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CHAPTER I
GENERAL PROVISIONS

SECTION 1 — OBJECTIVES. The Procurement Rules of Procedure of the Central Bank of Argentina—hereinafter referred to as BCRA—shall aim to contract the best quality goods, works and services to meet the BCRA’s needs in a short period of time and at the lowest possible cost. Likewise, they shall aim to sell BCRA goods under the best conditions pursuant to efficient management. Regulations on the drafting, execution, legal consequences, performance and termination of contracts shall be oriented towards the BCRA institutional purposes.

SECTION 2 — PRINCIPLES. BCRA contracts shall be subject to the following principles:

a) Principle of effectiveness and efficiency: the goods, services and works the BCRA acquires and/or contracts shall meet standards of quality, price, execution terms, delivery conditions, and any other necessary and/or conducive aspects towards the BCRA attainment of purposes in general and the procurement involved in particular. Such criteria shall be applicable for any type of contract made by the BCRA, even if not included in Section 3.

b) Principle of planning, foresight and control: the BCRA shall plan, program, organize, develop, supervise and conduct the execution of both the contractor’s selection procedures and the contract it enters into so that needs are met in time and under the most convenient conditions.

c) Principle of economy: the criteria of simplicity, austerity, concentration and saving in the use of resources shall be applied in every purchase or contract, in the selection process stages as well as in the agreements and resolutions that fall on them. Costly and unnecessary requirements and formalities shall be avoided in the Terms and Conditions and in purchase orders and/or contracts.

d) Principle of legality: any selection and/or procurement procedure executed by the BCRA shall positively be subject to the provisions under these Procurement Rules of Procedure and the legal system as a whole and, if applicable, to the Charter of the BCRA.

e) Principle of transparency and advertising: the selection procedures included in these Rules shall be executed in a context of transparency based on the advertisement and disclosure of such proceedings.
f) Principle of reasonableness: the proportion among the subject matter of the contract, public interest and the expected result shall always be considered.

g) Principle of equality and free involvement: in selection procedures, all possible bidders shall be equally considered thus avoiding monopolist practices and promoting the involvement of bidders and competitiveness among them. These Rules and their supplementary rules shall not include any regulations that prevent free competition among bidders.

h) Principle of environmental protection: adequate and effective application of environmental criteria shall gradually and progressively be promoted in public procurement.

i) Principle of responsibility: the BCRA, through its employees and officers, shall safeguard a regular and legitimate development, realization, formalization and execution of selection procedures and/or contracts, thus securing the rule of law, good faith and practices in order to achieve the expected goals and discretionary respect and law protection, discretionary powers and authority of the BCRA, the bidders, contractors and/or third parties.

From the beginning of proceedings until the end of the contract execution, all issues related to selection procedures or procurement itself shall be interpreted on the basis of rigorous compliance with the preceding principles. Those principles shall also serve as parameters for the BCRA officers and employees and shall be used to make up for potential regulatory gaps.

SECTION 3 — INCLUDED CONTRACTS. These Rules shall apply for the following contracts: purchase and sale transactions, supply, lease, consulting, lease with purchase option, gratuitous bailment, permutation, authorizations, permits and concessions regarding the use of the BCRA public and private domain goods, and all other contracts not explicitly excluded in the section that follows.

SECTION 4 — EXCLUDED CONTRACTS. The following contracts shall be excluded from these Rules:

1) Contracts entered into with foreign States, public international law institutions and credit multilateral institutions.

2) Financing transactions as well as contracts and financing services entered into by the BCRA in both the private and the public sectors.
3) Employment contracts with the BCRA employees.

4) BCRA transactions governed by private law, notwithstanding the provisions set forth in Sections 24 and 25.

5) Out-of-pocket expense contracts ruled by their own specific regulations.

6) Contracts related to arbitrage and conciliation services.

7) Contracts of the Senior Management for Communications ruled by their own specific regulations.

8) Payments of taxes, rates and contributions.

9) Public services related to real estate (gas, electricity, and others).

10) Contracts with visiting researchers.

11) Contracts ruled by other specific BCRA systems.

SECTION 5 — APPLICABLE REGULATIONS AND ORDER OF PRIORITY. The procurement procedures established in these Rules shall be governed by the current regulations and the provisions stated accordingly shall be governed by the Terms and Conditions and by the contract, agreement or purchase order.

All documents concerning a procurement procedure will be considered reciprocally supplementary. In case of discrepancy, the following order of priorities will be followed:

a) The provisions under these Rules.

b) The General Terms and Conditions.

c) The Specific Terms and Conditions.

d) Letters of request for information and/or those issued ex officio, the latest will prevail over the rest.
e) The bid and samples submitted.

f) Award of bids.

g) Purchase order or contract.

SECTION 6 — POWERS OF THE BCRA. The BCRA will have the following powers:

a) Interpret contracts; resolve any doubts that may arise in relation to their compliance; amend contracts for reasons of public interest; consider them lapsed, terminated or resolved, and determine their effects.

The revocation, amendment or substitution of contracts by reasons of opportunity, merit or convenience shall give no right to compensation for loss of profits, but to compensation for proven actual damages.

The BCRA and the supplier may mutually agree to terminate a contract when the public interest protected at the time of entering into the contract has changed, and the contractor has given its consent. Neither party will have a right to compensation in these cases, subject to the effects that have already materialized up until termination of the contract.

b) Increase or reduce the total amount of the contract by up to TWENTY PERCENT (20%), under the conditions and prices agreed upon, and adjusting the relevant terms. Such percentage may be increased up to THIRTY-THREE PERCENT (33%), if agreed with the contractor.

c) Control, monitor and manage the procurement.

d) Impose such penalties as are set forth in these Rules, should bidders or contractors fail to comply with their obligations.

e) Directly carry out the subject-matter of the contract when the contractor fails to do so within the required term, in which case the BCRA may make use of the goods of the non-compliant contractor.

f) Examine the offices and books that contractors are to keep, if provided for in the specific terms and conditions.

g) Exercise the right to renew the contract—if contemplated in the specific terms and conditions—with the increases or reductions set forth in
subsection b) above, and at the prices originally stated in the contract, as adjusted under Chapter XIV, if applicable, after considering the economic reasonableness and the supplier’s behavior.

SECTION 7 — PROGRAMMING. In order to achieve a productive application of resources and set up the general pattern for programming and procurement procedures management, the BCRA shall draw up a Procurement Annual Plan adjusted to its needs and to the BCRA General Budget.

SECTION 8 — ANTI-CORRUPTION CLAUSE. Giving or offering money or any other gift is considered a cause of rejection of the bid in any stage of the selection or termination process under a full-fledged contract, notwithstanding criminal and/or administrative actions to be deducted, in order to avoid that:

a) BCRA officers or employees with competence in selection procedures of the contractor and in the procurement do or fail to do something related to their positions.

b) Public officers or employees make use of the influence of their positions on other officers or employees in order for the latter to do or fail to do something related to their positions.

c) Any person makes use of their relationship or influence on a BCRA officer or employee with the competence described, in order for the latter to do or fail to do something related to their positions.

