

**LEGAL WARNING**

*"The following English translation of the NEGOTIABLE SECURITIES LAW No. 23,576 has been prepared to facilitate the approach of potential future investors and any person interested in the legal framework that regulates the capital market of Argentina.*

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

**AVISO LEGAL**

*"La siguiente traducción al idioma inglés de la Ley de Obligaciones Negociables N° 23.576 ha sido preparada para facilitar el acercamiento de posibles futuros inversores y toda persona interesada en el marco legal que regula el mercado de capitales de la República Argentina.*

***Sin perjuicio de ello, sólo la versión en español de esta ley es vinculante."***

**NEGOTIABLE SECURITIES**

**LAW No. 23,576**

**JOINT-STOCK COMPANIES, COOPERATIVES AND CIVIL ASSOCIATIONS MAY  
BORROW MONEY THROUGH THE ISSUANCE OF NEGOTIABLE INSTRUMENTS.**

**APPLICATION RULES.**

Approved: June 29, 1988.

Enacted: June 19, 1988.

**[See Regulatory Background](#)**

The Senate and the House of Representatives of the Republic of Argentina gathered in Congress, etc. hereby enact as Law:

**Section 1** — The joint-stock companies, limited liability companies, co-operative enterprises and civil associations established in the country, and the branches of the joint-stock companies established abroad by the terms of Section 118 of Law No. 19,550 (amended text 1984) as amended can borrow money through the issuance of negotiable securities, in accordance with the regulations of the present Law.

The regulations of the present Law are applied, in the manner that regulates the Executive Branch, to the entities of the national state, the provinces and the municipalities governed

by Law No. 13,653 (amended text 453/55), Law No. 19,550 (amended text 1984) as amended (Sections 308 to 314), 20,705 and concurring Laws.

*(Section replaced by Section 45 of [Law No. 27,264](#) Official Gazette 08/01/2016.)*

**Section 2** — Diverse classes with different rights may be issued; the same rights will be granted within each class.

The issuance can be divided into series. No new series of the same class may be issued if the preceding series is not completely subscribed.

**Section 3** — Special floating guarantees or common guarantees may be issued. The issuance whose privilege is not limited to fixed real assets will be considered fully performed with floating guarantee. The regulations set forth by Sections 327 through 333 of Law No. 19,550 (text amended in 1984) will be applied. The guarantees will be established in accordance to the guidelines that the issuer determines in the decisions related to the issuance and must be recorded in accordance to its type, in the relevant registry.

The record in such registries must be evidenced before the comptroller entity, before the start of the underwriting period. The mortgage will be enforced and canceled by unilateral declaration of the issuer when it does not concur a trustee, as described by Section 13 herein, and does not require the acceptance of creditors. Cancellation will only take effect if made through Certified Public Accountant certification about the amortization or the total redemption of the guaranteed negotiable securities, or unanimous consent of the holders. In the case of negotiable securities subjected to public offer, the consent of the Securities and Exchange Commission is also required. They may be equally secured or guaranteed by any other means, including Mutual Guarantee Companies (SGR, as per its acronym in Spanish) or guarantee funds. They may also be guaranteed by financial entities comprised in the respective Law.

*(Section replaced by Section 46 of [Law No. 27,264](#) Official Gazette 08/01/2016.)*

**Section 4** — Corporate bonds may be issued with an equity adjustment clause in accordance to objective guidelines for stabilization, so long as they are compatible with those prescribed in Law No. 23,928 and they grant a fixed or variable interest.

The issuance in foreign currency is permitted. The issuance, as well as the implementation of income services and amortization, whose payments may be performed in foreign markets, will be adjusted in all cases to the conditions of issuance.

The flow of corporate bonds abroad and its reinvestment within the country may be carried out freely.

The issuer of denominative bonds issued in foreign currency who obtains such currency from exports may impute a part to the creation of a fund within the country or abroad, in the amounts required to attend to the services of income and amortization of said negotiable securities up to the limits included in Section 36, subsection 4) herein.

The Central Bank of Argentina and the Securities and Exchange Commission will exercise the supervision and control of the funds created in accordance with the option included in the preceding paragraph.

If the Central Bank of Argentina has limited access, whether in whole or in part, to the exchange market, it shall set mechanisms facilitating the performance of revenue services and the amortization of negotiable securities nominated and issued in foreign currency that

have been placed in public offerings under the authorization of the Securities and Exchange Commission.

