Tender Orders whether they prefer to receive (i) New USD 2032 Bonds or New USD 2040 Bonds in exchange for their U.S. dollar-denominated Eligible Bonds or (ii) New Euro 2032 Bonds or New Euro 2040 Bonds in exchange for their euro-denominated Eligible Bonds. The aggregate principal amount of New USD 2032 Bonds that may be issued pursuant to the Invitation is limited to U.S.\$2,340 million (the “**USD Bond Cap**”) and the aggregate principal amount of New Euro 2032 Bonds that may be issued pursuant to the Invitation is limited to €540 million (the “**Euro Bond Cap**” and together with the USD Bond Cap, the “**Bond Caps**”).

If the aggregate principal amount of New USD 2032 Bonds would exceed the USD Bond Cap or the aggregate principal amount of New Euro Bonds would exceed the Euro Bond Cap, the New USD 2032 Bonds or the New Euro 2032 Bonds, as applicable, will be prorated as described under “Terms of the Invitation—Bond Cap”, and tendering Holders that indicated a preference for New USD 2032 Bonds or New Euro 2032 Bonds will instead receive New USD 2040 Bonds or New Euro 2040 Bonds, as applicable, in exchange for a portion of their Eligible Bonds.

The New Securities will be issued pursuant to the 2015 Indenture and will contain provisions, commonly known as “**collective action clauses**,” regarding future modifications to the terms of the New Securities. Under these provisions the Province may amend the payment provisions of any series of debt securities issued under the 2015 Indenture and other reserve matters listed in the 2015 Indenture with the consent of less than all of the holders of the New Securities. These modification provisions in the 2015 Indenture differ from those in the 2006 Indenture. See “Description of the New Securities—Certain Differences Between the 2006 Indenture and the 2015 Indenture” and “Description of the New Securities—Meetings, Amendments and Waivers—Collective Action.” 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 be an event of default under the New Securities.

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**”).

THIS INVITATION IS ONLY BEING DIRECTED TO ELIGIBLE HOLDERS.

The New Securities 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 Securities 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**”) 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 Tender Orders. All holders other than Eligible Holders are referred to as “**Ineligible Holders**.” For further details about the resale restrictions for the New Securities, see “**Jurisdictional Restrictions**” and “**Transfer Restrictions**.”

Special Notice to Investors in the European Economic Area and the United Kingdom

The Invitation is not being made to any retail investors in any Member State of the EEA or the UK (each, a “**Relevant State**”) and EEA 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 securities is being made to retail investors in the EEA or the UK. Any holder who does not deliver a Tender Order 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 substituted for New Securities, and such substitution 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 Relevant State if they are “qualified investors” as defined in Regulation (EU) 2017/1129 (as amended or superseded, 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 Securities 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 a Relevant State. 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 “**IDD**”), 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 Securities or otherwise making them available to retail investors in a Relevant State has been prepared and therefore offering or selling the New Securities or otherwise making them available to any retail investor in a Relevant State may be unlawful under the PRIIPs Regulation. References to Regulations or Directives include, in relation to the UK, those Regulations or Directives as they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in UK domestic law, as appropriate.

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 Tender Orders.

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 a Tender Order on your behalf in respect of such Eligible Bonds and tender your Eligible Bonds in the Exchange Offer. 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 Tender Order. If your financial institution or intermediary does not have adequate time to process your instruction, your Tender Order will not be given effect.

The Province intends to list each series of New Securities on the Luxembourg Stock Exchange and the Bolsas y Mercados Argentinos S.A. (the “**ByMA**”) and to have each series of New Securities 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 Securities.”

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

April 24, 2020

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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 Tender Order, nor the exchange or modification and substitution of any New Securities 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 Securities— 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 Securities. Before you participate in the Invitation, you should read 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 Trustees, the Luxembourg Listing Agent, 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 Tender Orders 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 Tender Orders 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 Tender Orders 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 periods indicated, 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.

Year ended December 31,	Exchange rates ⁽¹⁾			Period End
	High	Low	Average ⁽²⁾	
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				
January	60.331	59.815	60.011	60.331
February	62.208	60.433	61.348	62.208
March	64.470	62.250	63.123	64.470

(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 April 23, 2020 the peso-dollar reference exchange rate was ARS 66.3167 per USD 1.00 (Communication A 3500 of Central Bank).

Exchange Regulations

In September 2019, the Central Bank again imposed regulations on foreign currency transactions, requiring financial institutions to obtain prior Central Bank approval to buy foreign currency in the exchange market (except in the case of foreign trade). Individuals were limited to purchases of foreign currency not to exceed USD 10,000 per month. Further, the Central Bank required exporters to repatriate the proceeds of export transactions five days after receiving payment or 180 days after receiving permission to ship. Moreover, access to the foreign exchange market by non-residents for the purchase of foreign currency and access to the foreign exchange market by legal entities for the build-up of foreign assets and for derivatives transactions, were also limited, requiring BCRA's prior approval.

In October 2019, the Central Bank tightened the foreign exchange regulations imposed in September 2019 and introduced new norms regulating natural and legal persons' access to the foreign exchange market, including monthly limits of USD 200 on purchases of foreign currency for individuals in Argentina. The October 2019 restrictions also provided that the withdrawal of foreign currency abroad by Argentine residents would only be possible if debited to Argentine foreign-currency-denominated bank accounts. In addition, authorized financial entities for executing foreign exchange trades of a value equal to or exceeding USD 2 million, whether on their own account or on behalf of their customers, were required to notify the Central Bank two business days ahead of completing such trades. The new norms introduced in October 2019 also affect imports of goods into Argentina and the related payments.

On October 31, 2019, the Central Bank published a further resolution limiting the ability of financial institutions to access the foreign exchange market to satisfy payments originally made through an Argentine-issued debit or credit card for transactions relating to gambling and betting activities, the purchase of cryptocurrencies, the transfer of funds to investment accounts managed by administrators based abroad, the completion of foreign exchange operations abroad or the transfer of funds to payment services providers. On November 7, 2019, the Central Bank further clarified certain aspects of the Argentine foreign exchange regime, including the conditions under which financial entities may allow Argentine residents to access the foreign exchange market for the purposes of repaying principal and interest on foreign-currency-denominated debt or to provide security for such obligations.

On December 5, 2019, the Central Bank clarified and consolidated foreign exchange regulations in a single regulation: Communication "A" 6844, pursuant to which proceeds of foreign financial indebtedness incurred after September 1, 2019 must be repatriated and settled for pesos through the foreign exchange market if the debtor will require access to such market with the purpose of servicing principal and interest payments (with certain limited

exceptions). This provision also generally applies in respect of issuances by Argentine residents of securities which are publicly offered in Argentina after November 29, 2019, denominated and underwritten in foreign currency and whose services of principal and interest are payable locally in foreign currency. Access to the foreign exchange market for repayment of external financial indebtedness and other transactions are also conditioned on the debtor's compliance with the External Assets and Liabilities Reporting Regime.

Access to the foreign exchange market for the payment of local debt securities and debt obligations denominated in foreign currency among Argentine residents entered into after September 1, 2019 is prohibited (with certain limited exceptions).

Exporters of goods must repatriate, and settle for pesos through the foreign exchange market, the proceeds of exports that cleared customs starting September 2, 2019 onwards (subject to limited exceptions). Amounts collected in foreign currency, for insurance claims related to the exported goods, must also be repatriated and settled in pesos through the foreign exchange market, up to the amount of the insured exported goods. Export proceeds are subject to a monitoring system, pursuant to which exporters must appoint a financial entity in charge of monitoring compliance. Pursuant to Communication "A" 6788/2, for each export operation, the monitoring entity must determine the amount and time period to enter and settle the foreign currency corresponding to the shipment in question and must record in the system the amounts charged to the shipping. The monitoring entity must issue a certificate of compliance for those export destinations for consumption that accumulated such charges until the total amount to be paid in and settled is met.

Exporters of services must repatriate, and settle through the foreign exchange market, the proceeds from exports of services within five business days following the earlier of receipt of such proceeds by the exporter in Argentina or abroad, or the amounts being credited to any foreign account of the exporter. This rule is also applicable to the export of non-financial non-produced assets.

Residents are authorized to access the foreign exchange market for the payment of import of goods subject to certain requirements (which vary depending on whether it relates to the payment of imports of goods with customs clearance or to the payments of import of goods pending customs clearance). Such requirements include the obligation to declare and register imports and import payments through the SEPAIMPO (*Seguimiento de Pagos de Importaciones*) system, subject to certain exceptions. Importers must appoint a financial entity in charge of monitoring compliance with the aforementioned obligations (including, among others, the liquidation of import financing and the entry of imported goods). Prior authorization by the Central Bank is required for access to the foreign exchange market for payments for imports of goods with related companies abroad when it exceeds the equivalent of USD 2 million in pesos per month per resident customer, provided that these payments had no agreed-on maturity date or that they matured before August 31, 2019.

Residents may access the foreign exchange market for payment of services provided by non-residents (provided they are, unless expressly admitted, unrelated entities) if such transaction has been reported pursuant to the External Assets and Liabilities Reporting Regime, if applicable. Prior authorization from the Central Bank is required for residents to access the foreign exchange market for the prepayment of debts originated in services provided by non-residents.

An entity's access to the foreign exchange market to pay dividends to non-resident shareholders in an amount that exceeds 30.0% of the foreign direct investment contributions in resident companies entered and settled through the foreign exchange market since January 17, 2020 is subject to Central Bank approval, with certain limited exceptions. In addition, except under limited exceptions, derivative transactions entered into after September 11, 2019 must be settled in pesos.

In December 2019, the *Ley de Solidaridad Social y Reactivación Productiva en el Marco de la Emergencia Pública* (the "**Solidarity Law**") introduced a special tax on a number of transactions, such as the purchase of foreign currency; acquisition of services abroad contracted through travel or tourism agencies; the purchase of land, air, or water passenger transport services to destinations outside the country, among others, in foreign exchange for a period of five fiscal years, commencing on the date of the enactment of the legislation. For more information, see "The Provincial Economy—The Argentine Economy since December 2019."

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 Securities 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 Tender Orders. You should carefully read the entire invitation memorandum, including "Risk Factors," before participating in the Invitation by submitting any Tender Orders.

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

	2015	2016	2017	2018	2019
PROVINCIAL ECONOMY					
Real GDP (in billions of 2004 pesos)	259.22	253.01	258.67	248.86	N/A
Rate of change in Real GDP from prior year	1.01%	(2.40)%	2.24%	(3.79)%	N/A
Provincial GDP as a % of Federal GDP	35.93%	35.81%	35.66%	35.18%	N/A
Inflation (as measured by INDEC CPI)	N/A	N/A	24.80%	47.60%	53.8%
Inflation (as measured by San Luis CPI)	31.60%	31.40%	24.32%	49.97%	57.6%
Inflation (as measured by CABA CPI)	26.9%	41.0%	26.1%	45.5%	50.6%
NATIONAL ECONOMY					
Real GDP (in billions of 2004 pesos)	721.49	706.48	725.33	707.33	692.03
Rate of change from prior year (2004 pesos)	2.7%	(2.1)%	2.7%	(2.5)%	(2.2)%
Unemployment rate ⁽¹⁾	5.9% ⁽²⁾	7.6%	7.2%	9.1%	8.90
PROVINCIAL PUBLIC SECTOR FINANCES					
Total Revenues	274.31	394.10	529.39	687.21	986.9 ⁽³⁾
Total Expenditures	295.76	425.15	551.69	709.49	1023.2 ⁽³⁾
Primary Fiscal Balance ⁽⁴⁾	(11.60)	(15.09)	(1.33)	19.21	40.8 ⁽³⁾
Financial Balance ⁽⁵⁾	(21.47)	(31.05)	(22.31)	(22.28)	36.3 ⁽³⁾
PROVINCIAL PUBLIC SECTOR DEBT					
Peso-denominated debt ⁽⁶⁾	51.42	66.38	64.22	93.83	106.38
Foreign-currency-denominated debt ⁽⁷⁾	70.66	129.91	190.31	380.59	547.20
Total debt ⁽⁷⁾	122.08	196.29	254.53	474.42	653.58
Total debt (in billions of USD) ⁽⁷⁾	9.36	12.35	13.65	12.58	10.91
Debt as a % of nominal GDP ⁽⁷⁾	5.8%	6.8%	7.0%	9.6%	8.7%
Debt as a % of total revenues ⁽⁷⁾	44.5%	49.8%	48.1%	69.0%	66.2%

- (1) Unemployed population as a percentage of the labor force. The unemployed population does not include the underemployed population.
 (2) Data corresponds to the third quarter of 2015. Data for the fourth quarter of 2015 is not available.
 (3) Projected results.
 (4) Excluding interest payments.
 (5) Represents the primary fiscal balance minus interest payments.
 (6) Includes debt denominated in CER-adjusted pesos.
 (7) 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 17.54 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."

Against this 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. See "The Provincial Economy—The Argentine Economy since December 2019." In addition, 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 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 state of emergency has been declared for one year, and may be extended for an additional one year.

The economic recession intensified in March and April 2020 due to the outbreak of COVID-19. 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. See "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."

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, 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 decreasing by 7.2% and 6.1% respectively. Unemployment also remained at high levels through 2019, reaching 10.8% in Greater Buenos Aires.

Public Sector Finances

In 2018, the primary balance recorded a surplus of ARS 19.2 billion, compared to a deficit of ARS 1.3 billion in 2017. In 2018, a financial deficit of ARS 22.3 billion was recorded, approximately the same as in 2017. 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.

Main Sources of Revenues

From 2014 through 2018, on average, 70.0% of provincial revenues were derived from taxes, either federal or provincial. During this period, provincial tax collections represented 41.9% of total revenues, while federal tax transfers represented 28.1% of total revenues, on average.

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 (3.50%) 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.

In 2018, federal tax transfers amounted to 31.4% of the Province's total revenues.

Provincial Revenues. The main source of provincial revenues is the collection of provincial taxes. In 2018, 40.2% 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 Lotería 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 70% of the Province's total expenditures (excluding debt interest) in 2018.

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. The Province's total expenditures for 2018 increased by 28.6%, to ARS 709.5 billion from ARS 551.7 billion during 2017, mainly due to a 25.4% increase in personnel expenditures which increased to ARS 315.9 billion in 2018 from ARS 252.0 billion in 2017, principally reflecting the cumulative effect of salary increases granted in 2017 and 2018. However, if expenses are measured in dollars, a decrease in expenses of 24.3% can be observed from 2017 to 2018 (in USD).

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.

For the nine-month period ended September 30, 2019, the Province's total expenditures increased by 51.1%, to ARS 704.7 billion from ARS 466.3 billion in the same period in 2018.

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 122.08 billion (USD 9.36 billion), ARS 196.29 billion (USD 12.35 billion), ARS 254.53 billion (USD 13.65 billion), ARS 474.42 billion (USD 12.58 billion) and ARS 653.58 billion (USD 10.91 billion) 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 fixed rate.

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 *Fondo de Garantía de Sustentabilidad* (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 the *Fondo Fiduciario Federal de Infraestructura Regional* (the Federal Trust Fund for Regional Infrastructure, or “**FFIR**”) 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 the issuance in May 2019 of the 2019 FGS Bond for an aggregate principal amount of USD 250 million, which represents ARS 11.4 billion, 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% bond 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 (iii) 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.

On January 15, 2020, Standard and Poor's downgraded the issuer rating of the Province on its foreign currency global scale from CCC to CC, where it remained as of the date of this invitation memorandum.

Additionally, on April 7, 2020, Moody's downgraded the issuer rating of the Province on its foreign currency global scale from Caa2 to Ca, where it remained as of the date of this invitation memorandum.

Banco Provincia

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 8.2% of the total deposits in Argentina. As of December 31, 2018, Banco Provincia had total assets of ARS 497.2 billion and total deposits of ARS 414.9 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, 2019, Banco Provincia's exposure to the public sector totaled approximately ARS 50.9 billion, accounting for approximately 9.25% of its total assets at that date. 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.

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 will distribute this invitation memorandum describing the terms of the Invitation.</p>
April 24, 2020 – May 11, 2020	<p><i>Invitation Period (unless extended or earlier terminated)</i></p> <p>The Invitation is open during this period (the “Invitation Period”).</p>
May 11, 2020 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 Tender Orders, unless we extend or terminate the Invitation earlier in our sole discretion. After the Expiration, you may no longer submit or revoke Tender Orders.</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 Tender Orders from their participants and customers, as described under “Terms of the Invitation—Tender Procedures.”</i></p>
May 12, 2020, or as soon as practicable thereafter.....	<p><i>Results Announcement Date</i></p> <p>On this date (the “Results Announcement Date”) we will announce (i) whether the Province has re-designated any series of Eligible Bonds subject to the 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, (ii) the aggregate principal amount of Eligible Bonds of each series with respect to which the Province has accepted any Tender Orders, (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, (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 for purposes of determining whether the Requisite Consents have been obtained, and (vi) the expected proration factors, if any, that will be applied to determine the principal amounts of New 2032 Bonds and New USD 2040 Bonds or New Euro</p>

2040 Bonds (collectively, the “**New 2040 Bonds**”), if any, that Eligible Holders that indicated a preference to received New 2032 Bonds will receive in exchange for their Eligible Bonds.

May 14, 2020, or as soon as practicable thereafter.....

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 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, 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 (which we also refer to as the “**Settlement Date**”), following the execution of the Supplemental Indentures, if applicable, the New Securities are issued and all Eligible Bonds exchanged pursuant to the Exchange Offer or modified and substituted as a result of the effectiveness of the Proposed Modifications will be delivered to the Trustees for cancellation.

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 Securities 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 Invitation will expire at 5:00 p.m. (CET) on May 11, 2020, 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 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 described above, (ii) the aggregate principal amount of Eligible Bonds of each series with respect to which the Province has accepted any Tender Orders, (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, (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 for purposes of determining whether the Requisite Consents have been obtained, and (vi) the expected proration factors, if any, that will be applied to determine the principal amounts of New 2032 Bonds and New 2040 Bonds, if any, that Eligible Holders that indicated a preference to receive New 2032 Bonds will receive in exchange for their Eligible Bonds.