To this end, anyone acting on the bidder or contractor’s interest both directly or indirectly shall be considered participants whether as representatives, administrators, partners, agents, managers, employees, contract workers, business advisers, trustees or any other natural or legal person. Attempted illicit behavior shall have the same consequences.

SECTION 9 — TERM CALCULATION. Terms will be considered as follows:

a) In working days, except as otherwise stated under these Rules or the Specific Terms and Conditions. Working days are business days with customer service in the official opening hours.

b) In weeks, for 7-day terms calculated in calendar days.
c) In months or years, from date to date, pursuant to the Civil and Commercial Code of Argentina.

CHAPTER II

REGISTRY OF SUPPLIERS

SECTION 10 — REGISTRY OF SUPPLIERS. The Registry of Suppliers will be part of the BCRA Procurement Information System. All natural and legal persons interested in entering into a contract with the BCRA should be registered with such Registry. The Procurement Management Office will be in charge of managing the Registry of Suppliers. The purpose of the Registry of Suppliers is to compile each supplier’s background information, previous procurement procedures with the BCRA, penalties and fines, if any, legal situation, and reasons for ineligibility as set forth in these Rules, if any. Likewise, suppliers may be assigned preliminary ratings according to their economic activity. These ratings will make them eligible to participate in any such selection procedure that requires a special approval.

The Procurement Management Office will post on the BCRA website the list of suppliers registered with the Registry of Suppliers, including their main details in a clear and friendly format.

SECTION 11 — REGISTRATION. Interested parties should submit preregistration and definite registration forms to the Procurement Management Office. In turn, the Procurement Management Office is entitled to perform any kind of examinations and require any necessary piece of information for checking the submitted data.

The BCRA, through the Procurement Management Office, will inform the interested party about the acceptance or rejection of the request for registration with the Registry of Suppliers.

The Procurement Management Office is vested with powers to include suppliers in, temporarily suspend or exclude them from the Registry, explicitly stating the reasons lying behind.

Suppliers must be previously registered with the Registry of Suppliers in order to contract with the BCRA. Those suppliers willing to make a bid that are not yet registered should first preregister and later on apply for definite registration before bidding. In that case, they should be definitely registered before bids are awarded.
SECTION 12 — PRE-REGISTRATION REQUIREMENTS. The requirements to preregister with the Registry of Suppliers are as follows:

a) Natural persons:

I) Full name, birth date, nationality, occupation, legal address and address for service in Argentina, civil status and identity document type and number.

II) Taxpayer Identification Number (CUIT).

III) E-mail address.

b) Legal Persons:

I) Business name, legal address and address for service in Argentina, place and date of association and company registration.

II) Taxpayer Identification Number (CUIT).

III) E-mail address.

IV) List of current members of management and statutory auditor, where appropriate.

V) Date, corporate purpose, and term of the articles of association.

c) Natural and legal persons:

I) Affidavit of lawsuits against the National State, its bodies and decentralized agencies and/or against the BCRA, provincial and/or municipal governments, their bodies and decentralized agencies.

II) Affidavit stating that the applicant does not fall within Section 57 of these Rules (ineligibility).

III) Affidavit stating that the applicant has violated no prohibition and has engaged in no anti-competitive practices set out as under Antitrust Law No. 25,156. Where a local representative before the BCRA has been granted authority to act under multiple powers of attorney, such
circumstance shall be stated on the affidavit showing that it raises no conflict of interests. The provisions of that law are further applied to this case.

Affidavits mentioned in paragraphs I, II and III above shall be executed by a duly empowered person or officer.

The Procurement Management Office will determine if a registered supplier should submit additional information and be subject to minimum requirements in line with internal regulations supplemental to these Rules.

For simplified procurement procedures, only subsections a) and b), and paragraphs I), II) and III) shall be enforced regardless of the type of person involved.

Hence, the document shall indicate that such representative is empowered to submit bids, which, if accepted, shall be binding on the company s/he represents. The applicant shall submit a copy of the appointment letter, which shall be certified by a notary public and authenticated by the Professional Association of Notaries Public.

The applicant shall submit a copy of the appointment letter, which shall be certified by a notary public and authenticated by the Professional Association of Notaries Public. Documents written in a foreign language shall be authenticated by the consulate or hold an apostille as under the Hague Convention of 1961. Additionally, it shall be translated by a certified translator and authenticated by the relevant professional association.

Representatives of foreign companies shall submit a copy of the respective bylaws, along with a list of current authorities, all of which shall be duly authenticated and translated into Spanish.

SECTION 13 — REGISTRATION VALIDITY. Registration shall be valid for two years. Notwithstanding the foregoing, the supplier shall undertake to keep updated all such information provided and any documents submitted in due course for two years. Suppliers failing to request renewal of registration shall be removed from the Registry.
SECTION 14 — BCRA PROCUREMENT INFORMATION SYSTEM. The BCRA shall post on-line the selection procedures by way of its Procurement Information System. However, it may use any other means set forth in these Rules. Additionally, the BCRA may manage selection procedures through such System.

The use of different means could be direct or intermediated through open or closed networks, in electronic commerce platforms or digital markets.

SECTION 15 — VALIDITY AND EFFECTIVENESS OF ACTIONS THROUGH THE BCRA PROCUREMENT INFORMATION SYSTEM. Any actions taken through the BCRA Procurement Information System will have the same legal validity and effectiveness as if taken by manual means and may replace them for all legal purposes. The information processed through the BCRA Procurement Information System shall be consistent with the information contained in hard copy files of procurement. Likewise, such information shall be entered in a timely manner and shall include the calls for bids and their receipts, clarifications, answers and changes in the terms and conditions, along with the award results related to acquisitions and procurement of goods, services and works.

CHAPTER IV
SELECTION

SECTION 16 — SELECTION PROCEDURES. The contracts executed by the BCRA shall follow one of the following procedures: public tender, public competitive selection process, private tender or private competitive selection process, abbreviated tender, simplified procedure, direct contracting and public auction. Such contracts shall have certain characteristics according to their object and the estimated amount in Procurement Units (PU), determined and updated by the Board of Directors.

In order to determine a selection procedure, the contract estimated amount shall include the calculation of eventual extension options.

SECTION 17 — PROCUREMENT SPLITTING PROHIBITION. Procurement shall not be split with the aim of evading selection procedures emerging from the application of the maximum amounts set to enter into contracts. The existence of splitting shall be presumed when, in a THREE (3)-month term from the first day of the call for bids, another call is issued to select goods or services within the same trading area, without previously stating the reasons. The officers and employees who have authorized and approved the selection procedures shall be responsible for such splitting.
Even when the existence of splitting is not confirmed, responsibilities, if any, shall be analyzed as to inadequate lack of foresight or planning.

**SECTION 18 — PUBLIC TENDER.** The Public Tender comprises the general rule for procurement and it shall be complied with when: the call is directed towards an indefinite number of possible bidders; the selection criteria depends mainly on economic factors and the estimated procurement amount is higher than ONE THOUSAND (1,000) Procurement Units. Also, when the services rendered require a higher number of suppliers, in spite of the amount.