*(Section replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 08/06/1991)*

**Section** — Joint-stock companies may issue convertible bonds that, at the option of the holder, to shares.

The conversion value and its readjustment may not be established or determined in such a way that the conversion affects the integrity of the nominal value of the corporate equity.

**Section 6** — Conversion of corporate bonds will be adjusted, in each case, to the requirements and limitations established by the specific legal regulations for foreign investments.

**Section 7** — Securities must contain:

- a) The denomination and address of the issuer, the date and place of creation, duration and dates of its registration in the Public Registry of Commerce or corresponding organizations, as applicable;
- b) The series number and order of each security and the nominal value it represents;
- c) The amount of debt and currency issues;
- d) Nature of the guarantee;
- e) Conversion conditions as applicable;
- f) Amortization conditions;
- g) The formula for adjustment of equity, when applicable; type and period of payment of interest;
- h) Name and surname or denomination of the subscriber, if they are nominative.

They must be signed pursuant to Section 212 of Law No. 19,550 (amended in 1984) as amended or Section 26 of Law No. 20,337, regarding joint-stock companies or cooperatives, respectively; and by a legal representative and a member of the administrative body appointed for such purpose, if it involves civil associations or branches of corporations incorporated abroad, by a manager or receiver, if any. When involving book-entry securities, the information included in items a) and h) of this section must be transcribed in the opening vouchers and balance statements.

*(Section replaced by Section 47 of [Law No. 27,264](#) Official Gazette 08/01/2016.)*

**Section 8** — Corporate bonds may be represented by bearer or nominative, endorsable or non-endorsable. Coupons may be, in all cases, to the bearer and must contain the number of the security they belong to. They may also issue book-entry securities in accordance with Section 31.

*(Section replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 08/06/1991)*

**Section 9** — In joint-stock companies, limited liability companies and cooperatives, the issuance of corporate bonds does not require bylaws authorization and may be decided in an ordinary meeting.

Regarding corporate bonds convertible into shares, issuance must be authorized in an extraordinary meeting, except for companies authorized for public offer of shares, which may be decided in ordinary meetings in all cases.

In civil associations, the issuance requires express authorization from the bylaws and must be decided at the meeting.

They may be delegated to an administrative body:

a) In case of simple instruments, the determination of some or all the issuance conditions within the authorized amount, including time, price, payment method and conditions;

b) In case of convertible instruments, the determination of the time of issuance, underwriting price, payment method and conditions, interest rate and conversion amount, indicating guidelines and limits for such purposes.

The delegated powers must be performed within two (2) years after the meeting. Upon expiration of this term, the meeting resolution will not have effect on the amount not issued.

*(Section replaced by Section 48 of [Law No. 27,264](#) Official Gazette 08/01/2016.)*

**Section 10.** — In the case of negotiable securities, the issuer must prepare a notice to be published in the Official Gazette for one (1) day, with evidence of the content in the respective control agency, and it will be registered in the Public Registry of Commerce with the following information:

a) Date of the assemblies and meeting of the administrative body as applicable, if debt and conditions of issuance have been decided;

b) Name of the issuer, address, date and place of incorporation, duration and the information of registration in the Public Registry of Commerce or pertinent entity;

c) The corporate purpose and the main activity developed at the time of issuance;

d) The corporate equity and the equity of the issuer;

e) The amount of debt and the currency in which it is issued;

f) The amount of the negotiable securities or debentures issued previously, as well as the preferred or guaranteed debts that the issuer had assumed before the issuance;

g) The nature of the guarantee;

h) The conditions of amortization;

i) The formula for restatement of equity as applicable, type and stage of the payment of interest;

j) If they were convertible into shares, the conversion formula, as well as readjustment formulas pursuant to the provisions contained in Section 23 subsection b), 25 and 26 of the present law and the relevant part of the decisions of the government and administration bodies, as applicable, related to the issuance.

*(Section replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 08/06/1991)*

**Section 11.** — Shareholders with preemptive rights and the right to purchase new shares may exercise it in the subscription of negotiable instruments.

It will be governed by Sections 194 to 196 of Law No. 19,550, as amended in 1984.

Shareholders who do not agree on the issuance of negotiable instruments may exercise the appraisal right according to Section 245 of the same law, except in those corporations authorized to make public offerings of their shares and the assumptions of the following section.

**Section 12.** — The extraordinary meeting of shareholders may terminate the preemptive rights for negotiable instruments in the cases of Section 197, subsection 2, last part of the Law No. 19,550, as amended in 1984, under the conditions of such law.