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.

See “Terms of the Invitation—Requisite Consents for the 2006 Indenture Eligible Bonds Proposed Modifications” and “Terms of the Invitation—Requisite Consents for the 2015 Indenture Eligible Bonds Proposed Modifications” 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 Tender Orders 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, including amendments in any one or more jurisdictions.

The Exchange Offer.....

The Province is inviting Eligible Holders to submit Tender Orders to exchange their Eligible Bonds for New Securities on the terms and subject to the conditions described in this invitation memorandum.

EACH HOLDER THAT VALIDLY SUBMITS (AND DOES NOT VALIDLY REVOKE) A TENDER ORDER FOR ELIGIBLE BONDS OF ANY SERIES THEREBY ALSO CONSENTS TO THE ACTIONS AS PROPOSED IN THIS INVITATION, INCLUDING TO AUTHORIZE AND DIRECT THE TRUSTEES, PURSUANT TO THE PROPOSED MODIFICATIONS, TO MODIFY AND SUBSTITUTE ANY ELIGIBLE BONDS OF THAT SERIES THAT REMAIN OUTSTANDING AFTER GIVING EFFECT TO THE EXCHANGE OFFER.

The Settlement Date for the Exchange Offer will be May 14, 2020 or as soon as practicable thereafter unless the Exchange Offer is extended, in which case a new Settlement Date, if necessary, will be announced by press release.

Consideration to be Received Pursuant to Tender Orders 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 Bond Caps and the other terms of the Invitation, Holders of 2006 Indenture Eligible Bonds whose Tender Orders are accepted will receive on the Settlement Date (in each case, the applicable “**2006 Indenture Eligible Bonds Exchange Consideration**”):

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

- U.S.\$90 principal amount of the New USD 2032 Bonds (subject to the USD Bond Cap) and U.S.\$90 reference amount of the USD Interest-Only Securities; or
- U.S.\$95 principal amount of the New USD 2040 Bonds and U.S.\$95 reference amount of the USD Interest-Only Securities.

For each €100 outstanding principal amount of the 2006 Indenture Eligible Bonds (after taking into account amortization payments to date):

- €90 principal amount of the New Euro 2032 Bonds (subject to the Euro Bond Cap) and €90 reference amount of the Euro Interest-Only Securities; or
- €95 principal amount of the New Euro 2040 Bonds and €95 reference amount of the Euro Interest-Only Securities.

Holders may indicate in their Tender Orders whether they prefer to receive New 2032 Bonds or New 2040 Bonds in exchange for their Eligible Bonds. If we receive Tender Orders indicating a preference to exchange Eligible Bonds for New USD 2032 Bonds in an aggregate principal amount that exceeds the USD Bond Cap or Tender Orders to exchange for New Euro 2032 Bonds in an aggregate principal amount that exceeds the Euro Bond Cap, the actual principal amounts of New USD 2032 Bonds and New Euro 2032 Bonds and the applicable reference amount of USD Interest-Only Securities and Euro Interest-Only Securities delivered to Holders indicating a preference for New USD 2032 Bonds or New Euro 2032 Bonds, as applicable, shall be prorated as described under “Terms of the Invitation—Bond Caps—Excess Bond Caps Procedures” and such Holders shall receive New USD 2040 Bonds and Interest-Only USD Securities or New Euro 2040 Bonds and Interest only Euro Securities, as applicable, in exchange for their Eligible Bonds that are not exchanged for New 2032 Bonds. Holders that do not indicate a preference whose Eligible Bonds are accepted in the Exchange Offer will receive New 2040 Bonds.

To determine the principal or reference amount of New Securities, as applicable, that you will receive, the principal amount of Eligible Bonds that you tendered and were accepted will be multiplied by the appropriate proration factor and the resultant amount will be rounded down to the nearest whole number of USD or euros, as appropriate. This rounded amount will be the principal or reference amount of New Securities, as applicable, received, and no additional cash will be paid in lieu of any principal or reference amount of New Securities not received as a result of rounding.

Holders who submit valid Tender Orders that are accepted pursuant to the Invitation will not be entitled to receive any cash payment or additional consideration for any interest accrued and unpaid on any Eligible Bond that is exchanged for New Securities pursuant to the Exchange Offer.

Consideration to be Received Pursuant to
Tender Orders 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 Bond Caps and other terms of the Invitation, Holders of 2015 Indenture Eligible Bonds whose Tender Orders are accepted will receive on the Settlement Date (in each case, the applicable “**2015 Indenture Eligible Bonds Exchange Consideration**” and, together with the 2006 Indenture Eligible Bonds Exchange Consideration, the “**Exchange Consideration**”):

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

- U.S.\$90 principal amount of the New USD 2032 Bonds (subject to the USD Bond Cap); or
- U.S.\$95 principal amount of the New USD 2040 Bonds.

For each €100 outstanding principal amount of the 2015 Indenture Eligible Bonds (after taking into account amortization payments to date):

- €90 principal amount of the New Euro 2032 Bonds (subject to the Euro Bond Cap); or
- €95 principal amount of the New Euro 2040 Bonds.

Holders may indicate in their Tender Orders whether they prefer to receive New 2032 Bonds or New 2040 Bonds in exchange for their Eligible Bonds. If we receive Tender Orders to exchange Eligible Bonds for New USD 2032 Bonds in an aggregate principal amount that exceeds the USD Bond Cap or Tender Orders to exchange for New Euro 2032 Bonds in an aggregate principal amount that exceeds the Euro Bond Cap, the actual principal amounts of New USD 2032 Bonds and New Euro 2032 Bonds delivered to Holders indicating a preference for New USD 2032 Bonds or New Euro 2032 Bonds, as applicable, shall be prorated as described under “Terms of the Invitation—Bond Caps—Excess Bond Caps Procedures” and such Holders shall receive New USD 2040 Bonds or New Euro 2040 Bonds, as applicable, in exchange for Eligible Bonds that are not exchanged for their New 2032 Bonds. Holders that do not indicate a preference whose Eligible Bonds are accepted in the Exchange Offer will receive New 2040 Bonds.

To determine the principal or reference amount of New Securities, as applicable, that you will receive, the principal amount of Eligible Bonds that you tendered and were accepted will be multiplied by the appropriate proration factor and the resultant amount will be rounded down to the nearest whole number of USD or euros, as applicable. This rounded amount will be the principal or reference amount of New Securities, as applicable, received, and no additional cash will be paid in lieu of any principal or reference amount of New Securities not received as a result of rounding.

Holders who submit valid Tender Orders that are accepted pursuant to the Invitation will not be entitled to receive any cash payment or additional consideration for any interest accrued and unpaid on any Eligible Bond that is exchanged for New Securities pursuant to the Exchange Offer.

Bond Caps

We will limit the principal amount of the New 2032 Bonds we will issue on the Settlement Date to the Bond Caps set forth in the table below. Holders who deliver valid Tender Orders indicating a preference for New 2032 Bonds that are accepted pursuant to this Invitation may receive a combination of New 2032 Bonds and New 2040 Bonds as a result of proration.

New Security	Bond Caps (in millions)
New USD 2032 Bond	U.S.\$2,340
New Euro 2032 Bond	€540

For USD-denominated Eligible Bonds

- If we receive valid Tender Orders (that are not revoked at or prior to the Expiration) indicating a preference to receive New USD 2032 Bonds as a result of which the Exchange Consideration would not exceed the

USD Bond Cap, then we will exchange all such Eligible Bonds for New USD 2032 Bonds.

- However, if we receive valid Tender Orders (that are not revoked at or prior to the Expiration) indicating a preference to receive New USD 2032 Bonds as a result of which the Exchange Consideration would exceed the USD Bond Cap, then we will apply a proration factor to the New USD 2032 Bonds to be delivered in exchange for such Eligible Bonds and, for any Eligible Bonds that are not exchanged after application of that proration factor, issue New USD 2040 Bonds.

For Euro-denominated Eligible Bonds

- If we receive valid Tender Orders (that are not revoked at or prior to the Expiration) indicating a preference to receive New Euro 2032 Bonds as a result of which the Exchange Consideration would not exceed the Euro Bond Cap, then we will exchange all such Eligible Bonds for New Euro 2032 Bonds.
- However, if we receive valid Tender Orders (that are not revoked at or prior to the Expiration) indicating a preference to receive New Euro2032 Bonds as a result of which the Exchange Consideration would exceed the Euro Bond Cap, then we will apply a proration factor to the New Euro 2032 Bonds to be delivered in exchange for such Eligible Bonds and, for any Eligible Bonds that are not exchanged after application of that proration factor, issue New Euro 2040 Bonds.

For more information, see “Terms of the Invitation—Bond Caps.”

Tender 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 a Tender Order.

All Tender Orders 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 Tender Orders 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 Tender Order must be submitted on behalf of each beneficial owner of the Eligible Bonds.

For more information, see “Tender Procedures.”

Revocation Rights.....

Tender Orders may be revoked at any time prior to the Expiration. If a Holder revokes its Tender Order 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 a Tender Order (including its related consent to the Proposed Modifications) after the Expiration. See “Tender Procedures—Revocation Rights.”

Acceptance

We reserve the right not to accept Tender Orders 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. Our acceptance of Tender Orders 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 proceeding (whether pending or threatened) that could, make unlawful or invalid or enjoin the implementation of the Proposed Modifications or the Invitation or question the legality or validity thereof; and
2. there not having been any change or development that, in the Province’s sole discretion, 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.

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 additional conditions to the Proposed Modification described under “Conditions to the Proposed Modifications.”

Proposed Modifications

If you deliver a Tender Order, you are also giving us your written consent authorizing us and the Trustees, and instructing the Trustees, upon the satisfaction of the effectiveness conditions described below, to enter into the Supplemental Indentures by which any Eligible Bonds of your series that are not exchanged in the Exchange Offer will be modified and substituted for New Securities pursuant to the applicable Proposed Modifications.

If you do not tender your Eligible Bonds, if you revoke your Tender Order prior to the Expiration or if you are an Ineligible Holder, and the Proposed Modifications affecting your series of Eligible Bonds are effected, you will receive:

- for each U.S.\$100 principal amount of 2006 Indenture Eligible Bonds (after taking into account amortization payments to date), U.S.\$95 principal amount of New USD 2040 Bonds ,
- for each €100 principal amount of 2006 Indenture Eligible Bonds (after taking into account amortization payments to date), €95 principal amount of New Euro 2040 Bonds ,

- for each U.S.\$100 principal amount of 2015 Indenture Eligible Bonds (after taking into account amortization payments to date), U.S.\$95 principal amount of New USD 2040 Bonds, and
- for each €100 principal amount of 2015 Indenture Eligible Bonds (after taking into account amortization payments to date), €95 principal amount of New Euro 2040 Bonds.

You will not be entitled to receive any USD Interest-Only Securities or Euro Interest-Only Securities or payment of any accrued and unpaid interest on your Eligible Bonds that are substituted for New Securities.

Since all New Securities will be issued under the 2015 Indenture, Holders of 2006 Indenture Eligible Bonds should carefully consider the information provided under “Description of the New Securities—Certain Differences Between the 2006 Indenture and the 2015 Indenture.”

Conditions to the Proposed
Modifications.....

In addition to the conditions to the Invitation above, the Proposed Modifications are subject to:

1. receipt of the Requisite Consents for the 2006 Indenture Eligible Bonds Proposed Modifications or the 2015 Indenture Eligible Bonds Proposed Modifications, as applicable, after giving effect to any exclusion by us of any series of Eligible Bonds; and
2. the execution of the applicable Supplemental Indentures.

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

Requisite Consents for the 2006 Indenture
Eligible Bonds Proposed Modifications

If we consider written consents on an aggregated basis to determine the effectiveness of the 2006 Indenture Proposed Modifications, it is a condition to the effectiveness of the relevant 2006 Indenture Eligible Bonds Proposed Modifications that we receive and accept valid written consents (which are part of each Tender Order) 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 any series of Eligible Bonds affected by the Proposed Modifications, any excluded series will not be considered for the purposes of either prong (i) or (ii) of above.

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

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

Series of Eligible Bond	ISIN	Minimum Denomination	Principal Amount Outstanding
4.000% USD MTN Due 2020	XS0234086196 / XS0234086436	U.S.\$1 / U.S.\$1	U.S.\$10,616,350.67
10.875% USD Bonds Due 2021	XS0584493349 / XS0584497175	U.S.\$100,000 / U.S.\$1,000	U.S.\$247,416,140.00
9.625% USD Bonds Due 2028	XS0290125391 / XS0290124154	U.S.\$100,000 / U.S.\$1,000	U.S.\$400,000,000.00
4.000% USD Bonds Due 2035	XS0234084738 / XS0234085032	U.S.\$1 / U.S.\$1	U.S.\$480,445,406.00
4.000% EUR MTN Due 2020	XS0234085461 / XS0234085891	€1 / €1	€95,376,888.15
4.000% EUR Bonds Due 2035	XS0234082872 / XS0234084142	€1 / €1	€577,388,900.00

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

The effectiveness of the Proposed Modifications as they relate to the 2006 Indenture Eligible Bonds is not conditioned on the effectiveness of the Proposed Modifications affecting 2015 Indenture Eligible Bonds.

Requisite Consents for the 2015 Indenture Eligible Bonds Proposed Modifications

If we consider written consents on an aggregated basis to determine the effectiveness of the 2015 Indenture Proposed Modifications, it is a condition to the effectiveness of the relevant 2015 Indenture Eligible Bonds Proposed Modifications that we receive and accept valid written consents 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 Eligible Bonds (taken individually) then Outstanding, and subject to re-designation at our discretion. If we re-designate any series of Eligible Bonds affected by the Proposed Modifications, any excluded series will not be considered for the purposes of either prong (i) or (ii) of above.

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

For the avoidance of doubt, written consents to the Proposed Modifications affecting one or more series of 2006 Indenture Eligible Bonds may be taken into account for purposes of determining whether more than 66⅔% of the aggregate principal amount of Eligible Bonds have consented to the Proposed Modifications, pursuant to Section 11.6(c) of the 2015 Indenture;

provided, however, that no Proposed Modifications as to the 2015 Indenture Eligible Bonds will be effective unless the Proposed Modifications as to such series of 2006 Indenture Eligible Bonds of such series is effective.

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

Series of Eligible Bond	ISIN	Minimum Denomination	Principal Amount Outstanding
9.950% USD Bonds Due 2021	XS1244682487 / XS1244682057	U.S.\$150,000 / U.S.\$1	U.S.\$898,380,908.00
6.500% USD Bonds Due 2023	XS1566193295 / XS1566193378	U.S.\$150,000 / U.S.\$1,000	U.S.\$746,875,000.00
9.125% USD Bonds Due 2024	XS1380274735 / XS1380327368	U.S.\$150,000 / U.S.\$1,000	U.S.\$1,243,557,000.00
7.875% USD Bonds Due 2027	XS1433314314 / XS1433314587	U.S.\$150,000 / U.S.\$1,000	U.S.\$1,749,400,000.00
5.375% EUR Bonds Due 2023	XS1649634034 / XS1649634380	€100,000 / €1,000	€500,000,000.00

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 rates specified below under “Terms of the Invitation—Currency Exchange Rates.”

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 a Tender Order for Eligible Bonds of any series, a Holder will also be giving written 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 Proposed Modifications on an aggregated basis by excluding one or more series of the initially designated series, and (B) consider the 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 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.

Effect on Non-Consenting Holders and Ineligible Holders

If we receive 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 satisfied or waived 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. In that event, Holders that submitted a Tender Order will be entitled to receive the New Securities selected in their Tender Order, subject

to the Bond Caps for New 2032 Bonds, and all Eligible Bonds held by non-consenting Holders, including Ineligible Holders, will be modified and substituted for the relevant amounts of New USD 2040 Bonds or New Euro 2040 Bonds, as applicable, pursuant to the Proposed Modifications. These Holders will not receive any USD Interest-Only Securities or the Euro Interest-Only Securities.

Supplemental Indentures

If we receive 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, on the Execution Date, we and the Trustees will execute the Supplemental Indentures as necessary to substitute the remaining Eligible Bonds of such series for the relevant amounts of New USD 2040 Bonds or New Euro 2040 Bonds, as applicable, pursuant to the Proposed Modifications.

Proposed Modifications for such series of Eligible Bonds will become effective upon the execution of the applicable Supplemental Indentures on the Settlement Date.

Settlement

If we accept your Tender Order, you will receive on the Settlement Date the New Securities by credit to the same account at the principal clearing system from which your Eligible Bonds were tendered.

If you did not validly deliver (or if you validly revoked) a Tender Order or if you are an Ineligible Holder and your Eligible Bonds are being amended and substituted pursuant to the Proposed Modifications, you will receive on the Settlement Date the New Securities by credit to the same account at the principal clearing system in which you hold 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 a Tender Order 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.”

Jurisdictional Restrictions.....

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.

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 that Dealer Managers or their respective affiliate on behalf of us.

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.

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
2015 Indenture Trustee	U.S. Bank National Association
2006 Indenture	Indenture between the Province and the 2006 Indenture Trustee, dated as of January 12, 2006.
2015 Indenture	Indenture between the Province and the 2015 Indenture Trustee, dated as of June 9, 2015.
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 27 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.

COMMON TERMS OF THE NEW SECURITIES

The New Securities will be issued pursuant to the 2015 Indenture. The table set forth below presents a summary of certain terms common to all New Securities, and should be read in conjunction with the more detailed description of the bonds appearing in this invitation memorandum.