**SECTION 19 — PUBLIC COMPETITIVE SELECTION PROCESS.** The Public Competitive Selection Process comprises the general rule for procurement when: the call is directed towards an indefinite number of possible bidders, the selection criteria depends mainly on subjective non-economic factors—such as qualification requirements; technical, scientific, artistic or another ability—and the estimated procurement amount is higher than ONE THOUSAND (1,000) Procurement Units. Also, when the services rendered require a higher number of suppliers, in spite of the amount.

**SECTION 20 — PRIVATE TENDER OR COMPETITIVE SELECTION PROCESS.** This selection procedure is directed towards those suppliers for which the BCRA has substantial reasons for them to participate and are duly registered or preregistered in the Registry of Suppliers. The invitation shall be made to at least three bidders. The invitation criteria encompasses distinctive competitive or market-strategic characteristics of the potential bidders. It also comprises the qualification requirements to fulfill the rendering of services stated in the contract as either guaranteed or limited to the invited suppliers, regardless the specialization or exclusivity set forth in Section 26.

The reasons for using this type of selection procedure shall first be duly stated in a Report.

**SECTION 21 — ABBREVIATED TENDER.** The Abbreviated Tender shall be used when the procurement amount is not higher than ONE THOUSAND (1,000) Procurement Units (PU). The term for proceedings shall not exceed TWENTY (20) working days, notwithstanding the provision of a shorter term in the Specific Terms and Conditions.

Invitations shall be made by electronic means and shall be directed towards those suppliers whose economic activity stated in the Registry of Suppliers concurs with the subject matter of the contract underway. The term from the time of inviting to the deadline for proposal submissions shall not be lower than FIVE (5) working days.
The relevant officer shall choose the most convenient bid for which he shall previously ask opinion of the requiring office and/or competent technical area according to the goods, service or work required thus, issuing a Report of Awards stating the proceedings.

To acquire standardized articles, digital systems for estimates and bids may be used through webs (Internet). Such systems shall be regulated by these Rules as well as by any supplementary rules stated accordingly.

SECTION 22 — SIMPLIFIED PROCEDURE. The Simplified Procedure shall be used when the procurement amount is not higher than ONE HUNDRED (100) Procurement Units (PU).

Invitations to participate may be made by any means to at least three (3) bidders duly registered. Invitations may include the required details so that the supplier can make a bid or, in any case, the relevant Specific Terms and Conditions shall be devised.

Bids may be submitted by way of the BCRA Procurement Information System by e-mail, fax or other similar means. The Procurement Management Office shall be in charge of receiving bids—either open or closed—which shall be kept reserved until the day and time of the submission deadline.

Bids shall be included in the procurement files according to the order in which they were received, disregarding the formal administrative act of bid opening. However, the relevant officer shall issue a Report of Awards stating the proceedings and choose the most convenient bid. If suitable, he may ask opinion of the requiring office and/or competent technical area according to the goods, service or work required.

The award shall be notified to the awardee and other bidders through the BCRA Procurement Information System or other similar means.

SECTION 23 — CATEGORIES. Tenders and Competitive Selection Processes—either Public or Private—may enter into the following categories: a) single stage (the bid evaluation takes place in a single act); b) multiple stage or consecutive stages (the characteristics of the object to be supplied make it necessary for the bid evaluations to be carried out in two or more stages); c) domestic (the call is directed towards those interested parties with addresses or duly registered branches in Argentina as under Argentine law); and d) international (when—considering the nature of the object to be supplied—it is necessary to call interested parties whose headquarters are abroad and do not have any duly registered branches in Argentina).
SECTION 24 — ACQUISITION OR SALE OF MOVABLE PROPERTY.

1) Works of art, historical objects, or other similar goods shall be purchased at public auctions both in Argentina and abroad.

   2) The sale of movable property may be held:

      a) Through Public Tender;

      b) Against the purchase price, in acquisitions of goods made through Public Tender;

      c) Through public auction, through specialized official institutions.

SECTION 25 — ACQUISITION OR SALE OF REAL ESTATE.

1) To purchase real estate, specialized valuation shall be required of at least one official institution and two real estate brokers. The purchase price shall be fixed and duly founded on such valuations in addition to all other elements considered relevant to such end.

   2) Real estate shall be sold at Public Tenders with the approval of the Board of Directors. Specialized valuation shall be required of at least one official institution and two real estate brokers. The sale price shall be fixed and duly founded on such valuations in addition to all other elements considered relevant to such end.

Likewise, the real estate involved may be sold through a specialized official institution, in which case the sale price shall be fixed on the basis of such institution’s valuation, notwithstanding all other elements considered relevant to such end. However, the approval and decision powers of the competent areas at the BCRA shall be considered.

To acquire or sell real estate abroad, supporting records of the required price shall be added to the relevant files, to help the assessment of the offer or sale price.

SECTION 26 — DIRECT CONTRACTING. This procedure may be applied in the following cases:

   a) If the supplier were a State body, a company in which the State holds a majority interest or a State-owned company;
b) If transactions were required to be reserved to comply with the Governor of the BCRA’s well-founded decision;

c) If the procurement of works or scientific, professional, technical or artistic jobs were to be carried out by natural or legal persons with renowned background information;

d) If the adoption of another selection procedure were not possible due to well-founded reasons arising from unexpected events. Under no circumstances reasons shall be considered well-founded in the event of delay or negligence on those officers’ part in charge of initiating the procurement procedure with due anticipation;

e) If the procurement of goods or services which manufacturing, sale or property were exclusive of a person/company, whenever such event were stated in technical reports and there were no convenient substitutes in the market. This case shall also apply for procurement of existing equipment at the BCRA which, for systems and/or technology reasons, is adequate to such equipment;

f) If it were essential to disassemble goods, whether in full or in part, to have the budget of vehicles, engines, machinery or another type of equipment to be repaired;

g) If there were evident shortage of the goods to be acquired in the local market, which situation shall be stated in a well-founded technical report in each case;

h) In the case of real estate rental, prior well-founded maximum price to be paid for that transaction;

i) When a Public Tender or Competitive Selection Process lacked bids or were submitted unacceptable or inconvenient bids. In these cases, Direct Contracting shall comply with the same technical specifications already stated in the original one. Unacceptable bids are those which, convenient or not convenient, do not adjust to the requirements in the Terms and Conditions. They are bids which do not offer what was exactly asked for or do not comply with the set conditions or requirements. Regarding bids, those excessive estimates showing unacceptable differences with real average prices, even if adjusted to the Terms and Conditions, shall be considered economically inconvenient;

j) If banknote printing or minting were necessary; or
k) In the case of goods delivered under gratuitous bailment by public or private institutions in order to face BCRA specific needs.

SECTION 27 — COMPETENT AUTHORITY. The relevant bodies at the BCRA, pursuant to the competence stated in Annex I of the current Rules, shall be in charge of the authorization of the selection procedure chosen and approval of the call for bids, preselection, award, call or contract revocation, amendments for reasons of public interest, direct execution, statement of vacant or failed procedure, contract inconvenience or cancellation.