The extraordinary meeting may also terminate the right to purchase new shares and reduce to no lower than ten (10) days the term to exercise the preference, when the company executes an underwriting agreement with a broker for subsequent distribution to the public. (*Paragraph replaced by Section 2 of [Law No. 24,435](#) 01/17/1995*)

Under the same assumption, the extraordinary meeting may terminate the preemptive right, as long as the resolution is adopted with a favorable vote of no less than fifty percent (50%) of the subscribed equity with right to option and the opposing votes are no greater than five percent (5%) of said equity.

**Section 13.** — The issuer may execute an agreement with a financial institution or intermediary firm in the public offering of unregistered securities through which such issuer undertakes the defense of the rights and interests that collectively correspond to the holders during the term of the debt and until its full cancellation.

The contract may be formalized with a public or private format.

It must contain:

- a) The information included in Section 10;
- b) The powers and obligations of the representative;
- c) Declaration of having verified the truth of the representations made in the act of issuance;
- d) The compensation that will be undertaken by the issuer.

The provisions included in Sections 342 to 345, subsection 1 and 2; 351 and 353 of Law No. 19,550, as amended in 1984, will be applied.

**Section 14.** — The holders meeting will be called by the administrative body, the receivership or the supervisory board of the company, when it was deemed necessary or was required by the representative of the holders or by a number it represents, by at least five percent (5%) of the amount of issuance.

In this last assumption, the request will indicate the topics to be negotiated and the meeting must be called to be held within forty (40) days after receipt of the holders request.

The call will be made according to the manner set forth in Section 237 of Law No. 19,550, as amended in 1984.

If the administrative body, receivership or supervisory board failed to do so, the meeting may be called by the comptroller authority or the judge.

The meeting will be presided over by the representatives of the holders or by a member of the receivership or the supervisory committee or by a representative of the comptroller authority or an individual appointed by the judge.

Sections 354 and 355 of Law No. 19,550, as amended in 1984, will be applied to the remainder.

**Section 15.** — The consent of the holders meeting shall be required in the case of the withdrawal from public offering or the appraisal of bonds or shares when they were convertible.

The dissenters and the absentees will have the right to reimbursement that must be exercised in the format and time period provided for in the recess of the shareholders.

The same right will correspond to the assumption of Section 94, subsection 9, second part of Law No. 19,550, as amended in 1984.

The extension or renewal of the corporate contract, except in companies authorized to make public offerings of their shares, the transfer of address abroad, and the fundamental change of the purpose shall enable anticipated conversion of the negotiable instruments and simultaneous exercise of the withdrawal right, in the form and time period provided for the shareholders absent in the meeting.

**Section 16.** — The transformation of a company does not affect the rights of the holders; however, if instruments are convertible, they may exercise anticipated conversion and the withdrawal right simultaneously in the manner specified in Section 15, last paragraph of this law.

**Section 17.** — The resolution related to the issuance of convertible instruments simultaneously involves the decision to increase the equity in the proportion required to attend to future conversion requests.

The shareholders of the issuing company will not exercise preemptive rights on the shares issued with that purpose.

**Section 18.** — It may be stipulated that conversion takes place in a specific time or date or at any time from the subscription, or from a specific date or term.

Permanent conversion right may be suspended to enable merger, demerger or equity increase operation, for no longer than three (3) months.

**Section 19.** — In all cases of dissolution of the debtor company, the holders may opt for anticipated conversion before the terms for conversion of liabilities have elapsed.

**Section 20.** — The holder exercising the conversion option shall be considered a shareholder from the moment his decision is notified to the company through valid means. The company must assign the pertinent shares or temporary, negotiable and divisible certificates, within thirty (30) days.

In companies authorized for public offer of stocks and bonds, such assignment shall be performed within the terms and conditions set forth in the pertinent regulations.

**Section 21.** — At the end of the conversion period, or quarterly when it was defined indefinitely, the Board of Directors shall issue a report to the comptroller authority and the Public Registry of Commerce in order to register the amount of issuance and the equity increase, which will be included in the record.

When shares were admitted for public offer, the communication shall be performed within the terms and the requirements set forth by the pertinent regulations.

**Section 22.** — Public offer authorization or quote of convertible instruments issued by companies whose equity was registered in those regimes implies the same authorization related to the shares issued in the future to be delivered to holders in order to notify their decision to convert.