Issuer	The Province of Buenos Aires
Indenture.....	2015 Indenture
Status	The New Securities will be direct, general, unconditional and unsubordinated Public External Indebtedness of the Province. The New 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 New Securities ratably with payments being made under any other Public External Indebtedness of the Province. See “Description of the New Securities—Status” and “Description of the New Securities—Certain Differences Between the 2006 Indenture and the 2015 Indenture.”
Rights Upon Future Offers	<p>Under the terms of the New 2032 Bonds and New 2040 Bonds (but not the Interest-Only Securities), if following the Expiration and on or prior to the fifth anniversary of the Settlement Date, the Province voluntarily makes an offer to purchase or exchange or solicits consents to amend any Eligible 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 New 2032 Bonds or New 2040 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 2032 Bonds or New 2040 Bonds for:</p> <ul style="list-style-type: none"> • 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 Eligible Bonds denominated in the same currency as such Holder’s New 2032 Bonds or New 2040 Bonds would hold upon consummation of such Qualifying Offer, <p>in each case in accordance with the terms and conditions of such Qualifying Offer, as if such Holder held a principal amount of Eligible Bonds at least equal to (a) the principal amount of such Holder’s New 2032 Bonds or New 2040 Bonds divided by the exchange ratio applied in the Invitation minus (b) an amount equal to the sum of (i) the aggregate amount of interest, if any, previously paid on such New 2032 Bonds or New 2040 Bonds and (ii) the amount that would be payable in respect of Interest-Only Securities denominated in the same currency as such Holder’s New 2032 Bonds or New 2040 Bonds having a reference amount equal to the principal amount of such New 2032 Bonds or New 2040 Bonds if they were redeemed on the commencement date of such Qualifying Offer.</p>
Additional Amounts	All payments by the Province in respect of the New Securities 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 Securities in the absence of such withholding or deduction; except under certain circumstances. See “Description of the New Securities—Additional Amounts.”

Further Issues The Province may from time to time, without the consent of the holders of the New Securities, create and issue additional New Securities having terms and conditions which are the same as those of any then outstanding series of New Securities in all respects, except for the issue date, issue price and first payment date of interest on the New Securities; provided, however, that any such additional New Securities subsequently issued that are not fungible with the previously outstanding New Securities for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number from such previously outstanding New Securities. Additional New 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 New Securities.

Optional Redemption..... *New 2032 Bonds and New 2040 Bonds*

We will have the right at our option, upon giving not less than 30 days’ nor more than 60 days’ notice, to redeem New 2032 Bonds or New 2040 Bonds, in whole or in part, at any time or from time to time prior to their maturity, at a redemption price equal to the principal amount thereof, plus interest accrued but not paid on the principal amount of such New Securities to the date of redemption.

USD Interest-Only Securities

We will have the right at our option, upon giving not less than 30 days’ nor more than 60 days’ notice, to redeem the USD Interest-Only Securities, in whole or in part, at any time or from time to time prior to their maturity, at the USD Interest-Only Redemption Price (as defined below), plus interest accrued but not paid on the reference amount of the USD Interest-Only Securities to be redeemed to the date of redemption specified in such notice.

Euro Interest-Only Securities

We will have the right at our option, upon giving not less than 30 days’ nor more than 60 days’ notice, to redeem the Euro Interest-Only Securities, in whole or in part, at any time or from time to time prior to their maturity, at the Euro Interest-Only Redemption Price (as defined below), plus interest accrued but not paid on the reference amount of the Euro Interest-Only Securities to be redeemed to the date of redemption specified in such notice.

See “Description of the New Securities—Optional Redemption.”

Modification Provisions The New Securities will contain provisions, commonly known as “collective action clauses,” regarding future modifications to the terms of the New Securities. Under these provisions the Province may amend the payment provisions of any series of debt securities issued under the 2015 Indenture and other reserve matters listed in the 2015 Indenture with the consent of less than all of the Holders of such New Securities. These modification provisions in

the 2015 Indenture differ from those in the 2006 Indenture. See “Description of the New Securities—Certain Differences Between the 2006 Indenture and the 2015 Indenture” and “Description of the Securities—Description of the Securities Issued Under the 2015 Indenture—Meetings, Amendments and Waivers—Collective Action.”

Events of Default..... Each of the following is an event of default under any series of New Securities:

1. *Non Payment.* The Province fails to pay (i) any principal due on any such series of New Securities 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 Securities when due and payable of such series when due and payable and such failure continues for 30 days after the applicable payment date;
2. *Breach of Other Obligations.* The Province fails to duly perform or observe any term or obligation contained in the New Securities or the 2015 Indenture insofar as it relates to such New Securities, which failure continues unremedied for 60 days after written notice thereof has been given to the Province by the 2015 Indenture Trustee;
3. *Cross Default.* 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. *Moratorium.* The Province declares a moratorium of payment of its Indebtedness (other than Excluded Indebtedness); and
5. *Validity.* The validity of the New Securities or the Indenture 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 Securities 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 Securities—Events of Default.”

Settlement; Form	<p>The New Securities 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.</p> <p>See “Description of the New Securities—Registration and Book-Entry System.”</p>
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 New Securities (including Additional Amounts) will become void unless made within four years of the date on which that payment first became due.
Governing Law	The New Securities will be, and the 2015 Indenture is, 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 Securities and the 2015 Indenture 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 Securities on the Luxembourg Stock Exchange and the ByMA and to have each series of New Securities admitted for trading on the Euro MTF Market and MAE.
Trustee, Registrar, Transfer Agent and Paying Agent.....	U.S. Bank National Association.
London Paying Agent.....	Elavon Financial Services DAC, UK Branch (with regards to the euro-denominated New Securities only).
Luxembourg Listing Agent	Société General Bank & Trust

FINANCIAL TERMS OF THE NEW SECURITIES

The table set forth below presents a summary description of certain financial terms of the New Securities, 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 Offer Terms” to determine which of the Eligible Bonds may be exchanged for the New Securities.

New Securities		Interest Rate	Maturity	Principal Repayment⁽¹⁾⁽²⁾
New USD 2032 Bonds	1.	From and including the Settlement Date to but excluding September 15, 2022: 0%;	September 15, 2032	Principal on the New USD 2032 Bond will be repaid in U.S. dollars in thirteen semi-annual installments starting on September 15, 2026 through maturity.
	2.	From and including September 15, 2022 to but excluding September 15, 2023: 0.50%;		
	3.	From and including September 15, 2023 to but excluding March 15, 2028: 2.50%; and		
	4.	From and including March 15, 2028 to but excluding September 15, 2032: 3.50%.		
New Euro 2032 Bonds	1.	From and including the Settlement Date to but excluding September 15, 2022: 0%;	September 15, 2032	Principal on the New Euro 2032 Bond will be repaid in euros in thirteen semi-annual installments starting on September 15, 2026 through maturity.
	2.	From and including September 15, 2022 to but excluding September 15, 2023: 0.375%;		
	3.	From and including September 15, 2023 to but excluding March 15, 2028: 0.550%; and		
	4.	From and including March 15, 2028 to but excluding September 15, 2032: 2.000%.		
New USD 2040 Bonds	1.	From and including the Settlement Date to but excluding December 15, 2022: 0%;	June 15, 2040	Principal on the New USD 2040 Bond will be repaid in U.S. dollars in fifteen semi-annual installments starting on June 15, 2033 through maturity.
	2.	From and including December 15, 2022 to but excluding December 15, 2025: 3.375%; and		
	3.	From and including December 15, 2025 to but excluding June 15, 2040: 5.375%.		

New Securities		Interest Rate	Maturity	Principal Repayment⁽¹⁾⁽²⁾
New Euro 2040 Bonds	1.	From and including the Settlement Date to but excluding December 15, 2022: 0%;	June 15, 2040	Principal on the New Euro 2040 Bond will be repaid in euros in fifteen semi-annual installments starting on June 15, 2033 through maturity.
	2.	From and including December 15, 2022 to but excluding December 15, 2025: 2.250%; and		
	3.	From and including December 15, 2025 to but excluding June 15, 2040: 3.875%.		
USD Interest-Only Securities	1.	From and including the Settlement Date to but excluding December 15, 2024: 0%; and	Expire on June 15, 2040	N/A
	2.	From and including December 15, 2024 to but excluding June 15, 2040: 1.100%.		
Euro Interest-Only Securities	1.	From and including the Settlement Date to but excluding December 15, 2024: 0%	Expire on June 15, 2040	N/A
	2.	From and including December 15, 2024 to but excluding June 15, 2040: 0.950%.		

- (1) The aggregate amount of each principal payment on a New Security shall equal the principal amount outstanding of such New Security as of any principal payment date, divided by the number of remaining principal installments.
- (2) 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 Security 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 3.79% in real terms between December 31, 2017 and December 31, 2018. 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.\$ 10.91 billion as of December 31, 2019, of which 5.1% was held by the federal government, 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.

The Eligible Bonds subject to this Invitation represent all of the foreign-law, foreign currency bonds of the Province.

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 in this manner 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.”

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, 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." As of the date of this Invitation the Province is availing itself of grace periods with respect to payments under its Eligible Bonds and may avail itself of others falling due while the Invitation is outstanding. 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 be an event of default under any New Securities, 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 written consents 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 for an equivalent modification with respect to only one series on a series by series basis.

If we receive 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 prospectus supplement are met and we decide to declare the Proposed Modifications 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. In that event, Eligible Holders whose Tender Orders are accepted will be entitled to receive the New Securities selected in their Tender Order, subject to the Bond Caps for New 2032 Bonds, and all Eligible Bonds held by non-consenting Holders, including Ineligible Holders, will be modified and substituted for the relevant amounts of New USD 2040 Bonds, New Euro 2040 Bonds, the USD Interest-Only Securities or the Euro Interest-Only Securities, as applicable, pursuant to the Proposed Modifications. See "—Differences between the terms of the Eligible Bonds and the New Securities."

In addition, following the consummation of the Invitation, if the Proposed Modifications become effective, 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 be an event of default under the New Securities. Even if the 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 a Tender Order with respect to the Proposed Modifications. As a result, no “offer” of New Securities 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 substituted for New Securities, and such 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 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 Securities pursuant to the Exchange Offer 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 Offer will be cancelled. The exchange of Eligible Bonds of any series pursuant to the Exchange Offer 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 Security 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 Luxembourg Listing 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 Securities.

The financial terms and certain other conditions of the New Securities 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 rate and cross-defaults) in deciding whether to participate in the Invitation in respect of their Eligible Bonds.

Your decision to deliver Tender Orders should be made with the understanding of such differences and that you will receive securities discounted from the original value of your Eligible Bonds. The amount of New Securities 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 Tender Orders.” In addition, the New Securities will likely trade at a discount to their principal amount. Further, the interest rates of New Securities you receive will be lower than the interest rates applicable to your Eligible Bonds, and by submitting a Tender Order that is accepted, you will not be entitled to accrued and unpaid interest on your tendered Eligible Bonds prior to the Settlement Date. If the New Securities you receive have a longer maturity than your Eligible Bonds, that 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 Securities, 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 Securities 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, if accepted by us, will receive New Securities issued under the 2015 Indenture. 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 Proposed Modifications will receive New Securities 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 Securities—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 Securities 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 Securities—General.”

In addition to the differences in the collective action clauses, the ranking provision and events of default in the New Securities 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 Securities—Certain Differences Between the 2006 Indenture and the 2015 Indenture.” Furthermore, following the consummation of the Invitation, if the Proposed Modifications become effective, 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 remain outstanding after the Settlement Date will not be an event of default under the New Securities. Before delivering a Tender Order with respect to 2006 Indenture Eligible Bonds, you should carefully review the 2015 Indenture.

Re-Designation of the Affected Series

By submitting Tender Orders to exchange and thereby delivering a written consent to the Proposed Modifications applicable to that series of Eligible Bonds, you will also be giving your written 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 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, re-designation 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 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 written consent to the applicable Proposed Modifications, consider the Proposed Modifications effective with respect to a single series of Eligible Bonds. In that event, all Eligible Bonds held by non-consenting Holders, including Ineligible Holders, will be modified and substituted for the relevant amounts of New USD 2040 Bonds or New Euro 2040 Bonds, as applicable, pursuant to the Proposed Modifications.

Proration of Eligible Bonds in the Exchange Offer

If you deliver a Tender Order indicating a preference for New USD 2032 Bonds, you will receive a combination of New 2032 Bonds and New 2040 Bonds if the aggregate amount of New USD 2032 Bonds for which all Eligible Bonds would otherwise be exchanged in the Exchange Offer exceeds the USD Bond Cap.

Similarly, if you deliver a Tender Order indicating a preference for New Euro 2032 Bonds, you will receive a combination of New 2032 Bonds and New 2040 Bonds if the aggregate amount of New Euro 2032 Bonds for which all Eligible Bonds would otherwise be exchanged in the Exchange Offer exceeds the Euro Bond Cap.

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 Tender Orders.

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 Tender Orders 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 Tender Orders 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 Tender Orders.

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 Securities. 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 Tender Orders to be submitted properly and by the applicable deadline. If any person or entity commits an error in submitting Tender Orders, a beneficial owner of Eligible Bonds would have no claim to have their Tender Orders taken into account. In addition, any error committed in identifying an account to which the New Securities will be credited or in a Clearing System, direct participant or custodian or other securities intermediary in crediting the New Securities to the relevant account may result in delayed receipt of the New Securities, 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 Securities 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 Tender Orders 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 Tender Orders; and (iii) waive any such defect, irregularity or delay in respect of particular Tender Orders, whether or not the Province elects to waive similar defects, irregularities or any delay in respect of any other such Tender Orders.

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 Tender Order, 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 Tender Orders 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. Tender Orders 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 or non-consenting creditors 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 Tender Orders. 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 Securities 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 Offer 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 Securities, during which time those Holders will not be able to effect transfers of or trade in their Eligible Bonds in respect of which Tender Orders have been submitted, unless the Holder revokes its Tender Order 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 Tender Order.

Restrictions on transfer of Eligible Bonds for which Tender Orders 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 Tender Orders. A Holder will, on submitting a valid Tender Order, agree that its Eligible Bonds will be blocked in the relevant account in the Clearing System from the date the relevant Tender Order 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 Tender Order is revoked and the Eligible Bonds are unblocked by the Clearing System.

Risk Factors Relating to the New Securities

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

There currently is no market for the New Securities. 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 Securities were to develop, prevailing interest rates and general market conditions could affect the price of the New Securities. This could cause the New Securities 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 Securities and the price at which the New Securities will trade on the secondary market is uncertain.

Although the Province intends to list all series of New Securities on the Luxembourg Stock Exchange and to have them admitted for trading on the Euro MTF Market, certain series of New Securities issued hereby may not be so listed and traded. Moreover, even if a series of New Securities is so listed and traded, the Province may decide to delist the New Securities and/or seek an alternative listing for such New Securities 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 Securities.

Holders of other debt instruments of the Province may attempt to attach, enjoin or otherwise challenge the Province's payments on the New Securities. 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 securities 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 Securities.

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 Securities or the Province's failure or alleged failure to perform any obligations under the New Securities, which are governed by New York law, it may be difficult for holders of New Securities or the trustee in respect of the New Securities to obtain or enforce judgments of courts in the United States or elsewhere, including in Argentina, against the Province. See "Description of the New Securities—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 19 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 Securities, 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 Securities. 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 Securities 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 Securities to have a foreign judgment recognized and enforced against the Province in Argentina.

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

The Province will pay interest and principal on the New Securities 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 Securities 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 Securities, (2) the Investor's Currency-equivalent value of the principal payable on the New Securities and (3) the Investor's Currency-equivalent market value of the New Securities.

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

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

The Province may redeem the New Securities prior to Maturity.

The New Securities may be totally or partially redeemable at our option at any time as set forth in “Common Terms of the New Securities—Optional Redemption.” Accordingly, if interest rates continue to decline you may not be able to reinvest proceeds in a comparable security at the same interest rate the New Securities may have on such redemption date. In addition, if we redeem prior to the date on which a New Security begins to accrue interest, you would be repaid only the outstanding principal of the New Security, without any interest accrued.

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

The New Securities will be issued with substantial original issue discount (“**OID**”) or an equivalent includible amount for U.S. federal income tax purposes, and all of the stated interest on the New Securities will be treated as such.

A U.S. Holder (as defined in “Taxation—U.S. Federal Income Tax Consequences” below) generally will be required to accrue these amounts on a constant yield basis over the term of the New Securities. The inclusions will not be accompanied by any cash payments of interest until 2023 (in the case of the New USD 2040 Bonds, the New Euro 2040 Bonds, the New USD 2032 Bonds and the New Euro 2032 Bonds (collectively, the “**New P&I Bonds**”)) or 2025 (in the case of the USD Interest-Only Securities and the Euro Interest-Only Securities (collectively, the “**Interest-Only Securities**”)) and may substantially exceed cash received by the U.S. Holder in all years prior to maturity, redemption or disposition of the New Securities.

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 Interest-Only Securities could be recharacterized for U.S. federal income tax purposes in a manner that causes the New Securities with principal issued in exchange for 2006 Indenture Eligible Bonds to be non-fungible for U.S. federal income tax purposes with other New Securities of the same series.

Though not free from doubt, for U.S. federal income tax purposes, we intend to treat the Interest-Only Securities issued in exchange for the 2006 Indenture Eligible Bonds as separate instruments from the New P&I Bonds issued in exchange for such Eligible Bonds, and holders of the Interest-Only Securities and the New P&I Bonds will be required to file their returns consistently with such treatment.

However, the U.S. Internal Revenue Service (“**IRS**”) could disagree with our intended characterization, and could instead assert that all or a portion of the Interest-Only Securities should be integrated with the relevant series

of New Securities with principal. If the IRS were to successfully assert this potential alternative characterization, among other consequences, New Securities received in respect of 2006 Indenture Eligible Bonds generally would have a different amount of OID than New Securities of the same series received in respect of 2015 Indenture Eligible Bonds. As a result, New Securities received in respect of 2006 Indenture Eligible Bonds would not be fungible for U.S. federal income tax purposes with New Securities of the same series received in respect of 2015 Indenture Eligible Bonds, and the market value of all New Securities may be adversely affected.

For additional important information, see the discussion under “Taxation—U.S. Federal Income Tax Consequences—Characterization of the New Securities Issued in Exchange for 2006 Indenture Eligible Bonds” and “—Consequences of Holding the New Securities— *Interest-Only Securities*” 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 Securities are subject to restrictions on resales and transfers.