To determine the competent authority for the call authorization and/or preselection, the estimated amount to be considered shall be the total amount estimated for awards, including applicable extension options. The authority for procurement award shall be fixed according to the amount of the bid to be awarded, including applicable extension options, as under Annex I of the current Rules. In the case of an award process for a lower amount than the originally agreed and considering that this award corresponded — according to the amounts in Annex I — to a competent authority of lower rank than the one which approved the call for bids and/or pre-selection, the competent authority of higher rank shall be informed of such award process.

The responsibility to authorize an increase or reduction of the amount agreed, the extension set forth in subparagraph b) in section 89, and the exercise of extension options applicable in this contract as under section 6, subparagraph g), rests with the competent authority according to the amount involved as per the Scheme of Powers provided for in Annex I.

In case of absence of the officers in charge, the competent authority of immediately higher rank on whom they depend shall have power of decision as set forth in Annex I.

CHAPTER V
PROCUREMENT PARAMETERS

SECTION 28 — PARAMETERS. Selection procedures may be carried out according to the following parameters or their combinations:

a) Open purchase order.

b) Purchase with deferred delivery.
c) Maximum price.

d) Turnkey.

e) Master Agreement.

SECTION 29 — OPEN PURCHASE ORDER. The open purchase order shall be adopted when the number of goods or services were only approximately fixed in the contract so the BCRA may make requirements to the supplier according to its needs during the period stated in the contract at the awarded unit price.

The BCRA shall determine, in the Specific Terms and Conditions, the maximum number of units of each item that may be required during the validity of the contract and the estimated frequency of provision requests. On the other hand, the contractor is under obligation to supply up to the maximum number of items agreed in the contract at the awarded unit price. The requirements for a lower total than the maximum number agreed shall not rest responsibility with the BCRA.

SECTION 30 — PURCHASE WITH DEFERRED DELIVERY. Purchase with deferred delivery shall be adopted when, after fixing the number of goods or services of the contract, different delivery deadlines are set. The Specific Terms and Conditions shall determine such deadlines and ways of delivery.

SECTION 31 — MAXIMUM PRICE PROCUREMENT. Procurement shall have a maximum price when the call for bids indicates the maximum price to be paid for the required goods or services. The grounds for the determination of the maximum price shall be stated in the procurement files.

SECTION 32 — TURNKEY PROCUREMENT. Turnkey procurement shall be carried out when the BCRA considers it convenient to lay the responsibility of a whole project, both development and launching, on just one supplier.

This parameter is applied if the objective of the procurement is the supply of elements or complex systems to be delivered and installed or when it also comprises the rendering of services related to the launching, operation, training, coordination or functioning of such goods or systems among themselves or with existing ones through the use of specific technologies.
The Specific Terms and Conditions shall anticipate that bidders should supply spare parts, offer quality guarantee and appropriate validity, detail the maintenance work to be done and any other requirement for the benefit of the procurement.

SECTION 33 — MASTER AGREEMENT. The BCRA may enter into Master Agreements with public and private providers to ensure the provision of goods and services to the Central Bank in accordance with the conditions of such agreements. This method is applicable as per the procedures of public and private tender and direct contracting, in cases of exclusivity / specialty.

CHAPTER VI
PREPARATION PROCEDURE. TERMS AND CONDITIONS

SECTION 34 — PREPARATORY ACTIVITIES. Procurement applications shall be processed by each area and approved by the highest authority of such area and shall include, at a minimum, the following:

a) Purpose and motive.

b) Characteristics, quality and amount of goods or service rendered, specifying whether the goods are new or used.

c) Research, design and specifications, where appropriate.

d) Estimated cost with the preventive allocation of funds.

e) Term of delivery or execution of the work, provision or service.

f) Detailed explanation of the need for the requested procurement and the selection procedure chosen.

SECTION 35 — CRITERIA FOR CHOOSING THE SELECTION PROCEDURE. The selection procedure choice as well as the procurement method shall be determined by one or more of the following circumstances, notwithstanding other circumstances not specified herein:

a) Contribution to the compliance of targets connected with cost-effectiveness, efficiency and effectiveness of public resources application.
b) Characteristics of the goods and services to be procured.

c) Estimated amount of the agreement.

d) Trading conditions and market formation.

**SECTION 36 — CATEGORIZATION.** Goods and services to be procured shall be categorized by affinity lines or within the same trading area.

In order to be included in the same line elements or equipment must constitute a functional indivisible unit due to reasons of functioning, adjustment, assembling, style and/or similar characteristics that demand inclusion therein.

**SECTION 37 — TRADEMARKS.** Specifications of the requested elements shall not indicate a specific trademark, except in the case of justifying scientific or technical reasons or where notorious and proved quality of certain goods in the market so warrant their acquisition. This reason must be duly founded. In these cases, a specific trademark may be requested, and to such request the phrase “or equivalent” must be added. In the cases of abbreviated tender and computerized purchase a specific trademark may also be requested. The trademark or the determination of certain trademark specifications do not qualify as an exclusivity cause, except there were no adequate substitutes. In every case, such determination shall be the result of technical reports duly founded.

**SECTION 38 — REVOCATION CALL.** If in a procurement call previous advertising requirements set forth by law would be omitted or certain specifications or clauses that can only be met by certain interested parties or bidders, aimed at favoring particular situations, would be included; such procurement call shall be revoked and the procedure shall be immediately suspended, regardless of the procedure stage and notwithstanding the prosecution of relevant internal proceedings.

In such case, a new procurement call may be conducted, through the same selection procedure and, besides bidders of the previous call, new interested parties should be invited.

**SECTION 39 — FAILURE OF THE SELECTION PROCEDURE.** When the bids submitted do not conform to the provisions set forth in the Specific Terms and Conditions and/or the price is not convenient and/or there are other substantial reasons that discourage the bids acceptance, the BCRA may declare that the procedure has failed. The competent authority
that conducted the call shall be in charge of declaring the procedure vacant.

SECTION 40 — VACANT PROCEDURE. A selection procedure is declared vacant in absence of bids. The competent authority that conducted the call shall be in charge of declaring the procedure vacant.

SECTION 41 — NOTICES. Notices to bidders or suppliers, whether during the selection procedure or the agreement execution, shall be served saving money and time.

Notwithstanding the notices expressly mentioned in these Rules, notices concerning the following cases shall only be effective as of the date the interested party is duly notified:

a) A statement showing that the call for bids failed or was declared vacant.

b) The BCRA´s decision of revoking the selection procedure.

c) The pre-assessment or pre-selection of bidders in case of tenders with multiple stages.

d) The application of penalties and sanctions to bidders and/or contractors.

e) The invitation to improve bids.

f) Award of bids.

g) The rejection of bids.

SECTION 42 — TERMS AND CONDITIONS. GENERAL GUIDELINES. The General Terms and Conditions and Particular Specifications as well as of form shall set forth the regulations aimed at achieving the most advantageous mix of all the benefits of a good or service and the related current and future costs. The regulations may not set forth unjustified differences among bidders or only take bids’ prices into account. In every case, the BCRA must foster effectiveness, efficiency, economy and transparency in its procurements.