If the issuing company was not admitted to the public offer or quote of shares and was authorized for convertible instruments, it shall comply with all the pertinent procedures for registration of the equity in such regimes before the start of the conversion period. If he failed to do it or if the request was denied, the holders of convertible instruments shall have the option to request the anticipated reimbursement or the simultaneous conversion and withdrawal right, within the terms of Law No. 19,550, as amended in 1984.

**Section 23.** — While the conversion of instruments is pending, shares, convertible debentures and other convertible instruments must still be issued to be offered for subscription, provided that the issuance conditions have foreseen one of the following situations:

- a) Preemptive right of the holders in the same cases, under the same terms and conditions than those granted to shareholders;
- b) Readjustment of the conversion amount, according to the formula provided for such purposes.

**Section 24.** — In the case described in Section 23, subsection a), the suspension or limitation of the preemptive right of shareholders or holders of convertible instruments to subscribe new issues of shares, convertible debentures or other convertible instruments requires the agreement of the meeting of holders of convertible instruments.

**Section 25.** — While conversion is pending, any amendment to the nominal value of shares, forced reduction of equity, capitalization of profits, reserves, accounting adjustments or any other special funds recorded in the balance sheet and other corporate operations involving fully paid-up shares requires the adjustment of the conversion value to modify the interest of every holder. For such purposes, updates of the nominal value for the convertible instruments according to their issuance conditions shall be taken into consideration.

**Section 26.** — Amortization or voluntary reduction of equity, the amendment on provisions contained in the bylaws related to distribution of profits, the assignment of available securities and the cash distribution of reserves and other special funds recorded in the balance sheet, excluding the reserves assigned to pay ordinary dividends, requires conformity of the holders of convertible securities and grants them the right to anticipated conversion.

Companies listed in the stock exchange may include in the issuance conditions the obligation of readjustment of the conversion value for such distributions. In that case, the provision included in the paragraph above does not apply.

**Section 27.** — Merger or demerger of the company issuing convertible securities requires agreement of the holders meeting, notwithstanding the rights of absent or dissident members to be guaranteed or reimbursed, pursuant to Section 83 of Law No. 19,550, as amended in 1984.

The holders of non-convertible instruments shall enjoy the same right to be guaranteed or reimbursed.

Once the operation is approved, the instruments shall be convertible into shares of the new company, the spun-off company or the merging company, as the case may be. The value of the conversion shall be corrected in relation to the merger or demerger.

**Section 28.** — The issuing company may not receive its own securities in guarantee.

**Section 29.** — Securities representing debt grant executive action to the holders to claim equity, updates and interests and to execute guarantees granted.

In case of issuance of securities issued with a special guarantee, the judge shall summon the holders of the same class and shall notify the Securities and Exchange Commission when the securities are admitted for public offer and the markets with authorized quote.

In case of reorganization or bankruptcy, the provisions of Law No. 19,551 on debentures shall apply. In case of no representation for holders, they shall be appointed in a meeting called by the judge, which shall be governed by the regulations of the ordinary meetings of corporations. In the event the majority required is not met, the appointment shall be made by the judge.

**Section 30.** — Companies authorized for public offer of stocks and bonds may issue global certificates of negotiable securities, pursuant to the requirements of Section 7, for its registration in collective deposit regimes. For such purposes, they shall be considered definite, negotiable and divisible.

**Section 31.** — The issuance conditions of the negotiable securities may indicate that they are not represented with securities. In that case, they must be registered in the accounts held under the names of the holders in a register of negotiable securities with records for the issuer, commercial banks, investment banks or Collective Deposit Agent.

The capacity as holder is presumed by the certificates of the accounts opened in the records of negotiable securities. In all cases, the issuer is responsible towards the holders for errors or irregular situations in the accounts, notwithstanding the liability of the entity holding them for the issuer, as applicable.

The issuer, the bank or the Collective Deposit Agent shall give the holder a certificate evidencing the account opened and all movements recorded thereto. All holders are also entitled to receive a certificate with the balance of their account.



For the purposes of negotiations performed through the Collective Deposit Agent negotiation, the provisions contained in Law No. 20,643 and regulatory and supplementary regulations shall apply.

The public offer of book-entry negotiable securities is governed by the provisions contained in Law No. 17,811.

**Section 32.** — Transfer of nominative or book-entry negotiable securities and real property rights must be informed in writing to the issuer or entity in charge of the registry and they must be registered in the pertinent book or account. It is enforceable against the issuer and third parties since registration.

For book-entry negotiable securities, the issuer or entity in charge of the registry shall inform the holder of the account to perform a debit with transfer of securities or the constitution of liens thereon within ten (10) days after registration, in the domicile of corporation. In companies, cooperatives or partnerships subjected to public offer, the comptroller authority may regulate other methods to inform the holders.