The New Securities 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 Securities 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 Securities, 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 Securities.

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 31.4% of the Province’s total revenues in 2018. 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 Securities, 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 27% in 2019. 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 Securities.

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). Moreover, as of the date of this Invitation, Argentina commenced an offer to exchange existing debt securities for new securities. 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."

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, 2019, the gross international reserve assets of the Central Bank totaled U.S.\$44.8 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;
- 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 Securities.

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, 2020. 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 Securities.

The transactions proposed in this Invitation may be affected by Argentina's ongoing restructuring efforts.

On April 21, 2020 Argentina commenced an offer to restructure certain of its outstanding debt securities. Although the commencement and expiration dates in such offer may differ from the ones included in this Invitation, and Argentina may decide to extend or earlier terminate such process, Argentina's and the Province's restructuring processes are being conducted in a very similar timeframe. The analysis of Holders of whether to submit Tender Orders with respect to Eligible Bonds may be negatively affected if Argentina is unable to successfully consummate the transactions proposed in its restructuring process.

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 obligation 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 securities. 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 Securities, 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."

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

In December 2019, a novel strain first noticed in Wuhan, in the Hubei province of China (COVID-19, caused by a novel coronavirus) was reported to the World Health Organization, with cases soon confirmed in multiple provinces in China. On March 11, 2020, the World Health Organization characterized the 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 the coronavirus, including mandatory quarantines and travel restrictions. In March and April 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.

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, which include 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 affected zones; closure of activities with high concentration of persons; prohibition of attendance of audience 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; temporary work leaves for pregnant women, people older than 60 years and other persons considered at special risk upon infection; authorization for federal public employees to work remotely (except for employees providing 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: assistance to Argentine residents abroad; 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 11, 2020: extension of nation-wide lockdown until April 26, 2020; additional authorizations for the performance of certain economic activities.

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, nor any additional restrictions that might need to be imposed. However, we expect that the COVID-19 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 will further adversely affect economic growth in 2020 and possibly 2021, 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 2020, that the fiscal deficit will increase and that its financial condition will further deteriorate.

The ultimate impact of each of these measures 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. See "—The novel coronavirus could have an adverse effect on our economy." 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 Securities.

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 Securities.

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. 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 Securities.

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. In particular, a strong 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 Securities.

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, which were originally effective until December 31, 2019, and established further restrictions, including a new tax on certain transactions involving the purchase of foreign currency by Argentine residents. Although the official exchange rate has stabilized since the adoption of these foreign exchange controls, we cannot assure you that the official exchange rate will not fluctuate significantly in the future. There can be no assurance regarding any future modification to foreign exchange controls.

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 Securities. 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 35% of its value with respect to the U.S. dollar in 2015 and depreciated further in 2018 and 2019, losing more than 70% of its value between December 2017 and December 2019. 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 Securities.

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 Securities.

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 Securities, 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 Securities.

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 the debt securities of the Province were rated "CC" by S&P and "Ca" by Moody's. Those ratings indicate that such debt securities are judged to be 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 Securities) 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 Province's number of public employees authorized to be hired 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, including 2017 and 2018 accounting for 49.42% and 47.41%, respectively, of total current expenditures.

The public sector employees of the Province are represented by 35 separate unions, including 5 teachers unions and 1 union for judicial employees. Wage negotiations usually begin every December for the following year. Public employees demanded higher wages, in part to keep pace with inflation. See "Public Sector Finance—Composition of Expenditures—Current Expenditures—Personnel."

The Province has limited flexibility to reduce personnel expenses in the future, as the 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 Securities.

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 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 until December 31, 2020. 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 controlling 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 Securities.

The Province's primary balance may be insufficient to meet its debt service obligations, including the New Securities. 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 Securities.

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 Securities.

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 Securities.

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,				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
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	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 - Batán	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.

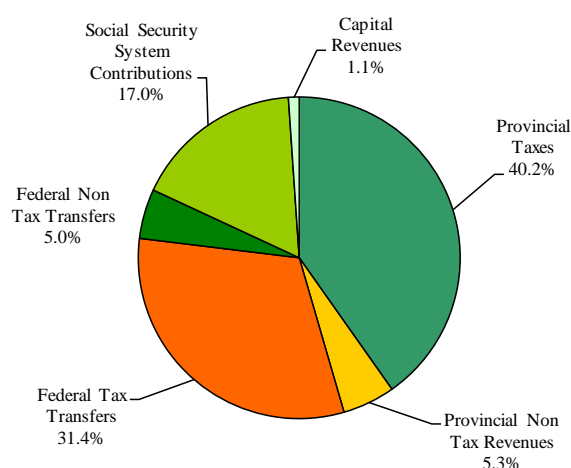
Main Sources of Revenues

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.”

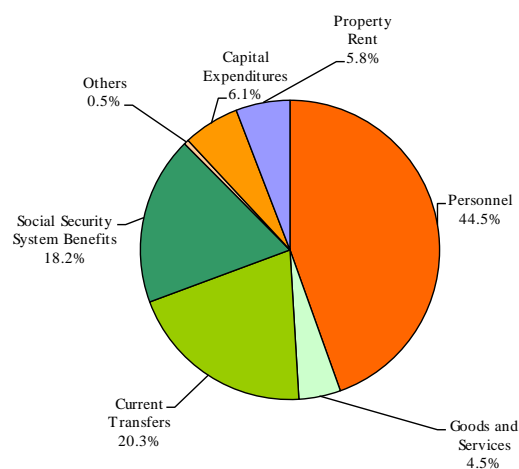
Composition of Expenditures

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		
	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)%
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.

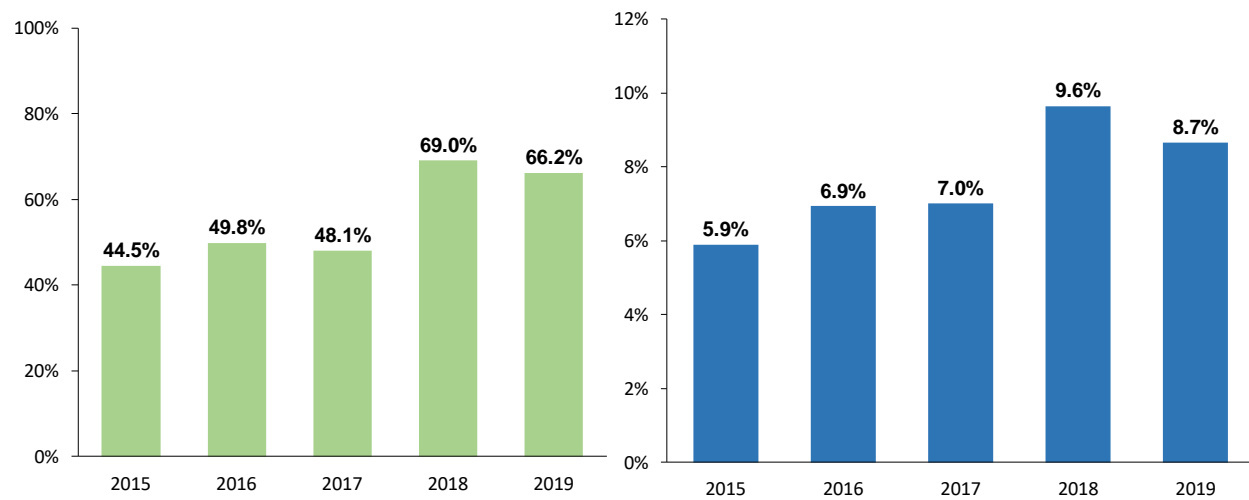
(5) CER accumulated from February 4, 2002 until the end of each period.

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%
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 Dec 31, 2017	As of Dec 31, 2018	As of Dec 31, 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 (iii) 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						
Amortization.....		119	99	114	199	16	5
Interest		103	56	34	13	1	0
Bondholders	9,652						
Amortization.....		1,880	1,337	1,069	1,339	498	3,469
Interest		1,216	987	781	613	522	623
USD	7,057						
Amortization.....		1,486	1,226	699	699	449	2,491
Interest		530	402	313	257	210	378
EUR	1,362						
Amortization.....		129	43	43	605	43	454
Interest		58	55	53	51	19	100
ARS	1,200						
Amortization.....		264	67	326	35	6	501
Interest		628	530	415	304	293	145
ARS + CER	23						
Amortization.....		0	0				23
Interest							
CHF	10						
Amortization.....							
Interest							
Multilateral	570						
Amortization.....		78	65	44	32	29	322
Interest		20	18	16	15	14	85
Bilateral	138						
Amortization.....							
Interest							
TOTAL	10,913						
Amortization.....		2,077	1,501	1,227	1,570	544	3,796
Interest		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 Withholdings	76,640	100,098	134,295	210,231	310,322
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 instalments 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
<u>Balance Sheet Data</u>			
	(in millions of pesos)		
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.

TERMS OF THE INVITATION

General

We hereby invite Eligible Holders to deliver Tender Orders to exchange their Eligible Bonds for New Securities on the terms and subject to the conditions described herein. Each Holder that submits (and does not revoke) Tender Orders thereby also consents to the actions as proposed in this Invitation, including to authorize and direct the Trustees to modify any Eligible Bonds of the relevant series that remain outstanding after giving effect to the Exchange Offer by substituting them.

The New Securities 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 Securities 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 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 Securities 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 Securities 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 Tender Orders will represent and warrant that it (i) has full power and authority to deliver such Tender Order, (ii) has not relied on the Trustees, the Luxembourg Listing Agent, 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) is not a Holder whose written consents are required to be disregarded pursuant to the definition of Outstanding herein (iv) acknowledges that the information contained in this invitation memorandum has not been independently verified by the Trustees, the Luxembourg Listing Agent, the Dealer Managers or the Information, Tabulation and Exchange Agent and has been provided by us and other sources that we deem reliable, and (v) 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.

Holders who submit valid Tender Orders that are accepted pursuant to the Invitation or whose Eligible Bonds are amended and substituted will not be entitled to receive any cash payment or additional consideration for any interest accrued and unpaid on any Eligible Bond that is exchanged for a New Security or modified and substituted for a New Security pursuant to the Invitation.

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 Tender Orders

As described in detail below, for accepted tenders of Eligible Bonds, subject to the Bond Caps applicable to the New USD 2032 Bonds and the New Euro 2032 Bonds, you will receive on the Settlement Date:

- For each U.S.\$100 outstanding principal amount of the 2015 Indenture Eligible Bonds (after taking into account amortization payments to date), (i) U.S.\$90 principal amount of the New USD 2032 Bonds or (ii) U.S.\$95 principal amount of the New USD 2040 Bonds.
- For each U.S.\$100 outstanding principal amount of the 2006 Indenture Eligible Bonds (after taking into account amortization payments to date), (i) U.S.\$90 principal amount of the New USD 2032 Bonds and U.S.\$90 reference amount of the Interest-Only Securities or (ii) U.S.\$95 of principal amount the New USD 2040 Bonds and U.S.\$95 reference amount of the Interest-Only Securities.
- For each €100 outstanding principal amount of the 2015 Indenture Eligible Bonds (after taking into account amortization payments to date), (i) €90 principal amount of the New Euro 2032 Bonds or (ii) €95 principal amount of the New Euro 2040 Bonds.
- For each €\$100 outstanding principal amount of the 2006 Indenture Eligible Bonds (after taking into account amortization payments to date), (i) €90 principal amount of the New Euro 2032 Bonds and €90 reference amount of the Interest-Only Securities or (ii) €95 principal amount of the New Euro 2040 Bonds and €95 reference amount of the Interest-Only Securities.

The USD Interest-Only Securities and the Euro Interest-Only Securities are only available for Holders of 2006 Indenture Eligible Bonds. Holders of 2015 Indenture Eligible Bonds will not receive USD Interest-Only Securities or Euro Interest-Only Securities.

Holders may indicate in their Tender Orders whether they prefer to receive New 2032 Bonds or New 2040 Bonds in exchange for their Eligible Bonds. If we receive Tender Orders to exchange for New USD 2032 Bonds in an aggregate principal amount that exceeds the USD Bond Cap or Tender Orders to exchange for New Euro 2032 Bonds in an aggregate principal amount that exceeds the Euro Bond Cap, the actual principal amounts of New USD 2032 Bonds and New Euro 2032 Bonds delivered to Holders indicating a preference for New USD 2032 Bonds or New Euro 2032 Bonds, as applicable, shall be prorated as described under “Terms of the Invitation—Bond Caps—Excess Bond Caps Procedures” and such Holders shall receive New USD 2040 Bonds and Interest-Only USD Securities or New Euro 2040 Bonds and Interest only Euro Securities, as applicable, in exchange for their Eligible Bonds that are not exchanged for New 2032 Bonds.

You will not be entitled to receive payment of any accrued and unpaid interest on your tendered Eligible Bonds. We will settle Eligible Bonds accepted for exchange in the Exchange Offer for which the conditions to the Invitation, as applicable, have been satisfied or waived on the Settlement Date.

For the avoidance of doubt, if you deliver a Tender Order accepted for exchange in the Exchange Offer for which the conditions to the Invitation, as applicable, have been satisfied or waived on the Settlement Date, you will receive New Securities even if the relevant Proposed Modifications are not successful.

Bond Caps

The aggregate principal or reference amount of New Securities that Holders will receive for each U.S.\$100 or €100 principal amount of Eligible Bonds of a given series if such Eligible Bonds is accepted for exchange pursuant to the Exchange Offer is referred to as the “**Exchange Consideration**” for such series.

The aggregate principal amount of New USD 2032 Bonds and New Euro 2032 Bonds will be subject to the USD Bond Cap or the Euro Bond Cap, as set forth below.

New Security	Bond Caps (<i>in millions</i>)
New USD 2032 Bond	U.S.\$2,340
New Euro 2032 Bond	€540

We reserve the right, but are under no obligation, to increase the Bond Caps at any time. There is no assurance that we will increase the Bond Caps.

If the aggregate Exchange Consideration of all Eligible Bonds for which we accept Tender Orders as to which the Eligible Holders have indicated a preference for New USD 2032 Bonds or New Euro 2032 Bonds exceeds the USD Bond Cap or the Euro Bond Cap, as applicable, then the principal amount of New USD 2032 Bonds or New Euro 2032 Bonds delivered to such Eligible Holders will be prorated and any Eligible Bonds not exchanged for New USD 2032 Bonds or New Euro 2032 Bonds will be exchanged for New USD 2040 Bonds or New Euro 2040 Bonds, respectively, on the basis set forth under “Consideration to Be Received Pursuant to Tender Orders.”

Excess Bond Caps Procedures

For 2006 Indenture Eligible Bonds:

If you indicate a preference to exchange a 2006 Indenture Eligible Bond for New USD 2032 Bonds (together with U.S.\$90 reference amount of the USD Interest-Only Securities) that cannot be fulfilled in full due to the operation of the Bond Caps, the unexchanged portion of your 2006 Indenture Eligible Bond will instead be exchanged for New USD 2040 Bonds (together with U.S.\$95 reference amount of the USD Interest-Only Securities).

If you indicate a preference to exchange a 2006 Indenture Eligible Bond for New Euro 2032 Bonds (together with €90 reference amount of the Euro Interest-Only Securities) that cannot be fulfilled in full due to the operation of the Bond Caps, the unexchanged portion of your 2006 Indenture Eligible Bond will instead be exchanged for New Euro 2040 Bonds (together with €95 reference amount of the Euro Interest-Only Securities).

For 2015 Indenture Eligible Bonds:

If you indicate a preference to exchange a 2015 Indenture Eligible Bond for New USD 2032 Bonds cannot be fulfilled in full due to the operation of the Bond Caps, the unexchanged portion of your 2015 Indenture Eligible Bond will instead be exchanged for New USD 2040 Bonds.

If you indicate a preference to exchange a 2015 Indenture Eligible Bond for New Euro 2032 Bonds cannot be fulfilled in full due to the operation of the Bond Caps, the unexchanged portion of your 2015 Indenture Eligible Bond will instead be exchanged for New Euro 2040 Bonds.

Proposed Modifications

In connection with the Exchange Offer, we are soliciting written consents from Holders to the Proposed Modifications. If you deliver a Tender Order for Eligible Bonds of any series, you are also giving us your written consent to the Proposed Modifications with respect to any Eligible Bonds of such series that are not exchanged in the Exchange Offer.

If the 2006 Eligible Bonds Proposed Modifications become effective with respect to a series of 2006 Indenture Eligible Bonds, the Holders of such series of 2006 Indenture Eligible Bonds authorize the 2006 Indenture Trustee, on behalf of all Holders of such series of 2006 Indenture Eligible Bonds, to substitute all bonds of such series:

- For each U.S.\$100 outstanding principal amount of U.S. dollar-denominated Eligible Bonds (after taking into account amortization payments to date), U.S.\$95 principal amount of the New USD 2040 Bonds.
- For each €100 outstanding principal amount of Euro-denominated Eligible Bonds (after taking into account amortization payments to date), €95 principal amount of the New Euro 2040 Bonds.

If the 2015 Eligible Bonds Proposed Modifications become effective with respect to a series of 2015 Indenture Eligible Bonds, the Holders of such series of 2015 Indenture Eligible Bonds authorize the 2015 Indenture Trustee, on behalf of all Holders of such series of 2015 Indenture Eligible Bonds, to substitute all bonds of such series:

- For each U.S.\$100 outstanding principal amount of U.S. dollar-denominated Eligible Bonds (after taking into account amortization payments to date), U.S.\$90 principal amount of the New USD 2040 Bonds.
- For each €100 outstanding principal amount of Euro-denominated Eligible Bonds (after taking into account amortization payments to date), €90 principal amount of the New Euro 2040 Bonds.

All series of New Securities will be issued under the 2015 Indenture. As such, for each series of 2006 Indenture Eligible Bonds, the relevant Proposed Modifications include a substitution for a security issued under the 2015 Indenture.

You will not be entitled to receive any USD Interest-Only Securities or Euro Interest-Only Securities or payment of any accrued and unpaid interest on your Eligible Bonds that are substituted for New Securities.

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 modified and substituted pursuant to the Proposed Modifications.

