

International Tribunal Concludes Final Tango Bonds Hearing

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The well-known € 2 billion case brought by 50,000 Italian bondholders against Argentina went to final hearing at the World Bank in Washington, D.C., on Monday, 16 June 2014. Following seven days of argument by counsel and testimony from a total of 14 experts and witnesses, the international Tribunal concluded the hearing on 24 June. The parties will now complete written post-hearing submissions in approximately three months, with a final Tribunal decision on the bondholders' claims to follow. The case is thus in its final stages.

The conclusion of the World Bank hearing is a significant development in the multi-front battle between bondholders and Argentina. At exactly the same time that the hearing began, also in Washington, the United States Supreme Court issued a ruling against Argentina that has captured the attention of the Argentine President and the global press.

The Supreme Court denied Argentina's petition for review, thus reaffirming an injunction order of the New York District Court that prevents Argentina from paying the holders of its Exchange Offer bonds unless it also pays the plaintiff bondholders in full. Counsel for the Italian bondholders filed an "amicus" brief with the Supreme Court supporting the ruling, as a further way to enforce the rights of the bondholders and obligations of Argentina.

In the aftermath of the Supreme Court ruling, Argentina's President Christina Kirchner declared Argentina's intention to repay 100% of its debt with the holdouts, even as she and other officials have made a series of statements attacking the Supreme Court ruling and American courts. Argentina also has taken out paid full-page advertisements in major American and European newspapers, presenting the situation as a dispute between wealthy New York-based "vulture" funds. Incredibly, Argentina's ad opens as follows: "Argentina wants to continue paying its debts, but it is now hindered by Judge Thomas Griesa's ruling and by the U.S. Supreme Court." At the same time, President Kirchner has acknowledged that there are bondholders other than the so-called "vultures." That includes, of course, the Italian retail bondholders.

Italian retail investors have been waiting for over 13 years for repayment of their claims. TFA stands ready, as always, to enter into negotiations for an equitable redress of the Italian bondholders' claims, even if, over the last decade, Argentina has refused to negotiate with the Italian bondholders.

The confrontational and obstructionist approach pursued by Argentina so far has produced significant international litigation, including ICSID arbitrations as well as many lawsuits in Europe and in the United States, leading to an unprecedented case of isolation of Argentina in the international financial community.

The recent ads such as those published by the Italian and the international press however raise significant concerns that Argentina may prefer to concentrate its efforts on propaganda, rather than to give redress to individual bondholders that invested their savings in Argentinian bonds.

Nicola Stock, President of TFA, states, "I am very satisfied. The international ICSID hearing at the World Bank is complete. The case is now in its final stages. Argentina faces strong pressure on multiple fronts, including in the ICSID proceeding and in U.S. courts. Argentina has signaled

its intention to negotiate a resolution with creditors. The Italian Bondholders remain relentless until they are fully paid, but are open to fair and good faith negotiations”.

The full name of the World Bank case is *Abaclat and others (Case formerly known as Giovanna a Beccara and Others) v. Argentine Republic* (ICSID Case No. ARB/07/5). The Italian Bondholders are represented by White & Case LLP of Washington, DC, and Legance of Rome.

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This Press Release is issued further to the Tribunal’s Confidentiality Order, which authorizes the publication of decisions and orders by the Tribunal and communications regarding the status of the proceeding. 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.

Rome, 2 July 2014