Terms and conditions shall be provided for free, except for certain cases where the BCRA determines, on account of their characteristics, that an
amount set forth in the call shall be paid. Such amount must be equal to the copying cost.

SECTION 43 — REMARKS TO THE TERMS AND CONDITIONS PROJECT. If the good/service complexity or the procurement amount so demand, the BCRA may provide for the opening of a new stage prior to the call stage so as to allow bidders to make remarks to the Specific Terms and Conditions project and, where applicable, to the construction work project; within a reasonable term to be determined that shall not be less than THREE (3) days.

Producer associations, manufacturers, traders, contractors or consultants connected with the procurement purpose shall be invited, by any mean deemed appropriate, to make remarks to the project. Such remarks shall be assessed by the BCRA and under no circumstance shall be biding. This procedure must be duly disclosed at the BCRA Website to ensure equal treatment to suppliers.

The Specific Terms and Conditions project shall be available to the public during the term provided for making remarks. Such observations shall be made by the interested parties in writing and shall be added to the file. Upon expiration of the term for making remarks to the Terms and Conditions project, no observation shall be admitted.

SECTION 44 — FINAL TERMS AND CONDITIONS. BCRA shall draft the Final Terms and Conditions in accordance with technical, economic and legal criteria, in its discretion, taking into account the remarks made by the interested parties, insofar as the BCRA considers these relevant, in order to obtain a better result of the procurement and thus preserve the equality principle, promote concurrence, competence, transparency and ethics.

Specific Terms and Conditions shall be drafted for each selection procedure and shall contain Technical Specifications, Specific Provisions and the minimum requirements indicated by the General Terms and Conditions.

The competent areas shall draft a Standard Terms and Conditions in accordance with relevant technical criteria, in their discretion, that shall be applied to procurement of certain standard goods and/or services.

SECTION 45 — CLARIFICATIONS ON TERMS AND CONDITIONS. The Terms provide that interested parties may request clarifications on their wording within the term set forth therein. The BCRA shall circulate the questions made by each interested party, and the pertaining answers, among all bidders.
SECTION 46 — LAW 25,551. The Law 25,551 “Purchase Argentine Labor” must be part of the Terms and Conditions or contractual instruments of the respective procurement covered by its provisions.

CHAPTER VII
ADVERTISING AND INVITATIONS

SECTION 47 — ADVERTISING. MEANS, MINIMUM TERMS AND INVITATIONS. BCRA’s procurements shall be disclosed in accordance with the following guidelines:

Public Tender and Public Competitive Selection Process: FIVE THOUSAND (5,000) OR HIGHER to FIVE THOUSAND (≥5,000) PU: notices shall be published in the Official Gazette for a term of FIVE (5) days with no less than TWENTY (20) calendar days in advance the bid opening date. Moreover, notices must be published in the Procurement Information System / BCRA Website. Invitations must be sent to relevant companies; and also must be published for ONE (1) day in TWO (2) National Newspapers of greatest circulation.

LOWER than FIVE THOUSAND (<5,000) PU: notices shall be published in the Official Gazette for a term of THREE (3) days with no less than FIFTEEN (15) calendar days in advance the bid opening date. Moreover, notices must be published in the Procurement Information System/BCRA Website.

Private Tender and Competitive Selection Process: Invitations must be sent to the suppliers selected (not less than three) who must be registered or pre-registered in the BCRA’s Registry of Suppliers, at least TEN (10) calendar days in advance to the date set for the opening. Moreover, notices must be published in the Procurement Information System / BCRA Website.

Abbreviated Tender: Invitations must be sent to at least five relevant suppliers who must be registered or pre-registered in the BCRA’s Registry of Suppliers. Moreover, notices must be published in the Procurement Information System/BCRA Website, at least FIVE (5) calendar days in advance the date set for the opening. The award of bid shall be published in the Official Gazette for ONE (1) day.

Public Auction: The date set for the auction must be published in the Procurement Information System/BCRA Website, at least TEN (10)
calendar days in advance. Also such date must be published in the Official Gazette for TWO (2) days.

Simplified Procedure: Invitations must be sent to at least three registered bidders, Procurement Information System/BCRA Website. Notification to the awardee and other bidders shall be sent through the BCRA Procurement Information System.

Direct Contracting: every Direct Contracting method, except for those reserved, must be published in the Procurement Information System/BCRA Website. Then the award of bid must be published for ONE (1) day in the Official Gazette.

If there is no minimum number of suppliers registered or pre-registered in the Registry of Suppliers, such circumstance must be expressly stated in the Authorization Call.

**SECTION 48 — TERM EXTENSION.** The terms set for the anticipation, the number of publications and disclosure media are minimum; hence the BCRA’s competent authority in charge of authorizing the call may increase—it if deemed necessary—the terms set forth in the previous section, as well as provide for other means of communication and/or draw on other adequate disclosure system.

In case of International Tenders or International Competitive Selection Process, besides the term extension, the competent authority may make publications in relevant foreign countries it is advisable to disclose such call. Moreover, the call for bids may be conducted through ONE (1) publication in the United Nations Development Business website, or another site replacing it in the future, or in the World Bank website known as DG Market, or another site replacing it in the future, indistinctively, for TWO (2) days, with the required advance stipulated for each case.

In the cases of electronic purchase, the system must guarantee the certainty as regards time and date of every action pertaining to the selection procedure of the contractor.

**SECTION 49 — INVITATIONS TO INSTITUTIONS AND TRADE ASSOCIATIONS.** Notwithstanding the publications and invitations set forth in Section 47, selection procedures may be disclosed through institutions, associations and trade associations connected with the procurement purpose. To that end, the BCRA may enter into agreements to facilitate disclosure and advertising of its procurement procedures.
CHAPTER VIII
BONDS

SECTION 50 — TYPES. With the aim of ensuring the compliance of all bidders' and awardees' obligations, they shall constitute the following bonds:

Bid bond: it shall represent a FIVE PER CENT (5%) of the bid’s total value or, provided there were more-than-one-stage procedures, the amount stated in the Terms and Conditions. In the case of bids where alternative bids are accepted, bonds shall be calculated over the highest amount.

In all cases, bonds shall be submitted together with the economic bid.

Advance payment bonds: they shall be equivalent to the amounts received by the awardee by way of advances charged when set forth in the contract.

Performance bond: it shall represent a FIFTEEN PER CENT (15%) of the total value of the bid awarded, which shall be delivered or deposited by the awardee to the order of the BCRA, under the conditions set forth in section 84 of these Rules.

Right to challenge: the bond amount shall be equivalent to THREE PER CENT (3%) of the total value of the objector’s bid or the fixed amount established in the Specific terms and Conditions. This bond shall only be recovered by the objector in case the objection is favorably answered.

