

Tango Bonds: Case advancing to the final merit phase against Argentina at the World Bank

Nicola Stock, President of TFA, states: "The energy of the prosecution of the legitimate claims of the Italian bondholders is stronger than ever."

The World Bank's ICSID Tribunal presiding over the Italian bondholders' case against the Argentine Republic held a procedural hearing in Washington, DC, on 9 May 2012 to consider the schedule for the conclusion of the case. The Tribunal heard arguments from counsel for the tens of thousands of Italian bondholders pursuing international treaty claims against Argentina. The Tribunal also heard the *Procurador* and counsel for the Argentine Republic.

The hearing followed the Tribunal's decision in favor of the bondholders last August establishing jurisdiction in the proceeding and rejecting Argentina's numerous objections, all successfully opposed by the Italian Claimants. In the aforementioned decision the Tribunal also ruled that any further procedural aspect not addressed in the decision, as well as the details of the next phase of the proceedings, would be discussed at a procedural meeting.

Since the favorable decision on jurisdiction, as conveyed in prior TFA communications, the bondholders have defeated procedural objections raised by Argentina, including failed attempts to annul the decision on jurisdiction and to disqualify two members of the arbitral Tribunal. The three-member Tribunal was reconstituted in January 2012. Following further briefing by the parties, the case advanced to the mentioned procedural meeting.

The Tribunal is expected to rule soon on the schedule for the merits and damages parts of the case, including the process for reaching decisions for each individual bondholder participating in the proceeding.

"The hearing is a fundamental step in the merits stage of the proceeding", says Nicola Stock, President of TFA. "The energy expended for the prosecution of the claims against Argentina is stronger than ever, with the aim of obtaining the best result for the Italian bondholders."

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Italian bondholders participating in the ICSID arbitration may obtain information on the case by sending a request for information to info@tfargentina.it or consulting the website www.tfargentina.it. Any participating bondholders who revoke their participation in the cases against Argentina referenced above place the protection of their rights against Argentina at risk.

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