Requisite Consents

If we receive 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 satisfied or waived 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. In that event, Holders that submitted a Tender Order will be entitled to receive the New Securities selected in their Tender Order, subject to the Bond Caps for New 2032 Bonds, and all Eligible Bonds held by non-consenting Holders, including Ineligible Holders, will be modified and substituted for the relevant amounts of New USD 2040 Bonds or New Euro 2040 Bonds, as applicable, pursuant to the Proposed Modifications. These non-consenting Holders will not receive any USD Interest-Only Securities or the Euro Interest-Only Securities.

Requisite Consents for the 2006 Indenture Eligible Bonds

If we consider written consents on an aggregated basis to determine the effectiveness of the 2006 Indenture Proposed Modifications, it is a condition to the effectiveness of the relevant 2006 Indenture Eligible Bonds Proposed Modifications that we receive and accept valid written consents (which are part of each Tender Order) 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 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 2006 Indenture Eligible Bonds Proposed Modifications by excluding one or more series of the initially designated series, it is a condition to the effectiveness of the 2006 Indenture Eligible Bonds Proposed Modifications with respect to an excluded series that we receive and accept valid written consents (which are part of each Tender Order) from Holders of not less than 75% of the 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 tendering Eligible Bonds for exchange and thereby delivering a written consent to the Proposed Modifications applicable to that series of Eligible Bonds, each Holder will also be giving written 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 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 reserved 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 written consent to the applicable Proposed Modifications.

Subject to the conditions to effectiveness indicated in this invitation memorandum, the Proposed Modifications will be conclusive and binding on all Holders of each series of Eligible Bonds affected by the Proposed Modifications (A) that we have not re-designated 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 written consent to the applicable Proposed Modifications.

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

Series of Eligible Bond	ISIN	Principal Amount Outstanding
USD 2020 Bonds	XS0234086196 / XS0234086436	U.S.\$10,616,350.67
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

The term “**Outstanding**” for each series of 2006 Indenture Eligible Bonds has the meaning ascribed to it in the 2006 Indenture.

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

The effectiveness of the Proposed Modifications as they relate to the 2006 Indenture Eligible Bonds is not conditioned on the effectiveness of the Proposed Modifications affecting 2015 Indenture Eligible Bonds.

Requisite Consents for the 2015 Indenture Eligible Bonds

If we consider written consents on an aggregated basis to determine the effectiveness of the 2015 Indenture Proposed Modifications, it is a condition to the effectiveness of the relevant 2015 Indenture Eligible Bonds Proposed Modifications that we receive and accept valid written consents 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 Eligible Bonds (taken individually) then Outstanding, and subject to re-designation at our discretion. If we re-designate the series of Eligible Bonds affected by the 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.

For the avoidance of doubt, written consents to the Proposed Modifications affecting one or more series of 2006 Indenture Eligible Bonds may be taken into account for purposes of determining whether more than 66⅔% of the aggregate principal amount of Eligible Bonds have consented to the Proposed Modifications, pursuant to Section 11.6(c) of the 2015 Indenture; *provided, however*, that no Proposed Modifications as to the 2015 Indenture Eligible Bonds will be effective unless the Proposed Modifications as to such included series of 2006 Indenture Eligible Bonds of such series is effective.

If we re-designate the series of 2015 Indenture Eligible Bonds that will be aggregated for the 2015 Indenture Eligible Bonds Proposed Modifications by excluding one or more series of the initially designated series, it is a condition to the effectiveness of the 2015 Indenture Eligible Bonds Proposed Modifications with respect to an excluded series that we receive and accept valid written consents (which are part of each Tender Order) from Holders of more than 75% of the 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 written consent to the Proposed Modifications applicable to that series of Eligible Bonds, each Holder will also be giving written 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 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 written consent to the applicable Proposed Modifications.

Subject to the conditions to effectiveness indicated in this invitation memorandum the Proposed Modifications will be conclusive and binding on all Holders of each series of Eligible Bonds affected by the Proposed Modifications (A) that we have not re-designated 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 such series has granted its written consent to the applicable Proposed Modifications.

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

Series of Eligible Bond	ISIN	Principal Amount Outstanding
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

The term “**Outstanding**” for each series of 2015 Indenture Eligible Bonds has the meaning ascribed to it in the 2015 Indenture.

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.”

Currency Exchange Rates

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:

For 2006 Indenture Eligible Bonds

- 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 Expiration. Such rate will be rounded to 4 decimal places.

For the 2015 Indenture Eligible Bonds

- 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 Expiration. Such rate will be rounded to 4 decimal places.

Acceptance of Tenders

We reserve the right not to accept Tender Orders 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.

If we terminate the Invitation without accepting any Tender Orders, all “blocking” instructions will be automatically revoked, and if we do not accept your Tender Order, 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 absence of any law or regulation that would, and the absence of any injunction, action or other proceeding (whether pending or threatened) that could, make unlawful or invalid or enjoin the implementation of the Proposed Modifications or the Invitation or question the legality or validity thereof; and
2. there not having been any change or development that, in the Province’s sole discretion, 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;

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

3. receipt of the Requisite Consents for the 2006 Indenture Eligible Bonds Proposed Modifications or the 2015 Indenture Eligible Bonds Proposed Modifications, as applicable, after giving effect to any exclusion by us of any series of Eligible Bonds; and
4. the execution of the 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 and 4 described above.

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 Securities pursuant to the Invitation, Eligible Holders must submit a valid Tender Order for at least \$2 or €2 principal amount of the Eligible Bonds.

To determine the principal or reference amount of New Securities, as applicable, that you will receive, the principal amount of Eligible Bonds that you tendered and were accepted or modified and substituted pursuant to the Proposed Modifications will be multiplied by the appropriate ratios, and the resultant amount will be rounded down to the nearest whole number of USD or euro, as appropriate. This rounded amount will be the principal or reference amount of New Securities, as applicable, received, and no additional cash will be paid in lieu of any principal or reference amount of New Securities not received as a result of rounding down.

Expiration; Extension; Termination; and Amendment

For the purposes of the Invitation, the term “**Expiration**” means 5:00 p.m. CET, on May 11, 2020, 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. We reserve the right, subject to applicable law, to extend the Expiration without extending the deadline to revoke Tender Orders.

After the Expiration, you may no longer deliver or revoke Tender Orders.

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.

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 Tender Orders 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, including amendments applicable in any one or more jurisdictions, by giving written notice thereof to the Information, Tabulation and Exchange Agent.

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 or beneficial owner 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 to be so notified will not affect the extension, termination or amendment of the Invitation.

If we elect to terminate the Invitation, any Tender Orders previously delivered will be of no further force or effect. Failure of any Holder or beneficial owner of the Eligible Bonds to be so notified will not affect the termination or amendment of the Invitation.

Results Announcement

On May 12, 2020, 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, if applicable, on the Execution Date, we and the Trustees will execute the Supplemental Indentures and substitute the Eligible Bonds of such series for New Securities, as described under “—Proposed Modifications.” Any Proposed Modifications for any series of Eligible Bonds will become effective upon execution of the applicable Supplemental Indentures. 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 Tender Order, and (ii) such Holders that tendered their Eligible Bonds in the Exchange Offer will receive the applicable New Securities.

Settlement

The Settlement Date for the Exchange Offer is expected to be May 14, 2020, unless the Invitation is extended, in which case a new Settlement Date, if necessary, will be announced by press release.

Settlement will be made on the date when we notify the Information, Tabulation and Exchange Agent that all conditions to settlement have been satisfied or waived and that we are prepared to issue the New Securities. If we accept your Tender Order, you will receive on the Settlement Date the New Securities by credit to the same account at a principal clearing system from which your Eligible Bonds were tendered.

If you did not validly deliver (or if you validly revoked) a Tender Order or if you are an Ineligible Holder and your Eligible Bonds are being modified and substituted pursuant to the Proposed Modifications, you will receive on the Settlement Date the New Securities by credit to the same account at a principal clearing system in which you held your Eligible Bonds on the Settlement Date.

All Eligible Bonds that are exchanged or modified and 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 Offer shall be conclusive and binding on you, absent manifest error.

No Recommendation

None of us, the Dealer Managers, the Trustees, the Luxembourg Listing Agent, 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 Tender Orders, 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 a Tender Order.

Repurchases of Eligible Bonds That Remain Outstanding; Subsequent Exchange Offer

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. See “Description of the New Securities—Rights upon Future Offers” for a description of certain rights of holders of New 2032 Bonds and New 2040 Bonds in connection with any voluntary offer to purchase or exchange or solicits consents to amend any Eligible Bonds that were not exchanged or amended pursuant to the Invitation.”

Market for the Eligible Bonds and New Securities

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 Proposed Modifications and the Exchange Offer 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 Offer will remain outstanding.

Each series of New Securities 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 Securities 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 Securities on the Luxembourg Stock Exchange and the ByMA and to have each series of New Securities admitted for trading on the Euro MTF Market and MAE. No assurance can be given as to the liquidity of the trading market for any series of the New Securities. The price at which each series of the New Securities 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 Tender Orders 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 Tender Orders 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 SECURITIES

This section of this invitation memorandum is only a summary of the material provisions of the New Securities and the 2015 Indenture. In addition, the Province urges you to read the 2015 Indenture and the form of terms and conditions of the New Securities included as Annex A for a complete description of its obligations and your rights as a holder of the New Securities. Copies of the 2015 Indenture are available free of charge at the offices of the trustee.

For purposes of this section, the term “**Holder**” means a registered holder of New Securities.

The New Securities will be issued pursuant to the 2015 Indenture, as modified by the Proposed Modifications.

Specific Terms of Each Series of New Securities

The New USD 2032 Bonds will:

- mature on September 15, 2032;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
September 15, 2022	September 15, 2023	0.50%
September 15, 2023	March 15, 2028	2.50%
March 15, 2028	September 15, 2032	3.50%

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 on March 15 and September 15 of each year, beginning on March 15, 2023, to persons in whose names the New USD 2032 Bonds are registered at the close of business on March 14 and September 14 of each year, respectively;
- pay principal in U.S. dollars in thirteen installments on September 15, 2026, March 15, 2027, September 15, 2027, March 15, 2028, September 15, 2028, March 15, 2029, September 15, 2029, March 15, 2030, September 15, 2030, March 15, 2031, September 15, 2031, March 15, 2032, and at maturity, to be calculated as follows: the aggregate amount of each principal payment on the New USD 2032 Bonds shall equal the principal amount outstanding as of the close of business on the day before any principal payment date, divided by the number of remaining principal installments; and
- be issued in one series and in denominations of U.S.\$1.00 and integral multiples thereof.

The New Euro 2032 Bonds will:

- mature on September 15, 2032;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
September 15, 2022	September 15, 2023	0.375%
September 15, 2023	March 15, 2028	0.550%
March 15, 2028	September 15, 2032	2.000%

computed on the basis of a 360 day year comprised of twelve 30-day months;

- pay interest in euros semi-annually in arrears on March 15 and September 15 of each year, beginning on March 15, 2023, to persons in whose names the New Euro 2032 Bonds are registered at the close of business on March 14 and September 14 of each year, respectively;

- pay principal in euros in thirteen installments on September 15, 2026, March 15, 2027, September 15, 2027, March 15, 2028, September 15, 2028, March 15, 2029, September 15, 2029, March 15, 2030, September 15, 2030, March 15, 2031, September 15, 2031, March 15, 2032, and at maturity, to be calculated as follows: the aggregate amount of each principal payment on the New Euro 2032 Bonds shall equal the principal amount outstanding as of the close of business on the day before any principal payment date, divided by the number of remaining principal installments; and
- be issued in one series and in denominations of €1.00 and integral multiples thereof.

The New USD 2040 Bonds will:

- mature on June 15, 2040;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
December 15, 2022	December 15, 2025	3.375%
December 15, 2025	June 15, 2040	5.375%

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 on June 15 and December 15 of each year, beginning on June 15, 2023, to persons in whose names the New USD 2040 Bonds are registered at the close of business on June 14 and December 14 of each year, respectively;
- pay principal in U.S. dollars fifteen installments on June 15, 2033, December 15, 2033, June 15, 2034, December 15, 2034, June 15, 2035, December 15, 2035, June 15, 2036, December 15, 2036, June 15, 2037, December 15, 2037, June 15, 2038, December 15, 2038, June 15, 2039, December 15, 2039 and at maturity, to be calculated as follows: the aggregate amount of each principal payment on the New USD 2040 Bonds shall equal the principal amount outstanding as of the close of business on the day before any principal payment date, divided by the number of remaining principal installments; and
- be issued in one series and in denominations of U.S.\$1.00 and integral multiples thereof.

The New Euro 2040 Bonds will:

- mature on June 15, 2040;
- accrue interest at the following annual rates:

From and including	To but excluding	Rate
December 15, 2022	December 15, 2025	2.250%
December 15, 2025	June 15, 2040	3.875%

computed on the basis of a 360 day year comprised of twelve 30-day months;

- pay interest in euros semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2023, to persons in whose names the New Euro 2040 Bonds are registered at the close of business on June 14 and December 14 of each year, respectively;
- pay principal in euros in fifteen installments on June 15, 2033, December 15, 2033, June 15, 2034, December 15, 2034, June 15, 2035, December 15, 2035, June 15, 2036, December 15, 2036, June 15, 2037, December 15, 2037, June 15, 2038, December 15, 2038, June 15, 2039, December 15, 2039 and at maturity, to be calculated as follows: the aggregate amount of each principal payment on the New Euro 2040 Bonds shall equal the principal amount outstanding as of the close of

business on the day before any principal payment date, divided by the number of remaining principal; and

- be issued in one series and in denominations of €1.00 and integral multiples thereof.

The New USD Interest-Only Securities will:

- expire on June 15, 2040;
- accrue interest on the reference amount at an annual rate of 1.100% from and including December 15, 2024 through June 15, 2040, 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 on June 15 and December 15 of each year, beginning on June 15, 2025, to persons in whose names the New USD Interest-Only Securities are registered at the close of business on June 14 and December 14 of each year, respectively;
- not entitle the holder thereof to any payment of the reference amount (which, for the avoidance of doubt, will (i) remain constant until expiration, and (ii) not be considered as “principal” or an obligation to pay principal); and
- be issued in one series and in denominations of \$1.00 and integral multiples thereof.

The New Euro Interest-Only Securities will:

- expire on June 15, 2040;
- accrue interest on the reference amount at an annual rate of 0.950% from and including December 15, 2024 through June 15, 2040, computed on the basis of a 360 day year comprised of twelve 30-day months;
- pay interest in euros semi-annually in arrears on June 15 and December 15 of each year, beginning on June 15, 2025, to persons in whose names the New Euro Interest-Only Securities are registered at the close of business on June 14 and December 14 of each year, respectively
- not entitle the holder thereof to any payment of the reference amount (which, for the avoidance of doubt, will (i) remain constant until expiration, and (ii) not be considered as “principal” or an obligation to pay principal); and
- be issued in one series and in denominations of €1.00 and integral multiples thereof.

General Terms of the New Securities

The New Securities will:

- be direct, general, unconditional and unsubordinated obligations of the Province;
- be totally or partially redeemable at our option at any time as described in “—Optional Redemption”;
- 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 Securities, 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 Securities, as further described below.

Optional Redemption

New 2032 Bonds and New 2040 Bonds

We will have the right at our option, upon giving not less than 30 days' nor more than 60 days' notice, to redeem New 2032 Bonds or New 2040 Bonds, in whole or in part, at any time or from time to time prior to their maturity, at a redemption price equal to the principal amount thereof, plus interest accrued but not paid on the principal amount of such New Securities to the date of redemption.

USD Interest-Only Securities

We will have the right at our option, upon giving not less than 30 days' nor more than 60 days' notice, to redeem the USD Interest-Only Securities, in whole or in part, at any time or from time to time prior to their maturity, at the USD Interest-Only Redemption Price, plus interest accrued but not paid on the reference amount of the USD Interest-Only Securities to be redeemed to the date of redemption specified in such notice.

Euro Interest-Only Securities

We will have the right at our option, upon giving not less than 30 days' nor more than 60 days' notice, to redeem the Euro Interest-Only Securities, in whole or in part, at any time or from time to time prior to their maturity, at the Euro Interest-Only Redemption Price, plus interest accrued but not paid on the reference amount of the Euro Interest-Only Securities to be redeemed to the date of redemption specified in such notice.

Definitions and Terms Applicable to Optional Redemption

For purposes of the USD Interest-Only Securities, the following terms have the following meanings:

"USD Interest-Only Redemption Price" means an amount equal to the sum of the present values of the remaining scheduled payments of interest on the Interest-Only Securities being redeemed (excluding the portion of any such interest accrued to the redemption date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Yield (as defined below), plus 50 basis points, to be calculated by the Calculation Agent.

"Treasury Yield" means, with respect to the redemption date, the rate per year equal to the semi-annual equivalent yield to maturity or interpolated (on a day-count basis) yield to maturity of the applicable Comparable Treasury Issue, assuming a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the Weighted Average Life of the Interest-Only Securities to be redeemed as would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of investment grade debt securities of a comparable maturity to the Weighted Average Life of Interest-Only Securities.

"Comparable Treasury Price" means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations for such redemption date, or (2) if the Province obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

"Independent Investment Banker" means, either BofA Securities, Inc. or Citigroup Global Markets Inc. or their respective successors or affiliates or, if such firms are unwilling or unable to select the Comparable Treasury Issue, one of the remaining Reference Treasury Dealers appointed by the Province.

“Weighted Average Life” at any date means the number of years obtained by dividing: (1) the sum of products obtained by multiplying (a) the amount of each then remaining interest payment in respect of the Interest-Only Securities, by (b) the number of years (calculated to the nearest one twelfth) that will elapse between such date and the making of such interest payment; by (2) the then outstanding cumulative remaining interest payments of the Interest-Only Securities.