SECTION 51 — BOND INSTRUMENTS. Bonds may only be posted in any of the forms indicated below:

a) Promissory note for up to TEN (10) Procurement Units (PU), signed by a person empowered to post a bid bond.

b) Check, the payment date of which shall be the date of bid opening. The check will be sent to the BCRA’s Treasury for collection.

c) Surety bond, a policy issued in accordance with the applicable rules, and with the BCRA as beneficiary.

d) Bank bond.
e) Any other type of bonds that the BCRA may deem appropriate, provided it has been informed prior to the call date.

In the case of bids fully or partially stated in foreign currency, bid or performance bonds shall be stated in such currency, whether fully or on a pro rata basis.

Under no event will the BCRA pay interest or otherwise on the amounts of the posted bond.

SECTION 52 — SCOPE OF THE BOND. The bond shall serve to guarantee the fulfillment of the bidder’s or contractor’s obligations, and shall remain in effect for the period set forth in the Terms and Conditions, or in the contract.

SECTION 53 — NO BOND REQUIRED. No bond shall be required in the following cases:

a) Procurement for an amount lower than that provided by the BCRA in the respective terms and conditions.

b) Purchase of periodic publications.

c) Procurement of advertisements/advertising space.

d) Lease where the BCRA is a tenant.

e) Hiring of artists, professionals and/or consultants.

f) State bodies, companies in which the State holds a majority interest or State-owned companies.

Notwithstanding the foregoing, all bidders and awardees shall post bonds at the BCRA’s express request. In that case, bidders or awardees will only be eligible to bring a claim or seek a remedy after posting the relevant bond.

The mere submission of bids or the winning of an award shall make bidders and awardees liable for the respective amounts in the event of non-fulfillment of their obligations.
SECTION 54 — RETURN OF BONDS. The BCRA shall give notice to bidders or contractors, within the relevant terms, for them to get the bond back, as follows:

a) Bid bonds, within TEN (10) days after notice of the administrative act of awarding or the act whereby the selection procedure is closed.

In multiple-stage procedures, bidders who have not been preselected shall receive back their envelopes with the economic offer and the respective bond upon the opening of economic offers of preselected bidders.

b) Performance bonds, within TEN (10) days of performance of the contract, at the BCRA’s satisfaction, where no fine or sanction is pending.

c) Bonds for the exercise of the right to challenge, if return thereof is applicable, within TEN (10) days after notice of the respective resolution.

d) Advance payment bonds, once services have been rendered, goods have been delivered or the progress of the work allows doing so—depending on the subject-matter of the contract—as set forth in the specific terms and conditions.

The Procurement Management Office, in charge of retaining the bonds, shall notify bidders and contractors of the return of bonds and the term within which they may get them back. The Procurement Management Office shall be the department charged with returning bonds. Bonds may under no circumstance be returned prior to fulfillment of the relevant obligations arising from the contract or from any sanctions that may have been imposed.

SECTION 55 — IMPLIED SURRENDER. Any bidders, awardees or contractors that do not get back their bonds within SIXTY (60) calendar days from the date of notice shall be deemed to have surrendered their bonds to the BCRA. The BCRA shall, in turn, incorporate the proceeds of the bonds to its property or else destroy those instruments that cannot be executed and, accordingly, may not be incorporated into the BCRA’s property.

CHAPTER IX
BIDS

SECTION 56 — QUALIFICATION REQUIREMENTS. Only natural and legal persons with full legal capacity, falling outside the scope of
prohibitions to execute contracts, having economic, financial, and technical solvency as well as professional credentials and being duly registered in the BCRA Registry of Suppliers—prior to the award—may enter into contracts with the BCRA.

SECTION 57 — INELIGIBILITY. No person included below may contract with the Central Bank of Argentina:

a) Natural or legal persons whose contracts with the Bank or the National Public Sector have been unilaterally terminated for cause.

b) Natural or legal persons that have been suspended or disqualified from the Bank's Registry of Suppliers, for as long as such suspension or disqualification remains in effect.

c) Natural or legal persons that have prepared any drafts or specifications of the contracts to be entered into by the Bank; except for the cases mentioned in Section 43 of these Rules.

d) Employees and officers of the Bank, the National Public Sector and the companies in which the State may have powers to adopt decisions, pursuant to Public Ethics Law No. 25,188.

e) Persons who are indicted for crimes against property or the National Public Administration, for crimes against public trust, or for crimes contained in the Inter-American Convention against Corruption.

f) Persons convicted (by a final, unappealable decision) of an intentional crime, who shall be ineligible for a period equal to twice the length of the sentence.

g) Natural or legal persons who have failed to comply with their tax- or social security-related obligations, as provided for by the Federal Administration of Public Revenue (Administración Federal de Ingresos Públicos, AFIP).

h) Bidders which, as it transpires from the facts or other objective and plausible circumstances, stem from, are transformed into, merge with or spin off a company ineligible to contract with the National Administration and/or the Bank.

i) Natural persons who are members of companies ineligible to contract with the National Administration and/or the Bank, or natural persons related up to the second degree of consanguinity or by affinity in the first
degree with persons ineligible to contract with the National Administration and/or the Bank.

j) Bidders who have been imposed any court or administrative penalties in relation to the subject matter of the contract for abuse of a dominant position, dumping or unfair competition, within THREE (3) years before submission.

k) Legal persons convicted (by a final, unappealable decision rendered abroad) of international bribe or graft, as under the Organisation for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, who shall be ineligible over a period equal to twice the length of the sentence.

l) Natural or legal persons included in the debarment lists of the World Bank and/or the Inter-American Development Bank for corruption conducts or practices provided for in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, who shall be ineligible for as long as such condition persists.

SECTION 58 — FORMAL REQUIREMENTS OF BIDS. Bids shall be drafted in Spanish and submitted in hard or soft copy, as appropriate. If a bid is submitted in hard copy, the bidder, its duly empowered legal representative or agent must sign every bid sheet. Should the terms and conditions contain spreadsheets or forms to be completed by the bidders, they must be duly signed upon submission. Envelopes must be duly closed, sealed and signed, specifying in the obverse the procurement number as well as the date and time for the bid opening set forth in the relevant Terms and Conditions.

The BCRA shall provide bidders with a receipt stating date and time of their submission, if drafted in hard copy. If bids are submitted electronically, the system shall generate a return receipt that may be printed by suppliers.

Bid submission implies the full acceptance of the General and Specific Terms and Conditions, Technical Specifications and/or any replacing documents.

SECTION 59 — BIDS CONTENT. Bidders shall declare, under sworn statement, that they know, accept and voluntarily submit to these Rules and to the provisions contained in the General and Specific Terms and Conditions, Technical Specifications and/or replacing documents.

The bid submitted shall specify:
a) The unit price in numbers using Argentina's Legal Metric System or the system set out by the specific terms and conditions. The total amount of bids shall be identified in letters and numbers. This information shall be included in the quotation spreadsheets provided by the BCRA for each selection procedure.

The total amount of bids shall be free of any relevant taxes, rates, liens, or any other applicable charges in accordance with current regulations.