**Section 33.** — Every public offer of negotiable securities performed by cooperatives and civil associations requires prior authorization from the Securities and Exchange Commission.

**Section 34.** — Directors, administrators, receivers or advisors of the supervisory board of the issuer are jointly and severally liable for the damages that the violation to the provisions of this Law may cause to holders.

**Section 35.** — Actions, contracts and operations are exempt from stamp tax. This provision shall also apply to money delivered or received related to issuance, subscription, underwriting or transfer of negotiable securities referred to by this Law. This exemption also applies to all kind of personal or real property guarantees created in favor of investors or third parties guaranteeing the issuance, whether they are previous, simultaneous or subsequent thereto.

Moreover, equity increase for issuance of shares to be delivered by conversion of liabilities referred to in the paragraph above shall also be exempt from the stamp tax.

The Executive Branch shall invite provinces to grant equal exemptions in their jurisdictions.

The above only apply to the referred actions, contracts and operations.

*(Section replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 07/27/1988)*

**Section 36.** — Negotiable securities included in this law shall be subjected to tax treatment set forth below, provided the following conditions and obligations have been met:

1. In case of negotiable securities issued by public offer, with the pertinent authorization of the Securities and Exchange Commission.
2. The issuer guarantees the application of funds to be obtained through underwriting of negotiable securities to investments in physical assets in the country, with the integration of working capital in the country or refinancing of liabilities, to the integration of equity contributions in subsidiaries or sister companies of the issuer companies whose produce

exclusively applies to the destinations specified above, as set forth in the resolution dictating issuance, and after the investors have been notified with the prospectus.

3. The issuer shall prove before the Securities and Exchange Commission, in the time, form, and conditions decided by such entity, that the funds obtained pursuant to the plan approved.

4. The minimum term of total amortization of debt may not be lower than two (2) years. In case of issuance of partial amortization clause, the following additional conditions shall apply:

a) The first amortization shall be performed after six (6) months and it may not be higher than twenty-five percent (25%) of the issuance;

b) The second amortization shall be performed after twelve (12) months and it may not be higher than twenty-five percent (25%) of the issuance;

c) The total amount to be amortized within the first eighteen (18) months may not exceed seventy-five percent (75%) of total issuance.

The terms mentioned herein shall be counted as from the date the underwriting of negotiable securities.

When the issuer is a financial entity governed by Law No. 21,526 as amended, such funds may be assigned to grant loans and the borrowers may use such funds for the purposes included in subsection 2) above, according to the regulations issued by the Central Bank of the Republic of Argentina. In the same case, the financial entity shall prove the final destination of funds in the manner determined by the Securities and Exchange Commission.

*(Section replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 07/27/1988)*

*(**Infoleg Notice:** Through Section 79, second paragraph of [Executive Order No. 2284/1991](#) Official Gazette 11/01/1991, the requirements of the minimum terms of amortizations set in subsection 4 of Section 36 of Law No. 23,576 (as amended by Law No. 23,962), notwithstanding the powers of the CENTRAL BANK OF THE REPUBLIC OF ARGENTINA. Treatment provided for negotiable securities provided in Sections 36 and 36 bis of that rule, considering the modification introduced by the executive order of reference, shall be applicable to government bonds and profits.*

*(Last part of the paragraph, according to the text of [Executive Order No. 2424/91](#) B.O. 11/14/1991).*

**Section 36 bis** — Tax treatment referred to in the first paragraph of the section above shall be as follows:

1. The following are exempted from value added tax: financial operations and services related to issuance, subscription, underwriting, transfer, amortization, interests, cancellation of negotiable securities and guarantees.

2. Transfer of negotiable securities created by this Law shall be exempt from the tax on transfer of securities, provided it is performed in open markets or in the stock exchange.

3. Results derived from purchase-sale, exchange, swap, conversion and assignment of negotiable securities are exempted from income tax. In case of foreign beneficiaries included in title V, the provisions contained in Section 21 of such law, and in Section 104 of Law No. 11,683 (as amended in 1978) shall not be applied.

4. Interests, updates and adjustments of equity are exempt from income tax. In case of foreign beneficiaries included in title V, the provisions contained in Section 21 of such law, and in Section 104 of Law No. 11,683 (as amended in 1978) shall not be applied.

The same tax treatment applies to government bonds.