“Reference Treasury Dealer” means, BofA Securities, Inc. or Citigroup Global Markets Inc. or their affiliates and any three other Primary Treasury Dealers selected by the Province; provided that if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a “Primary Treasury Dealer”), the Province will substitute such dealer for another Primary Treasury Dealer.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Province, of the bid and asked prices for the applicable Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Province by such Reference Treasury Dealer at 3:30 p.m., (New York time) on the third business day preceding such redemption date.

“Calculation Agent” means BofA Securities, Inc. or Citigroup Global Markets Inc. or their respective affiliates or any other Primary Treasury Dealers selected by the Province.

For purposes of the Euro Interest-Only Securities, the following terms have the following meanings:

“Euro Interest-Only Redemption Price” means an amount equal to the sum of the present values of the remaining scheduled payments of interest on the Interest-Only Securities being redeemed (excluding the portion of any such interest accrued to the redemption date) discounted to the redemption date on a semi-annual basis (on an ACTUAL/ACTUAL (ICMA) basis) at the Comparable Government Bond Rate (as defined below), plus 50 basis points, to be calculated by the Calculation Agent.

“Comparable Government Bond” means, with respect to the Euro Interest-Only Securities to be redeemed in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us, a bond that is a direct obligation of the Federal Republic of Germany (“**German government bond**”) whose maturity is comparable to the Weighted Average Life of the Interest-Only Securities to be redeemed as would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of investment grade debt securities of a comparable maturity to the Weighted Average Life of the Euro Interest-Only Securities, or if such independent investment bank in its discretion determines that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German government bonds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

“Comparable Government Bond Rate” means the gross redemption yield (rounded to three decimal places, with 0.0005 being rounded upwards).

“Weighted Average Life” at any date means the number of years obtained by dividing: (1) the sum of products obtained by multiplying (a) the amount of each then remaining interest payment in respect of the Interest-Only Securities, by (b) the number of years (calculated to the nearest one twelfth) that will elapse between such date and the making of such interest payment; by (2) the then outstanding cumulative remaining interest payments of the Interest-Only Securities.

Procedure

The Province will mail, or cause to be mailed, a notice of redemption to each Holder (with a copy to the Trustee) by first-class mail, postage prepaid, at least 30 days and not more than 60 days prior to the redemption date, to the address of each Holder as it appears on the register maintained by the registrar. A notice of redemption will specify the redemption date and may provide that it is subject to certain conditions that will be specified in the notice. If those conditions are not met, the redemption notice will be of no effect and the Province will not be obligated to redeem the Interest-Only Securities.

Unless the Province defaults in the payment of the redemption price, on and after the redemption date interest will cease to accrue on the New Securities called for redemption.

Events of Default and Acceleration of Maturity

Each of the following is an event of default with respect to the New Securities of each series:

- (a) The Province fails to pay any principal due on the New Securities of such series when due and payable for 10 days after the applicable payment date;
- (b) The Province fails to pay any interest or Additional Amounts due on the New Securities of such series when due and payable 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 Securities of such series or the 2015 Indenture insofar as it relates to such New Securities, which failure continues unremedied for 60 days after written notice thereof has been given to the Province by the 2015 Indenture 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 Securities of such series or the 2015 Indenture 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 Securities of such series or the 2015 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 Securities 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 Securities of such series or any material provision of the 2015 Indenture invalid or unenforceable or purport to prevent or delay the performance or observance by the Province of its obligations under the New Securities 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 or reference amount, as applicable, of the New Securities of such series then outstanding may declare all of the New Securities of such series then outstanding to be immediately due and payable by giving written notice to the Province, with a copy to the trustee, provided that the amount that becomes immediately due and payable on any Interest-Only Securities shall be the sum of the present values of the remaining scheduled

payments of interest on the Interest-Only Securities being redeemed (excluding the portion of any such interest accrued to the date of acceleration) discounted to such date (i) in the case of the USD Interest-Only Securities, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the rate per annum of 5.375% or (ii) in the case of the Euro Interest-Only Securities, on a semi-annual basis (on an ACTUAL/ACTUAL (ICMA) basis) at the rate per annum of 3.875%, plus accrued and unpaid interest on the reference amount to such date.

New 2032 Bonds and New 2040 Bonds

If, at any time after New 2032 Bonds or New 2040 Bonds shall have been declared due and payable, the Province shall pay or shall deposit (or cause to be paid or deposited) with the 2015 Indenture Trustee a sum sufficient to pay all amounts of interest and principal due upon all the New 2032 Bonds or New 2040 Bonds (with interest on overdue amounts of interest, to the extent permitted by law, and on such principal of each New 2032 Bonds or New 2040 Bonds at the rate of interest specified in such New 2032 Bonds or New 2040 Bonds, to the date of such payment) and such amount as shall be sufficient to cover the reasonable fees and expenses of the 2015 Indenture Trustee, including, without limitation, the fees and expenses of its counsel, and if any and all events of default under the New 2032 Bonds or New 2040 Bonds, other than the non-payment of principal on the New 2032 Bonds or New 2040 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 2032 Bonds or New 2040 Bonds then outstanding, by written notice to the Province and to the 2015 Indenture Trustee, may, on behalf of the Holders of all of the New 2032 Bonds or New 2040 Bonds, 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.

Interest-Only Securities

If, at any time after Interest-Only Securities shall have been declared due and payable, the Province shall pay or shall deposit (or cause to be paid or deposited) with the 2015 Indenture Trustee a sum, to be calculated by the Calculation Agent, sufficient to pay all amounts due as described above (with interest on overdue amounts of interest, to the extent permitted by law, at the rate of interest specified in such Interest-Only Securities to the date of such payment) and such amount as shall be sufficient to cover the reasonable fees and expenses of the 2015 Indenture Trustee, including, without limitation, the fees and expenses of its counsel, and if any and all events of default under the Interest-Only Securities, other than the non-payment of interest on the Interest-Only Securities 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% of the reference amount of the Interest-Only Securities then outstanding, by written notice to the Province and to the 2015 Indenture Trustee, may, on behalf of the Holders of all of the Interest-Only Securities, 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 Securities 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.

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, in the case of the New Euro 2032 Bonds, the New Euro 2040 Bonds and the Euro Interest-Only Securities, a paying agent in London or in a Member State of the EEA. Initially, Elavon Financial Services DAC, UK Branch, will act as London paying agent for the New Euro 2032 Bonds, New Euro 2040 Bonds and Euro Interest-Only Securities. The Province will give prompt notice to all Holders of New Securities 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.

Further Issues of New Securities

Under the terms of the 2015 Indenture, the Province may from time to time, without the consent of the Holders of a series of New Securities, create and issue additional notes having terms and conditions which are the same as those New Securities in all respects, except for the issue date, issue price and first payment date of interest on those New Securities; provided, however, that any such additional New Securities subsequently issued that are not fungible with the previously outstanding New Securities of such series for U.S. federal income tax purposes shall have a separate CUSIP, ISIN or other identifying number from such previously outstanding New Securities. Additional New 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 New Securities of the relevant series.

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 Securities (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.

Rights Upon Future Offers

Under the terms of the New 2032 Bonds and New 2040 Bonds (but not the Interest-Only Securities), if following the Expiration and on or prior to the fifth anniversary of the Settlement Date, the Province voluntarily makes an offer to purchase or exchange or solicits consents to amend any Eligible 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 New 2032 Bonds or New 2040 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 2032 Bonds or New 2040 Bonds 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 Eligible Bonds denominated in the same currency as such Holder’s New 2032 Bonds or New 2040 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 Eligible Bonds at least equal to (a) the principal amount of such Holder’s New 2032 Bonds or New 2040 Bonds divided by the exchange ratio applied in the Invitation minus (b) an amount equal to the sum of (i) the aggregate amount of interest, if any, previously paid on such New 2032 Bonds or New 2040 Bonds and (ii) the amount that would be payable in respect of Interest-Only Securities denominated in the same currency as such Holder’s New 2032 Bonds or New 2040 Bonds having a reference amount equal to the principal amount of such New 2032 Bonds or New 2040 Bonds if they were redeemed on the commencement date of such Qualifying Offer.

Status

The New Securities will be direct, general, unconditional and unsubordinated Public External Indebtedness of the Province. The New 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 New Securities 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 New Securities.

While the New Securities are held in global form, Holders of beneficial interests in the New Securities 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 New Securities 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 New Securities 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, London 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 New Securities 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 New Securities. 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 New Securities as they become due will not be affected until the expiration of the prescription period specified in the New Securities. 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 Securities (including Additional Amounts) will become void unless made within four years of the date on which that payment first became due.

Registration and Book-Entry System

The New Securities 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 Securities 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 Securities under the Indenture.

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 Securities among themselves in the ordinary way according to the rules and operating procedures of Euroclear, Clearstream and Caja de Valores.

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;
- at any time the Province decides it no longer wishes to have all or part of such notes represented by global securities; 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 New Securities. 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.

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 New Securities and any other expenses (including the fees and expenses of the trustee) connected with the preparation and issuance of the substitute New Security. The Province, the trustee and any agent appointed by either the Province or the trustee may treat the person in whose name any New Security is registered as the owner of such New Security for all purposes.

If any New Security becomes mutilated, destroyed, stolen or lost, you can replace it by delivering the New Security 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 New Security 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 New Security 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 New Security you are exchanging. You will be required to pay all expenses and reasonable charges associated with the replacement of this certificated security.

Additional Amounts

All payments by the Province in respect of the New Securities 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 Securities in the absence of such withholding or deduction; except that no such Additional Amounts will be payable with respect to any New Security:

- (1) to a Holder (or to a third party on behalf of a Holder) where such Holder is liable for such Relevant Taxes in respect of a New Security by reason of his having some connection with the Province or Argentina other than the mere holding of such New Security, the receipt of principal, premium or interest in respect thereof, or the enforcement of rights thereunder; or
- (2) 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 Security to another paying agent in a member state of the European Union; or
- (3) 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
- (4) to a Holder of the New Security (or a third party on behalf of a Holder) where such Holder of the New 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 the New 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 the New 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 the terms of the New Securities) of an opportunity to satisfy such a requirement or make such a declaration or claim, and (y) in no event shall such Holder’s obligation to satisfy such a requirement or to make such a declaration or claim require such Holder 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 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.

All references in this invitation memorandum to principal of or interest on the New Securities will include any Additional Amounts payable by the Province in respect of such principal or interest.

Negative Pledge Covenant

The Province has agreed that it will not, for so long as any New Security 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 New Securities 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.

Suits for Enforcement and Limitations on Suits by Holders

If an event of default for a series of the New Securities has occurred and is continuing, the 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 Securities on the stated maturity date therefor (as that date may be amended or modified pursuant to the terms of the New Securities, but without giving effect to any acceleration), a Holder has no right to bring a suit, action or proceeding with respect to the New Securities unless: (1) such Holder has given written notice to the trustee that a default with respect to the New Securities has occurred and is continuing; (2) Holders of at least 25% of the aggregate principal amount outstanding of the New Securities of such series have instructed the trustee by specific written request to institute an action or proceeding and provided an indemnity satisfactory to the trustee; and (3) 60 days have passed since the trustee received the instruction, the 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 trustee by a majority of Holders of the New Securities 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 Securities.

Meetings, Amendments and Waivers – Collective Action

The Province, in its discretion, may call a meeting of the Holders of debt securities (including the New Securities) 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% of the aggregate principal amount of such series have delivered a written request to the Province or the trustee 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 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 will consult with the trustee to establish such procedures as are customary in the market.

Modifications may also be approved by Holders of the New Securities pursuant to a written action consented to by Holders of the requisite percentage of the New Securities. If a proposed modification is to be approved by a written action, the Province shall solicit the consent of the relevant Holders of the New Securities to the proposed modification not less than 10, nor more than 30, days prior to the expiration date for the receipt of such consents specified by the Province.

The Holders of the outstanding New Securities may generally approve any proposal by the Province to modify or take action with respect to the Indenture or the terms of the New Securities 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 New Securities.

However, Holders of any series of debt securities (including the New Securities) may approve, by vote or consent through one of three modification methods, any modification, amendment, supplement or waiver proposed by the Province that would do any of the following (such subjects referred to as “**reserve matters**”):

- change the date on which any amount is payable on the New Securities;
- reduce the principal amount of the New Securities (other than in accordance with the express terms of the debt securities and the Indenture);
- reduce the interest rate on the New Securities;
- change the method used to calculate any amount payable on the New Securities (other than in accordance with the express terms of the debt securities and the Indenture);
- change the currency of any amount payable on the New Securities;
- modify the Province’s obligation to make any payments on the New Securities (including any redemption price therefor);
- change the identity of the obligor under the New Securities;
- change the definition of “outstanding” New 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 trustee, on behalf of all Holders of the New Securities, to exchange or substitute all the New 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 the New Securities; or
- change the place of payment to the bondholders.

A change to a reserve matter, including the payment terms of any series of debt securities (including the New Securities), 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 New Securities of such series insofar as the change affects such New Securities (but does not modify the terms of any other debt securities issued under the Indenture);
- where such proposed modification would affect the outstanding New Securities of a series and at least one other series of debt securities issued under the Indenture, 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, if certain “uniformly applicable” requirements are met (defined in the Indenture as “cross-series modification with single aggregated voting”); or

- where such proposed modification would affect the outstanding New Securities of a series and at least one other series of debt securities issued under the Indenture, whether or not the “uniformly applicable” requirements are met, the Holders of more than 66 ²/₃% 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, *and* the Holders of more than 50% of the aggregate principal amount of the then outstanding debt securities of each series affected by the modification, taken individually.

“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, 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.

The Province may select, in its discretion, any modification method for a reserve matter modification in accordance with the Indenture and to designate which series of debt securities will be included for approval in the aggregate of modifications affecting two or more series of debt securities. Any selection of a modification method or designation of series to be included will be final for the purpose of that vote or consent solicitation.

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 2015 Trustee and to the trustee under the 2006 Indenture 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; 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, 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 New 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.

“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.

Before soliciting any consent or vote of any Holder of the debt securities (including the New Securities) 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 external 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 reserved 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 New Securities or any series of debt securities has approved any amendment, modification or change to, or waiver of, the New Securities, 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 which 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 2015 Indenture Trustee may, without the vote or consent of any Holder of debt securities (including the New Securities) 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 2015 Indenture 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.

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 Securities 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.

Governing Law

The Indenture is, and the New Securities 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 Securities and the 2015 Indenture by and on behalf of the Province, which shall be governed by and construed in accordance with the laws of Argentina.

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 Securities 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 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 Securities (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 Securities 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 Securities 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 Securities 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.

Currency Indemnity

The obligation of the Province to any Holder under the New Securities that has obtained a court judgment affecting New Securities 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 Securities.

Concerning the Trustee

The 2015 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 2015 Indenture 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.

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-reserved matters modification in the 2015 Indenture differ from those in the 2006 Indenture.

2006 Indenture	2015 Indenture
<p>The Indenture 2006 permits the Province to amend the payment provisions of debt securities and other reserve matters listed in the 2006 Indenture:</p> <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 	<p>The Indenture 2015 permits the Province to amend the payment provisions of debt securities and other reserve matters listed in the 2015 Indenture:</p> <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,

not less than $66\frac{2}{3}\%$ of the aggregate principal amount of the outstanding debt securities of each series affected by the modification, taken individually.

taken in the aggregate, if certain “uniformly applicable” requirements are met; or

- where such proposed modification would affect the outstanding debt securities of any two or more series issued under the 2015 Indenture, whether or not the “uniformly applicable” requirements are met, with the consent of the holders of more than $66\frac{2}{3}\%$ 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 more than 50% of the aggregate principal amount of the outstanding debt securities of each series affected by the modification, taken individually.

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 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

The definition of “reserve matters” under the 2015 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);

<p>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;</p> <ul style="list-style-type: none"> • authorize the 2006 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. 	<ul style="list-style-type: none"> • 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 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 bondholders.
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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.

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 <i>pari passu</i> 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 Securities but not for purposes of the Eligible Bonds.

TENDER PROCEDURES

General

The Invitation is being made to all Eligible Holders and Tender Orders may be delivered only by or on behalf of Eligible Holders.

By submitting a Tender Order 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, , the Luxembourg Listing Agent, 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), May 11, 2020, 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 Offer, we are soliciting written 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 written consent, and Eligible Holders may not consent to the Proposed Modifications without tendering their Eligible Bonds for exchange pursuant to the Exchange Offer. The delivery of a Tender Order 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 Tender Order 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 Tender Order directly. You should contact their custodian to deliver a Tender Order on your behalf. In the event that your custodian is unable to deliver your Tender Order through the applicable clearing system, on your behalf, you should contact the Dealer Managers for assistance in delivering your Tender Orders. There can be no assurance that the Dealer Managers will be able to assist you in timely submitting its Tender Order.

Eligible Bonds Held Through Euroclear or Clearstream

If beneficial owners hold their Eligible Bonds through Euroclear or Clearstream, such beneficial owners must submit their Tender Orders, 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 Tender Orders 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 a Tender Order, “blocking” instructions will be automatically revoked.

A Holder’s Tender Order, which includes Holder’s “blocking” instructions, or a revocation of Tender Order 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 Tender Order 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 Tender Orders that are not in proper form and (ii) any and all Tender Orders 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 or defects in Tender Orders. None of us, the Trustees, , the Luxembourg Listing Agent, 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 Tender Orders, nor shall any of them incur any liability for the failure to give such notice.

Revocation of Tender Orders

Following the Expiration, Tender Orders may no longer be validly revoked. Any Tender Order properly revoked prior to the Expiration will be deemed not validly delivered for purposes of the Invitation. Any permitted revocation of a Tender Order may not be rescinded; *provided, however*, that Holders of Eligible Bonds for which Tender Orders have been revoked may deliver a new Tender Order 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 a Tender Order 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 a Tender Order will also constitute the revocation of the related consent to the Proposed Modifications. Consents may only be revoked by validly withdrawing the corresponding Tender Order prior to the Expiration. Tender Orders (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 Tender Orders 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 Tender Orders 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 Tender Orders or revocation instructions in respect of the Eligible Bonds are submitted.