If the total amount of each item does not agree with its unit price, the latter shall be taken as valid and as calculation basis to determine the total amount of the bid.

b) If the bid is concerned with goods and/or services of foreign industry, the origin must be indicated; and when the bid involves import of goods, their gross and net weight and their size shall be stated in addition to the price proposed. Moreover, bidders shall state whether they enjoy tariff preferences, indicating the relevant agreement(s).

c) Bids segmented by goods, specifying net weight (excluding packaging), packaging expenses, and fixed price of each unit.

d) Bids shall state whether the goods concerned have a special package and whether such package has been included in the price quoted or instead, must be returned. In the event of return, freight or transport costs shall be borne by the bidder.

e) The relevant bond.

f) Upon request, sample or supporting documentation of shipment and compliance with Section 67 of these Rules, record of visit or other related documents such as drawings, must be submitted.

g) Technical information included in the technical specifications spreadsheet as required by the BCRA for each selection procedure; as well as descriptions, catalogs and brochures duly translated, if necessary, to illustrate the bid.

h) Any other specific requirements indicated in the Specific Terms and Conditions and Technical Specifications.
Discounts offered for payment within a given term shall not be taken into account for comparing bids.

The bid shall include the supplier's electronic address, which shall be rendered valid for all notices served under the selection procedure.

**SECTION 60 — ADDRESS AND JURISDICTION.** Bidders shall include in their bids an address for service in the Autonomous City of Buenos Aires. Moreover, bidders shall attach to their bids a written statement submitting to the jurisdiction of the Federal Courts of the Autonomous City of Buenos Aires, waiving any and all other jurisdictions and venues.

Upon changes in addresses, the bidder shall notify the BCRA of such circumstance within THREE (3) days after the occurrence of such change, and shall be fully responsible for any potential consequences derived from an omission.

The sole production of the supporting evidence of any notices served by the BCRA upon the bidder at the address informed shall be proof of notification.

**SECTION 61 — FOREIGN COMPANIES.** Foreign companies that conduct regular business in Argentina in furtherance of their corporate purpose and wish to enter into contracts with the BCRA must comply with the requirements set forth by Section 118 of Corporate Law No. 19,550 and must be duly registered with the BCRA’s Registry of Suppliers.

If a bid submission involves an isolated act of a foreign company in Argentina, the company shall have to register with the BCRA Registry of Suppliers and must produce such supporting documents of incorporation and registration as are legally required in its country of origin, record of the corporate resolution to attend the call, the power of attorney of the representative or attorney-in-fact, and an affidavit of the latter stating that the bid submission involves an isolated act of the company in Argentina. In addition, the legal representative or attorney-in-fact cannot act on behalf of more than one company in each BCRA procurement.

**SECTION 62 — SCOPE OF BIDS.** Bidders shall quote each and every good/service required. In the case of supplies, partial quotations of an item shall not be admitted. Accordingly, any bids so submitted shall be rejected.

Where bidders fail to supply such goods that they neither manufacture nor trade as their regular line of business, they may not hold third parties accountable.
Likewise, third parties' failure to provide goods or perform works or services for the contractors shall not prevent the latter from being held accountable for non-performance of works or services.

Conditional bids or such bids that fail to comply with the terms and conditions or with the prices request shall be disregarded, except for bids with formal flaws, errors in the bond amount—less than TWENTY PER CENT (20%)—or any other mistakes that prevent the accurate comparison with other bids.

SECTION 63 — QUOTATION CURRENCY. All bids shall be quoted in domestic currency, except as otherwise determined by the Specific Terms and Conditions. The decision to ask for quotations in foreign currency shall be well founded in terms of the characteristic features of the market and/or the potential goods to be imported.

SECTION 64 — ALTERNATE BIDS. Alternate bids stand for such bids that comply with all the specifications set forth by the Terms and Conditions, offering several technical solutions and, consequently, different prices for the same goods or services. Alternate bids shall only be accepted when expressly provided in the Terms and Conditions. Bids shall be based on basic bidding requirements so as to make the economic comparison easier.

SECTION 65 — INVARIABILITY OF BIDS. Bids may be changed no longer than the expiration date of the term of submission. No material change shall be admitted beyond expiration.

SECTION 66 — UNDERTAKING TO MAINTAIN BIDS. Bidders undertake to maintain their bids for a term of SIXTY (60) days or for such term set forth by the Specific Terms and Conditions of the procedure. The aforementioned term shall be extended for an equal period and so forth, except the bidder expressly states—at least TEN (10) calendar days in advance of the expiration of each term—that it will no longer renew the term.

SECTION 67 — SAMPLES. Samples shall be submitted in the place and on the date stated in the specific terms and conditions. They shall not be accepted after the bids opening under no circumstances.

In case the samples are not furnished with the bid, they shall be conveniently individualized. If so, an acknowledge receipt will be given for the samples so produced.

If the samples involve IT equipment or related software, the BCRA may perform a prior, single and compulsory Technical Inspection in order to
confirm the compliance with the technical specifications required in the corresponding Specific Terms and Conditions or request for price quotation.

SECTION 68 — RETURN OF SAMPLES. The samples corresponding to the awarded items shall be held by the BCRA in order to control delivery and may be used to complete the amounts set forth in the relevant agreements.

Those samples that were not subject to a destructive procedure for examination shall be returned to the bidders. After TEN (10) days as from the relevant notice, the BCRA shall be released from any liability for loss or damage of the items that were not returned in the aforementioned term. After SIXTY (60) calendar days as from the notice, those items shall become BCRA’s property and it will be able to use those samples without restriction or payment.

SECTION 69 — BID OPENING PROCESS. The bid opening may be attended by bidders as well as those who have previously proved to have a legitimate interest in the bid opening process. The Procurement Manager, or such officer as he may appoint, will head the opening act in the place, day and time fixed. Once the first envelope is opened, no explanation or clarification request will be accepted and no one will be admitted, not even such bidders having submitted their bids in time.

Any changes in bid submission and opening dates shall be notified at least 24 hours in advance and published for ONE (1) day in the same media in which the original date should have been informed.

If the bid opening date is a not a banking day, envelopes will be opened at the same time on the subsequent banking day, except as otherwise explicitly stated. If so, such circumstance shall be duly notified to the parties which have acquired the sheet of terms and conditions.

No bid submitted in due time shall be disregarded in the bid opening. Bids having been challenged shall be attached to the procurement file for analysis purposes.

SECTION 70 — MINUTES. The bid opening process will be recorded in the relevant minutes. Bidders may object to any actions performed during the opening process in person or in writing within the subsequent TWO (2) days. After such period, no submission will be considered.

The opening minutes shall include:
a) Place, date, time, selection procedure and procurement file number.

b) Order number assigned to the bid.

c) Bidders’ names.

d) Amount of bids.

e) Identification and amount of submitted guarantees.

f) Objections raised.

g) Positions and names of the competent officers.

The officers in charge shall sign the bid opening minutes; bidders are also invited to sign if they so wish.

SECTION 71 — ACCESS TO BIDS. Bidders shall have access to bids for TWO (2) days from the business day following the bid opening. Bidders may request a copy at their own expense.

The TWO (2)-day term shall not suspend any other terms. Hence, the bidding procedure will remain unchanged during these two days.