For the purposes of facilitating access to this regime to small and medium companies, the Securities and Exchange Commission shall set forth different requirements with categories defined by the magnitude of issuance and the size of the issuing company. When the issuer complies with the provisions included in Section 13 of the regulations, it may limit the intervention requirements at the Securities and Exchange Commission, notwithstanding the benefits of tax treatment set forth in this section.

*(Section incorporated by Section 1 of [Law No. 23,962](#) Official Gazette, 07/27/1988)*

**Section 37.** — In the income tax filed each year, the issuing entity may deduct the total amount of interests and updates of the obtaining of funds derived from the underwriting of negotiable securities authorized by the Securities and Exchange Commission for public offer. Moreover, expenses and discounts derived from issuance and underwriting shall also be deductible.

The Securities and Exchange Commission shall declare this tax benefit inapplicable to the public offer of negotiable securities, where due to the combined effect of issuance discounts and interest rate payable, it represents for the issuing entity a disproportionate financial cost related to the prevailing cost in the market for similar risks and terms.

*(Section replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 07/27/1988)*

**Section 38.** — When the issuer does not comply with the conditions or obligations set forth in Section 36 and notwithstanding the sanctions that may be applied according to Law No. 11,683 (as amended in 1978), the benefits derived from tax treatment covered herein shall not apply and the issuing entity shall be responsible for payment of taxes that would have been applied to that investor. In this case, for income tax purposes, the maximum rate included in Section 90 of the respective law on the total of rent accrued in favor of investors must be considered.

The tax shall be paid with the pertinent updates and interests as unique and final payments; the Argentine Tax Bureau shall establish form, terms and conditions of admission.

*(Section replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 07/27/1988)*

**Section 39.** — Section incorporated by Section 2 of [Law No. 23,962](#) Official Gazette 07/27/1988).

**Section 40.** — Section incorporated by Section 2 of [Law No. 23,962](#) Official Gazette 07/27/1988).

**Section 41.** — The Securities and Exchange Commission shall act as information agent of the Argentine Tax Bureau regarding application of this law.

**Section 42.** — Section incorporated by Section 2 of [Law No. 23,962 Official Gazette 07/27/1988](#)).

**Section 43.** — Participation plans of the employees in equity of corporations authorized for a public offer of shares set on a proportional basis of their compensation and free for all employees and under the conditions set by regulations, shall have the following benefits.

a) The amounts that the companies set for subscription or purchase of their own shares for the above mentioned staff in such plans shall be deducted from Income Tax until twenty percent (20%) of net profits of the year after calculation of loss accrued in prior periods;

b) Shares, as well as profits or benefits derived thereto shall be exempt from liens while they are not available in such plans or under the name of beneficiaries.

The amounts included in subsection a) will not be considered part of compensation, salary, wages or retribution for labor, pension or social security purposes, and therefore they shall be exempt from health care withholdings and contributions of family benefits, Housing Fund or any other similar concept.

**Section 44.** — Sections 10 to 20 of Law No. 19,060 on bonds convertible in shares shall be repealed.

**Section 45.** — Section 325 of Law No. 19,550, as amended in 1984, is hereby replaced by:  
SECTION 325: Corporations, including those included in Article VI and partnership limited by shares may, if authorized by the bylaws, borrow money to private or public entities with the issuance of debentures.

**Section 46.** — Subsection c) of Section 35 of de facto provision 20,091 is hereby amended, and the final version is as follows:

c) Negotiable securities with authorized public offer issued by joint-stock companies, cooperatives and civil associations incorporated in the country, or branches of joint-stock companies incorporated abroad within the terms of Section 118 of the Companies Law, and in debentures, in both cases with special or floating guarantee of first degree on goods registered in the country.

*(Section replaced by Section 1 of [Law No. 23,962 Official Gazette, 07/27/1988](#))*

**Section 47.** — Be it informed to the Executive Branch. — Juan Carlos Pugliese. — Víctor H. Martínez. — Carlos A. Bravo. — Antonio J. Macris.

GRANTED IN THE SESSION ROOM OF THE ARGENTINE CONGRESS, IN BUENOS AIRES, ON JUNE 29<sup>TH</sup>, 1988.

### **Regulatory Background**

*(Section 1 replaced by Section 1 of [Law No. 23,962 Official Gazette, 08/06/1991](#);*

*(Section 3 replaced by Section 1 of [Law No. 23,962 Official Gazette, 08/06/1991](#);*

*(Section 7 replaced by Section 1 of [Law No. 23,962](#) Official Gazette, 08/06/1991.*