Revocation of Tender Orders 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 a Tender Order will be determined by us, which determination shall be final and binding. None of us, the Trustees, the Luxembourg Listing Agent, 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 the Exchange Offer without accepting any tenders for exchange, all Tender Orders 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 HOLDERS TENDERING ELIGIBLE BONDS

By delivering your Tender Order, you are deemed to acknowledge, represent, warrant and undertake to us, the Dealer Managers, the Trustees, the Luxembourg Listing Agent, and the Information, Tabulation and Exchange Agent that you are a Holder and that as of the Expiration and on the Settlement Date:

- you have received and reviewed this invitation memorandum and understand and agree to all terms and conditions;
- you understand that the delivery of your Tender Order pursuant to the procedures set forth in this invitation memorandum will constitute your acceptance of the terms and conditions of the Invitation;
- in evaluating the Invitation and in making your decision whether to deliver your Tender Orders, 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);
- 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 Tender Order;
- 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 Securities for an indefinite period of time and (iii) prior to delivering a Tender Order, you have concluded that you are able to bear those risks for an indefinite period;
- you may lawfully deliver the Tender Order and you are an Eligible Holder;
- you expressly release us, the Trustees, the Luxembourg Listing Agent, the Dealer Managers and the Information, Tabulation and Exchange Agent from any and all liabilities arising from the failure by us, the Trustees, the Dealer Managers or the Information, Tabulation and Exchange Agent to disclose any information concerning us, the Eligible Bonds, the Proposed Modifications the Exchange Offer to you, and you agree to make no claim against us, the Trustees, the Luxembourg Listing Agent, the Dealer Managers or the Information, Tabulation and Exchange Agent in respect thereof;
- you shall indemnify us, the Trustees, the Luxembourg Listing Agent, 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;
- 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;
- 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 2015 Trustee or any other person in respect of such taxes and payments;

- 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;
- 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;
- 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;
- 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;
- 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 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);
- 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, the Luxembourg Listing Agent, 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;
- 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
- 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;

- you waive Swiss bank customer secrecy and/or other confidentiality obligations to the extent necessary to execute the Tender Order;
- you have obtained any and all regulatory approvals required under the laws of any applicable jurisdiction, if any, for you to deliver the Tender Order and to acquire the New Securities pursuant to the Exchange Offer;
- 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 Securities 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 Securities 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 Securities. 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 Securities, 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 debt securities pursuant to this offering, and (ii) are a Non-Resident Holder, the receipt of debt securities will not result in any withholding or other Argentine taxes. Provided that all acts and contracts necessary for the purchase 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 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 Republic 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.

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 you as 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 Securities 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 Securities 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 Securities as capital assets or (iii) persons that do not acquire New Securities 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, 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.

Characterization of the New Securities Issued in Exchange for 2006 Indenture Eligible Bonds

As noted above under “Terms of the Invitation—Consideration to Be Received Pursuant to Tender Orders” and “Terms of the Invitation—Proposed Modifications”, holders that tender USD-denominated 2006 Indenture Eligible Bonds in an Exchange Offer will receive (i) USD Interest-Only Securities and (ii) New USD 2040 Bonds and/or, New USD 2032 Bonds, and holders that tender euro-denominated 2006 Indenture Eligible Bonds in an Exchange Offer will receive (i) Euro Interest-Only Securities and (ii) New Euro 2040 Bonds and/or New Euro 2032 Bonds. As described in “Description of the New Securities—Specific Terms of Each Series of New Securities,” the reference amount of the Interest-Only Securities (as defined above in “Risk Factors—Risk Factors Relating to the New Securities”) will remain constant until their expiration unless they are redeemed prior to their final expiration.

Though not free from doubt, the Province intends to treat the Interest-Only Securities as separate instruments from the New P&I Bonds (as defined above in “Risk Factors—Risk Factors Relating to the New Securities”) for U.S. federal income tax purposes, and holders of the Interest-Only Securities and the New P&I Bonds will be required to file their returns consistently with such treatment. There is no specific guidance regarding the characterization of the Interest-Only Securities issued in the Invitation, however, and it is possible that the IRS may disagree with the Province’s intended treatment and instead assert that all or a portion of the Interest-Only Securities should be treated as integrated with the relevant series of New P&I Bonds with which they are issued in exchange for the 2006 Indenture Eligible Bonds, as discussed in more detail below under “—Potential Alternative Characterization.” Holders of Eligible Securities are urged to consult their tax advisors regarding the tax treatment of the Invitation to them given their particular circumstances.

Except as discussed below under “—Potential Alternative Characterization,” the remainder of this discussion assumes that the Interest-Only Securities will not be integrated with the New P&I Bonds for U.S. federal income tax purposes, and will instead be treated as separate instruments for those purposes.

Consequences of Receiving New Securities Pursuant to an Exchange Offer or the Proposed Modifications

In General

The receipt of New Securities pursuant to an Exchange Offer or the 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 Securities pursuant to an Exchange Offer or the 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, payment schedules or the classification of the modified instrument as debt for U.S. tax purposes) 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 Securities and the rules for the market discount and foreign currency, you generally will recognize capital gain or loss upon the receipt of New Securities pursuant to an Exchange Offer or the Proposed Modifications in an amount equal to the difference between your amount realized and your adjusted tax basis in the Eligible Bonds substituted or tendered at the time of the consummation of the Exchange Offer or the Proposed Modifications (as applicable). 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 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). Your amount realized will be equal to the issue price of the New P&I Bonds that you receive (determined for each New P&I Bond as described below under “—*Issue Price of New P&I Bonds*”) plus the fair market value of the Interest-Only Securities you receive (if any) at the time of the consummation of the Exchange Offer or the Proposed Modifications (as applicable). Any such capital gain or loss will be long-term capital gain or loss if your holding period for the Eligible Bonds at the time of the consummation of the Exchange Offer or the Proposed Modifications (as applicable) is more than one year.

As noted above in “Summary of the Invitation”, you will not receive payment of any accrued and unpaid interest on a substituted or tendered Eligible Bond for the period since the last interest payment date under the Eligible Bond. However, it is not entirely clear whether the receipt of New Securities pursuant to an Exchange Offer or the 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 Securities 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 Securities pursuant to an Exchange Offer or the Proposed Modifications. Although the remainder of this discussion assumes that no portion of the New Securities 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. 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 Securities 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 you acquired it other than at its adjusted issue price with a tax basis that was lower than its “stated redemption price at maturity” (as defined below under “—Original Issue Discount”) at the time of acquisition, unless a statutorily defined *de minimis* exception applied.

Gain or loss that you recognize upon the exchange of foreign currency-denominated Eligible Bonds for New Securities 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 P&I Bond will be equal to its issue price (determined as described under “—Issue Price of New P&I Bonds” below). Your initial tax basis in Interest-Only Securities is expected to be equal to the fair market value of the Interest-Only Securities at the time of the consummation of the Exchange Offer, and the remainder of this discussion assumes that your initial tax basis in Interest-Only Securities will be calculated in this manner. Your holding period with respect to such New Securities will begin the day following the consummation of the Exchange Offer or the Proposed Modifications (as applicable).

Issue Price of New P&I Bonds

As discussed above under “—Consequences of Receiving New Securities Pursuant to an Exchange Offer or the 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 P&I Bonds received therefor. Your initial tax basis in the New P&I Bonds will also be determined by reference to their issue price.

The issue price of a New P&I Bond generally will be equal to the fair market value of the New P&I Bond, determined as of the date of the consummation of the Exchange Offer or the effectiveness of the Proposed Modifications (as applicable), if a substantial amount of the New P&I 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 P&I Bonds is “traded on an established market,” but the Eligible Bonds substituted or tendered for such New P&I Bonds are so traded, the issue price of that series of New P&I 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 Securities will be traded on an established market. Therefore, the Province anticipates that the issue price of the New P&I Bonds will be determined by reference to their fair market values.

The issue price of a foreign currency-denominated New P&I Bond will be determined in the relevant foreign currency. Accordingly, the amount you realize with respect to your substitution or tender of Eligible Bonds for a foreign currency-denominated New P&I Bond (and your initial tax basis in such New P&I Bond) will be equal to the U.S. dollar value of the issue price of the foreign currency-denominated New P&I Bond on the date of the consummation of the Exchange Offer or the effectiveness of the Proposed Modifications at the applicable currency exchange rate in effect on that date.

Consequences of Holding the New Securities

Book/Tax Conformity

U.S. holders that use an accrual method of accounting for tax purposes (“**accrual method holders**”) generally are required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements (the “**book/tax conformity rule**”). The application of the book/tax conformity rule thus may require the accrual of income earlier than would be the case under the general tax rules described below. It is not entirely clear to what types of income the book/tax conformity rule applies, or, in some cases, how the rule is to be applied if it is applicable. However, recently released proposed regulations generally would exclude, among other items, original issue discount and market discount (in either case, whether or not *de minimis*) from the applicability of the book/tax conformity rule and (although less clear) may also exclude the timing rules applicable to notional principal contracts. Although the proposed regulations generally will not be effective until taxable years beginning after the date on which they are issued in final form, taxpayers generally are permitted to elect to rely on

their provisions currently. Accrual method holders should consult with their tax advisors regarding the potential applicability of the book/tax conformity rule to their particular situation.

New P&I Bonds

Original Issue Discount

The New P&I Bonds will be issued with a significant amount of original issue discount (“**OID**”) for U.S. federal income tax purposes. As discussed in more detail below, you will be required to include OID on the New P&I 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” (of which New P&I Bonds will have none)), over (ii) the issue price of the debt instrument (which in the case of the New P&I Bonds, will be determined as discussed above under “—Consequences of Receiving New Securities Pursuant to an Exchange Offer or the Proposed Modifications—*Issue Price of New P&I Bonds*”). 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. As all of the New P&I Bonds will pay zero interest until 2023, the New P&I Bonds will not bear any qualified stated interest. Accordingly, all payments or accruals of stated interest on the New P&I Bonds will be included in the stated redemption price at maturity of the New P&I Bonds, thereby increasing the amount of OID on such bonds.

In general, if you hold New P&I Bonds, you will be required to include OID in gross income under a constant-yield method over the term of the New P&I 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 P&I Bonds for all days during the taxable year that you own the New P&I Bonds. The daily portions of OID on a New P&I 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 P&I 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 P&I Bond allocable to each accrual period will be determined by multiplying the “adjusted issue price” (as defined below) of the New P&I Bond at the beginning of the accrual period by the “yield to maturity” (as defined below) of such New P&I Bond.

The “**adjusted issue price**” of a New P&I 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 the amount of payments made on the New P&I Bond. The “**yield to maturity**” of a New P&I 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 P&I Bond, including any payments of principal payable at or prior to the maturity of the New P&I Bond, to equal the issue price of such bond.

All payments on a New P&I Bond, including payments of stated interest (none of which will be qualified stated interest, as discussed above), 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 foreign currency-denominated New P&I 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 the foreign currency using the constant-yield method described above and (ii) translating that foreign currency 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 foreign currency 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 foreign currency-denominated New P&I 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 Securities”) or in connection with the sale or retirement of the New P&I 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 P&I 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 P&I Bonds

Your initial tax basis in a New P&I Bond, determined as described above under “—Consequences of Receiving New Securities Pursuant to an Exchange Offer or the Proposed Modifications—Issue Price of New P&I Bonds,” will be increased over time by the amount of OID included in your gross income and decreased by the amount of payments on the New P&I Bonds, including payments of stated interest and any amortization payments. The amount of any subsequent adjustments to basis in respect of OID denominated in a foreign currency will be determined in the manner described above. The amount of any subsequent adjustments to basis in respect of a payment in foreign currency generally will be the U.S. dollar value of the foreign currency calculated at the exchange rate in effect on the date that the payment is received.

You generally will recognize gain or loss on the sale, exchange, retirement (including for purposes of this discussion, the receipt of any payment treated as principal as described above under “Original Issue Discount”) or other taxable disposition of a New P&I Bond in an amount equal to the difference between the amount you realize on such disposition and your tax basis in the New P&I 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 P&I Bond for more than one year on the date of disposition.

The gain or loss recognized on the disposition of a New P&I Bond denominated in foreign currency 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 foreign currency-denominated New P&I Bond. This foreign currency gain or loss will not be treated as an adjustment to interest income that you receive on a New P&I Bond.

If you dispose of a New P&I Bond for a foreign currency, the amount that you realize for U.S. tax purposes generally will be the U.S. dollar value of the foreign currency that you receive calculated at the exchange rate in effect on the date that the foreign currency-denominated New P&I Bond is disposed of, except that in the case of a New P&I 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 foreign currency on the settlement date of the disposition.

Interest-Only Securities

Interest Inclusions and Payments on Interest-Only Securities

The characterization of Interest-Only Securities for U.S. federal income tax purposes is unclear, and there is no authority that directly addresses the treatment of Interest-Only Securities for these purposes. However, we believe it would be reasonable to treat the Interest-Only Securities as a financial instrument subject to the rules governing notional principal contracts with significant up-front payments, or possibly as a debt instrument issued without qualified stated interest and an initial issue price equal to the fair market value of the Interest-Only Securities determined as of the date of the consummation of the Exchange Offer. Under either of these characterizations, you would be required to accrue income on Interest-Only Securities for U.S. federal income tax purposes by treating the fair market value of the Interest-Only Securities on the issue date of the Interest-Only Securities as a loan to the Province that is repaid with level payments over the term of the Interest-Only Securities, assuming a constant yield to maturity. You would be required to take into account the daily portion of any interest component of a level payment as interest income that increases your tax basis in the Interest-Only Securities, and would take into account any principal component of a level payment as a return of capital that reduces your tax basis in the Interest-Only Securities. Though not free from doubt, it is possible that under the rules for notional principal

contracts, any amounts accrued as interest income would be treated as U.S. source income for foreign tax credit purposes.

All payments on Interest-Only Securities, including payments of stated interest, will generally be viewed first as payments of previously accrued interest income to the extent thereof, with payments attributed first to the earliest-accrued interest, and then as a return of capital. If you hold foreign currency-denominated Interest-Only Securities, you generally should determine the U.S. dollar amount includible as interest income and calculate exchange gain or loss upon receipt of an amount attributable to such inclusions in the same manner as you would with respect to OID accruals and payments attributable thereto on a foreign currency-denominated New P&I Bond as described above under “—New P&I Bonds—Original Issue Discount.”

Sale, Exchange, Retirement or Other Taxable Disposition of Interest-Only Securities

Your initial tax basis in Interest-Only Securities, determined as described above under “—Consequences of Receiving New Securities Pursuant to an Exchange Offer or the Proposed Modifications—Taxable Exchange,” will be increased over time by the amount of any interest component included in your gross income and decreased by the amount of any principal component of a deemed level payment and any payments of stated interest on the Interest-Only Securities. The amount of any subsequent adjustments to basis in respect of interest inclusions denominated in a foreign currency will be determined in the manner described above. The amount of any subsequent adjustments to basis in respect of a payment in foreign currency generally will be the U.S. dollar value of the foreign currency calculated at the exchange rate in effect on the date that the payment is received.

You generally will recognize gain or loss on the sale, exchange, retirement or other taxable disposition of Interest-Only Securities in an amount equal to the difference between the amount you realize on such disposition and your tax basis in the Interest-Only Securities. 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 Interest-Only Securities for more than one year on the date of disposition.

The gain or loss recognized on the disposition of Interest-Only Securities denominated in foreign currency 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 foreign currency-denominated Interest-Only Securities.

If you dispose of Interest-Only Securities for a foreign currency, the amount that you realize for U.S. tax purposes generally will be the U.S. dollar value of the foreign currency that you receive calculated at the exchange rate in effect on the date that the foreign currency-denominated Interest-Only Securities are disposed of, except that in the case of Interest-Only Securities that are 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 foreign currency on the settlement date of the disposition.

There is no authority that directly addresses the U.S. federal income tax treatment of the Interest-Only Securities issued pursuant to this Invitation. You are urged to consult your tax advisor regarding the U.S. federal income tax treatment of the Interest-Only Securities to you given your particular circumstances.

Potential Alternative Characterization

As noted above under “—Characterization of the New Securities Issued in Exchange for 2006 Indenture Eligible Bonds,” it is possible that the IRS could disagree with our intended characterization of the Interest-Only Securities as financial instruments separate from the New P&I Bonds issued in exchange for the 2006 Indenture Eligible Bonds, and could instead assert that all or a portion of the Interest-Only Securities should be integrated with the relevant series of New P&I Bonds with which they were issued.

If all or a portion of the Interest-Only Securities are integrated with any New P&I Bonds issued in exchange for the 2006 Indenture Eligible Bonds, a holder that exchanges 2006 Indenture Eligible Bonds pursuant to the Invitation would be treated as receiving an investment unit comprised of (x) a single integrated debt instrument consisting of the relevant New P&I Bond and all or a portion of the Interest-Only Securities issued alongside that

New P&I Bond and (y) with respect to any portion of the Interest-Only Securities that is not so integrated, a separate financial instrument subject to taxation under the principles described above under “Consequences of Holding the New Securities—Interest-Only Securities”.

The issue price of the integrated debt instrument would be determined under the same principles set forth above under “—Issue Price of the New P&I Bonds”, and would therefore include the fair market value of the integrated components, determined as of the date of the consummation of the Exchange Offer. In addition, any payments on the Interest-Only Securities allocable to the integrated portion would be treated as additional OID on the integrated debt instrument, which must be accrued into income by the holder under the rules set forth above under “Consequences of Holding the New Securities—Original Issue Discount.”

Under this potential alternative characterization, the New P&I Bonds issued pursuant to the Invitation in exchange for the 2006 Indenture Eligible Bonds would not be fungible for U.S. federal income tax purposes with the corresponding series of New P&I Bonds issued in exchange for the 2015 Indenture Eligible Bonds.

In addition, under this potential alternative characterization, pursuant to Section 1286 of the Code, upon the sale or disposition of less than all of your interests in the integrated debt instrument, you (and any subsequent holder of the integrated debt instrument) should include in income all interest and market discount that has accrued on the integrated debt instrument prior to the disposition, and allocate basis in the integrated debt instrument between or among the integrated components in accordance with their relative fair market values as of the time of such sale or disposition. Accordingly, the seller may recognize gain or loss with respect to the sale or disposition of the integrated components in an amount equal to the excess of the amount realized upon such disposition over the adjusted basis in the components disposed of. In addition, upon such a sale or disposition, the seller should be treated as having purchased the retained integrated components for an amount equal to the basis allocated thereto (as described above). Accordingly, the seller may be treated as holding an integrated debt instrument with a different amount of OID than the integrated debt instrument held prior to the sale or disposition.

You should consult your own tax advisors regarding the U.S. tax rules applicable under the potential alternative characterization described above.

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 Eligible Bonds, and you do not exchange your Eligible Bonds for New Securities in an Exchange Offer, the Invitation generally will not affect the U.S. federal income tax treatment of your Eligible Bonds.

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 foreign currency-denominated Eligible Bonds for New Securities, a disposition of foreign currency-denominated New Securities (including any payment thereon at or prior to maturity) or the accrual of OID (or similar amounts on an Interest-Only Security) on foreign currency-denominated New Securities 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 Securities 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 (which would include Interest-Only Securities) 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 the accrual of OID or interest on the New Securities by, and the proceeds of dispositions of New Securities 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 (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 Offer 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 Securities. The Dealer Managers may tender Eligible Bonds in the Invitation and may resell any New Securities 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 Securities 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 Securities 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 Securities will be subject to the following restrictions on transfer. Holders of New Securities are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of their New Securities.

If a Tender Order 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 Securities 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 Securities 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 Securities 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;
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 a Tender Order, and each subsequent holder of New Securities by its acceptance of the New Securities will agree, that the New Securities 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;
- e. in any other jurisdiction in compliance with local securities laws;

6. You acknowledge that the Province and the 2015 Trustee reserve the right to require, in connection with any offer, sale or other transfer of New Securities, 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 Securities notice of any restrictions on transfer of such New Securities;

8. You acknowledge that each New Security 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 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 PRACTISES 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 a Tender Order 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 a Tender Order 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 that 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 and United Kingdom

This invitation memorandum has been prepared on the basis that any offer of New Securities in any Member State of the EEA or the UK will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of New Securities. Accordingly any person making or intending to make an offer in that Member State of New Securities 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 Securities 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 Securities 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 Securities through any financial intermediary. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended or superseded) and, in relation to the UK, includes that Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

New Securities may not be offered, sold or otherwise made available to any retail investor in the EEA or the UK. 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 “**IDD**”), 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) no key information document required by the PRIIPs Regulation for offering or selling the New Securities or otherwise making them available to retail investors in a Relevant State has been prepared and therefore offering or selling the New Securities or otherwise making them available to any retail investor in a Relevant State may be unlawful under the PRIIPs Regulation. References to Regulations or Directives include, in relation to the

UK, those Regulations or Directives as they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in UK domestic law, as appropriate..

Each person in a Member State of the EEA or the UK who receives any communication in respect of, or who acquires any New Securities under, the offers to the public contemplated in this invitation memorandum, or to whom the New Securities 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 Securities 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 Securities 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 Securities in, from or otherwise involving the United Kingdom.

Italy

None of the Invitation, the Exchange Offer, or any other document or materials relating to the Exchange Offer 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 Exchange Offer 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 Tender Orders pursuant to the Exchange Offer 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 Exchange Offer.

Germany

See “Special Notice to Investors in the European Economic Area and the United Kingdom” on the cover page of this invitation memorandum, “Prohibition of Sales to EEA And UK Retail Investors” and “—European Economic Area and United Kingdom” above, for the applicable laws and regulations with respect to the Exchange Offer in Germany as a Relevant State.

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 Securities 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 Securities 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 Securities 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 Securities.

Bahamas

This invitation memorandum in connection with the offer of New Securities 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 Securities 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 Securities 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 Securities 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 Securities 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 Securities 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 SECURITIES 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 SECURITIES 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 SECURITIES ARE NOT SUBJECT TO THE OVERSIGHT OF THE CMF;

3. SINCE THE NEW SECURITIES ARE NOT REGISTERED IN CHILE THERE IS NO OBLIGATION BY THE ISSUER TO DELIVER PUBLIC INFORMATION ABOUT THE NEW SECURITIES IN CHILE; AND

4. THE NEW SECURITIES SHALL NOT BE SUBJECT TO PUBLIC OFFERING IN CHILE UNLESS REGISTERED IN THE RELEVANT SECURITIES REGISTRY OF THE CMF.

INFORMACIÓN A LOS INVERSIONISTAS CHILENOS

DE CONFORMIDAD CON LA LEY N° 18.045, DE MERCADO DE VALORES Y LA NORMA DE CARÁCTER GENERAL N° 336 (LA “**NCG 336**”), DE 27 DE JUNIO DE 2012, DE LA COMISIÓN PARA EL MERCADO FINANCIERO (“**CMF**”), LOS NUEVOS BONOS PUEDEN SER OFRECIDOS PRIVADAMENTE A CIERTOS “INVERSIONISTAS CALIFICADOS”, A LOS QUE SE REFIERE LA NCG 336 Y QUE SE DEFINEN COMO TALES EN LA NORMA DE CARÁCTER GENERAL N° 216, DE 12 DE JUNIO DE 2008 Y EN LA NORMA DE CARÁCTER GENERAL N° 410, DE 27 DE JULIO DE 2016, AMBAS DE LA CMF.

LA SIGUIENTE INFORMACIÓN SE PROPORCIONA A POTENCIALES INVERSIONISTAS DE CONFORMIDAD CON LA NCG 336:

1. LA OFERTA DE LOS NUEVOS BONOS COMIENZA EL 24 DE ABRIL DE 2020, Y SE ENCUENTRA ACOGIDA A LA NCG 336;

2. LA OFERTA VERSA SOBRE VALORES NO INSCRITOS EN EL REGISTRO DE VALORES O EN EL REGISTRO DE VALORES EXTRANJEROS QUE LLEVA LA CMF, POR LO QUE TALES VALORES NO ESTÁN SUJETOS A LA FISCALIZACIÓN DE LA CMF;

3. POR TRATARSE DE VALORES NO INSCRITOS EN CHILE NO EXISTE LA OBLIGACIÓN POR PARTE DEL EMISOR DE ENTREGAR EN CHILE INFORMACIÓN PÚBLICA SOBRE ESTOS VALORES; Y

4. LOS NUEVOS BONOS NO PODRÁN SER OBJETO DE OFERTA PÚBLICA EN CHILE MIENTRAS NO SEAN INSCRITOS EN EL REGISTRO DE VALORES CORRESPONDIENTE DE LA CMF.”

Japan

The New Securities 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 Securities 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 Offer 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 Offer 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 Securities 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, 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 SECURITIES

The validity of the New Securities will be passed upon on behalf of the Province by *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 Securities and (b) the Invitation pursuant to Financial Administration Law, Law No. 15,165 and Decree No. 15/20, through a Resolution of the Undersecretary of Finance to be issued on or before the issue date of the New Securities.

Litigation

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 Securities and that would materially and adversely affect the Province's ability to meet its obligations under the New Securities and the 2015 Indenture with respect to the New Securities. 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 2015 Indenture, this invitation memorandum and the forms of the New Securities 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 Securities 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 Securities are listed on the Luxembourg Stock Exchange.

Clearing

Application will be made for all of the New Securities to clear through Euroclear and Clearstream.

FORM OF TERMS AND CONDITIONS OF THE SECURITIES

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][Interest-Only] 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. [•], Decree Nos. [•] dated [•] and [•] dated [•] of the Executive Power of the Province, as such Decrees may be supplemented or amended from time to time, Resolution No. [•] dated [•] of the Ministry of Finance and Resolution No. [•] dated [•] of the Ministry of 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.\$] [€]1.00in 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]¹ 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]² interest (including Additional Amounts (as defined below)) on Securities will be made to the persons in

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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 Interest Payment Date; provided that if and to the extent the Province shall default in the payment of the [principal, premium, if any, or]³ interest due on such Interest Payment Date, such defaulted [principal, premium, if any, or]⁴ 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]⁵ interest. Notwithstanding the immediately preceding sentence, in the case where such [principal, premium, if any, or]⁶ 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]⁷ 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]⁸ 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]⁹ or interest (including Additional Amounts) on, the Securities shall not be a Business Day, then payment of [principal, premium, if any, or]¹⁰ 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]¹¹ 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]¹² 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

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⁶ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

⁷ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

⁸ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

⁹ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

¹⁰ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

¹¹ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

¹² **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

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 16 of these Terms.

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]¹³ 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 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]¹⁴ 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 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 14 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’s obligation to satisfy such a requirement or to make such a declaration or claim require such Holder 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]¹⁵ “interest” shall be deemed to include any Additional Amounts which may be payable on this Security.]Redemption.

[[NEW 2032 BONDS AND NEW 2040 BONDS ONLY]

The Securities will be redeemable at the option of the Province prior to the maturity date. The Province will have the right at its option, upon giving not less than 30 days’ nor more than 60 days’ notice to the Holders, to redeem the Securities, in whole or in part, at any time or from time to time prior to the maturity date, at a redemption price equal to the principal amount thereof, plus interest accrued but not paid on the principal amount of the Securities to be redeemed to the date of redemption specified in such notice.]

[[USD INTEREST-ONLY SECURITIES ONLY]

The Securities will be redeemable at the option of the Province prior to the maturity date. The Province will have the right at its option, upon giving not less than 30 days’ nor more than 60 days’ notice to the Holders, to redeem the Securities, in whole or in part, at any time or from time to time prior to the maturity date, at the USD

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¹⁵ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

Interest-Only Redemption Price, plus interest accrued but not paid on the reference amount of the Securities to be redeemed to the date of redemption specified in such notice.

(b) For purposes of the foregoing and of these Terms:

“USD Interest-Only Redemption Price” means an amount equal to the sum of the present values of the remaining scheduled payments of interest on the Securities being redeemed (excluding the portion of any such interest accrued to the redemption date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Yield (as defined below), plus 50 basis points, to be calculated by the Calculation Agent.

“Treasury Yield” means, with respect to the redemption date, the rate per year equal to the semi-annual equivalent yield to maturity or interpolated (on a day-count basis) yield to maturity of the applicable Comparable Treasury Issue, assuming a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

“Comparable Treasury Issue” means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the Weighted Average Life of the Securities to be redeemed as would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of investment grade debt securities of a comparable maturity to the Weighted Average Life of Securities.

“Comparable Treasury Price” means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations for such redemption date, or (2) if the Province obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

“Independent Investment Banker” means, either BofA Securities, Inc. or Citigroup Global Markets Inc. or their respective successors or affiliates or, if such firms are unwilling or unable to select the Comparable Treasury Issue, one of the remaining Reference Treasury Dealers appointed by the Province.

“Weighted Average Life” at any date means the number of years obtained by dividing: (1) the sum of products obtained by multiplying (a) the amount of each then remaining interest payment in respect of the Securities, by (b) the number of years (calculated to the nearest one twelfth) that will elapse between such date and the making of such interest payment; by (2) the then outstanding cumulative remaining interest payments of the Securities.

“Reference Treasury Dealer” means, BofA Securities, Inc. or Citigroup Global Markets Inc. or their affiliates and any three other Primary Treasury Dealers selected by the Province; provided that if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a **“Primary Treasury Dealer”**), the Province will substitute such dealer for another Primary Treasury Dealer.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Province, of the bid and asked prices for the applicable Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Province by such Reference Treasury Dealer at 3:30 p.m., (New York time) on the third business day preceding such redemption date.

“Calculation Agent” means BofA Securities, Inc. or Citigroup Global Markets Inc. or their respective affiliates any other Primary Treasury Dealers selected by the Province.]

[[EURO INTEREST-ONLY SECURITIES ONLY]

The Securities will be redeemable at the option of the Province prior to the maturity date. The Province will have the right at its option, upon giving not less than 30 days' nor more than 60 days' notice to the Holders, to redeem the Securities, in whole or in part, at any time or from time to time prior to the maturity date, at the Euro Interest-Only Redemption Price, plus interest accrued but not paid on the reference amount of the Securities to be redeemed to the date of redemption specified in such notice.

For purposes of the foregoing and of these Terms:

“Euro Interest-Only Redemption Price” means an amount equal to the sum of the present values of the remaining scheduled payments of interest on the Securities being redeemed (excluding the portion of any such interest accrued to the redemption date) discounted to the redemption date on a semi-annual basis (on an ACTUAL/ACTUAL (ICMA) basis) at the Comparable Government Bond Rate (as defined below), plus 50 basis points, to be calculated by the Calculation Agent.

“Comparable Government Bond” means, with respect to the Securities to be redeemed in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us, a bond that is a direct obligation of the Federal Republic of Germany (**“German government bond”**) whose maturity is comparable to the Weighted Average Life of the Securities to be redeemed as would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of investment grade debt securities of a comparable maturity to the Weighted Average Life of the Securities, or if such independent investment bank in its discretion determines that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German government bonds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

“Comparable Government Bond Rate” means the gross redemption yield (rounded to three decimal places, with 0.0005 being rounded upwards).

“Weighted Average Life” at any date means the number of years obtained by dividing: (1) the sum of products obtained by multiplying (a) the amount of each then remaining interest payment in respect of the Securities, by (b) the number of years (calculated to the nearest one twelfth) that will elapse between such date and the making of such interest payment; by (2) the then outstanding cumulative remaining interest payments of the Securities.]

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) 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.

[[NEW 2032 BONDS AND NEW 2040 BONDS ONLY]

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 6 need not be taken at a meeting pursuant to Paragraph 9 hereof. Actions by the Trustee and the Holders pursuant to this Paragraph 6 are subject to Article Four of the Indenture.]

[[INTEREST-ONLY SECURITIES ONLY]

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 reference 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 Default Amount on 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 Default Amount 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 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, at the rate of interest specified herein, to the date of such payment of interest) 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, 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 reference 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 6 need not be taken at a meeting pursuant to Paragraph 9 hereof. Actions by the Trustee and the Holders pursuant to this Paragraph 6 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) 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.

[“**Default Amount**” means the sum of the present values of the remaining scheduled payments of interest on the Securities being accelerated (excluding the portion of any such interest accrued to the date of acceleration) discounted to such date [on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at

the rate per annum of 5.375%]¹⁶ [on a semi-annual basis (on the basis of a 365- or 366 day year and the actual number of days elapsed) at the rate per annum of 3.875%]¹⁷, plus accrued and unpaid interest on the reference amount to such date.]

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. **[[NEW 2032 BONDS AND NEW 2040 BONDS ONLY]**

If at any time on or prior to [*to include the fifth anniversary of the Settlement Date*], the Province voluntarily makes an offer to purchase or exchange, or solicits consents to amend, any outstanding 2006 Indenture Eligible Bonds or any 2015 Indenture Eligible 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**"), each Holder of the Securities shall have the right for a period of at least 30 calendar days following the commencement of any such Qualifying Offer to exchange any of such Holder's Securities for:

(i) the consideration in cash or in kind offered in connection with such 2006 Indenture Eligible Bonds or 2015 Indenture Eligible Bonds, as applicable, or

(ii) securities having terms substantially the same as those that holders of 2006 Indenture Eligible Bonds or 2015 Indenture Eligible Bonds, as applicable, denominated in the same currency as such Holder's Securities 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 2006 Indenture Eligible Bonds or 2015 Indenture Eligible Bonds, as applicable, at least equal to (a) the principal amount of such Holder's Security divided by [*to include the relevant exchange ratio applied in the Invitation*] minus (b) an amount equal to the sum of (i) the aggregate amount of interest, if any, previously paid on such Security and (ii) the amount that would be payable in respect of interest-only securities denominated in [*to include the same currency as such Holder's Security*] having a reference amount equal to the principal amount of such Security if they were redeemed on the commencement date of such Qualifying Offer.

The Province covenants and agrees to take all steps necessary in order to enable Holders to participate in any Qualifying Offer as provided in this Paragraph 7.

For the avoidance of doubt, the Province shall have no obligation to make the Qualifying Offer if the purchase, exchange or amendment is made in satisfaction of a final, non-appealable court order or arbitral award.

"2006 Indenture Eligible Securities" means (a) 4.000% USD Bonds Due 2020 MTN, (b) 10.875% USD Bonds Due 2021, (c) 9.625% USD Bonds Due 2028, (d) 4.000% USD Bonds Due 2035, (e) 4.000% EUR Bonds Due 2020 MTN, and (f) 4.000% EUR Bonds Due 2035.

"2015 Indenture Eligible Securities" means (a) 9.950% USD Bonds Due 2021, (b) 6.500% USD Bonds Due 2023, (c) 9.125% USD Bonds Due 2024, (d) 7.875% USD Bonds Due 2027, and (e) 5.375% EUR Bonds Due 2023.]

8. **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.

9. **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

¹⁶ **NTD:** To include for USD Interest-Only Securities.

¹⁷ **NTD:** To include for Euro Interest-Only Securities.

Trustee shall authenticate and deliver, a new Security 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 10(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 10(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 10 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]¹⁸ interest on, the Securities.

10. 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.

11. 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.]¹⁹ 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]²⁰. Notice of any such

¹⁸ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

¹⁹ **NTD:** To include in the New Euro 2032, New Euro 2040 and Euro Interest-Only.

²⁰ **NTD:** To include in the New Euro 2032, New Euro 2040 and Euro Interest-Only.

termination or 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.

12. 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][reference amount] 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 of 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 13, each and every Holder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

13. 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.

14. 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.

15. Prescription. To the extent permitted by law, claims against the Province for the payment of [principal of, premium, if any, or]²¹ 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.

16. 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.

17. 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

²¹ **NTD:** To include in the New 2032 Bonds and New 2040 Bonds only.

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.

18. 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]²² 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

²² **NTD**: To include in the New 2032 Bonds and New 2040 Bonds only.

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.

19. Warranty of the Province. Subject to Paragraph 17, 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.

20. 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.

21. 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 22 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

**INFORMATION, TABULATION AND
EXCHANGE AGENT**

2015 INDENTURE TRUSTEE

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