The assessment of bids is confidential, so no access to information about bidding shall be allowed during this stage.

SECTION 72 — CLARIFICATIONS. After the bid opening, the BCRA may request bidders to provide any clarifications it may deem relevant, provided such information does neither involve a material change in the terms of the initial bid or in the procurement conditions nor violate the principle of equality of bids.

SECTION 73 — OBJECTIONS. Bidders may object to either bids submitted by their competitors or the bidding procedure on grounds of flaw or error. In any case, objections shall be raised on a clear and objective basis. In those cases where objections cannot be supported by the documents available to the BCRA, the bidder raising an objection shall provide original or authenticated copies of records or certificates in support of its statements.
The objections shall be made within TWO (2) days after having access to the files and shall not interrupt the bidding procedure.

SECTION 74 — CAUSES FOR REJECTING BIDS. Bids would be flatly rejected in the following cases:

a) If they were not written in Spanish.

b) If the initial bid lacked the signature of the bidder or its legal representative or agent in any essential parts, especially where listed prices, quantity of goods, or execution time are involved.

c) If the initial bid had amendments, corrections, erasure marks or line spaces not dated or initialed in any essential parts, especially those cases mentioned in the previous item.

d) If the bidder failed to provide a bid maintenance guarantee or else the term of such guaranty proved to be expired or its amount were below the TWENTIETH PER CENT (20%) of the required amount.

e) If the initial bid were written in pencil or otherwise allowing re-writing without leaving visible traces.

f) If the bidder were imposed disqualification or suspension to contract with the National Administration.

g) If the bidder were not included in the BCRA Registry of Suppliers before the award of contracts.

h) If the bid were subject to conditions that affect the compliance with the essential requirements set forth in the corresponding terms and conditions.

i) If there were errors, contradictions or essential omissions.

j) If the listed price were derisory or vile.

k) If the bidder submitted, directly or indirectly, more than one bid in the same selection procedure.

l) If the bidder were a natural or legal person ineligible pursuant to Section 57 of these Rules.
m) If samples were not submitted within the period set forth in the specific terms and conditions.

n) The Specific Terms and Conditions shall not set forth any other causes for rejecting bids.

SECTION 75 — RECTIFIABLE ERRORS OR OMISSIONS. The aim of correcting errors or omissions will be to ensure the principle of wide attendance and prevent bid rejection for merely formal issues, notwithstanding bidders’ equal treatment.

Bidders shall not make rectifications with the purpose of altering or improving their bids or taking advantage of their competitors.

In particular, the following cases will be deemed rectifiable:

a) If the initial bid were only partly signed, except it falls within Section 74, subsection b) of these Rules.

b) If the bid maintenance guarantee were as little as or below the TWENTY PER CENT (20%) of the amount required.

c) If the documentation required by these Rules, the applicable regulations, and the applicable Specific Terms and Conditions were not submitted along with the bid. When such documentation is not submitted along with the bid, the BCRA shall demand rectification. The bid would be rejected in case the errors or omissions were not rectified within the required term or, even if rectified in such term, the requirements proved to be extinguished at the time of bid opening.

d) If the bidder failed to include the costs of its bids and the economic-financial equation to be used in the contract, if applicable.

Bids shall be rejected, whenever errors or omissions are not rectified within the terms required by the Procurement Management.

SECTION 76 — ADVICE FOR THE ASSESSMENT OF BIDS. In the case of tenders, public or private competitive selection processes, and direct contracting—except for procurements under a simplified procedure,—as well as any other procedures for which the Procurement Management Office decides so, the requesting office and/or the qualified technical area shall conduct an analysis, issue an opinion and grant
technical approval based on the good, service or work involved, and on the applicable terms and conditions. The requesting office shall also assess the economic aspects of bids and issue an opinion based on the budget estimate and the estimated cost. The assessment of bids shall rely on these reports, irrespective of whether an assessment committee is involved or not.

SECTION 77 — PRICE IMPROVEMENT AND BID TIE-BREAKER PROCESS. In case of tie, the respective bidders shall be called—through reasonable means—to improve their bids—just for one time—within THREE (3) days in the same way they submitted the initial bid.

These bids shall be opened pursuant to these Rules. Failure to submit an improved bid shall be considered as the bidder's will to keep its bid unchanged.

If bidders are still tied, even bids shall undergo a drawing of lots. For that purpose, the day, time and place of drawing of lots shall be fixed and duly notified to tied bidders for them to attend the meeting scheduled to break the deadlock. The drawing of lots shall be performed in the presence of a Notary Public, chosen by the BCRA, and of the interested parties, if they so wish, and the corresponding minutes will be drawn up.

CHAPTER X
BID ASSESSMENT

SECTION 78 — PARTICIPATION OF THE ASSESSMENT COMMITTEE. The Assessment Committee shall exclusively take part in those procurements authorized by the Board of Directors pursuant to the Scheme of Powers in Annex I. In other procurements the Users Area shall submit a detailed and descriptive Technical Report of the bid assessment.

SECTION 79 — COMPOSITION OF THE ASSESSMENT COMMITTEE. The Assessment Committee shall be composed of THREE (3) members, as follows:

a) The Procurement Manager.

b) The manager of the area or department that will use the good, service or work involved.

c) The manager of a third area or department which is related to the subject
matter of the procurement, who shall be appointed by the Board of Directors when authorizing the Terms and Conditions and the respective invitation.

Where technical or specialized knowledge is required for the assessment, the Deputy General Manager for Central Services and Administration may appoint an expert and ask state agencies or private companies to provide all such reports as are necessary.

SECTION 80 — DUTIES OF THE ASSESSMENT COMMITTEE. The Assessment Committee shall issue a non-binding opinion to the competent authority, laying down the foundations for the administrative act related to the pré-qualification, the pre-selection or the award. Such opinion shall at least contain the following:

a) Examination of formal aspects.

b) Qualification of bidders.

c) Technical and economic assessment of bids.

d) Recommendation of pre-award or pre-selection, where appropriate, and rank of bids.

The Assessment Committee shall issue the relevant Assessment Opinion within FIVE (5) working days after receipt of the respective file containing all the bids.

SECTION 81 — ACCESS AND OBJECTION TO THE ASSESSMENT OPINION. The Assessment Opinion shall be informed to the bidders within THREE (3) days after being issued and published in the Information System of the BCRA Procurement. Both bidders and any other interested parties may have access to and object the Assessment Opinion, if necessary, within FIVE (5) days of report/publication, and before offering a guarantee as set forth in section 50 of these Rules.

CHAPTER XI
AWARD

SECTION 82 — AWARD. The most convenient bid shall be awarded within the time period set forth in Section 66 and considering quality,
price, bidder’s qualification, technical guarantees on products, offered services and also the established conditions in selection rules.

The BCRA may award a bid regardless its price, stating the grounds lying behind, and the benefits or advantages that may derive from, the decision to opt for such bid.

The BCRA may reject or award, as a whole or partially, one, some or all the items bidden. It may also revoke the procurement procedure before the execution of the contract, which shall give neither bidders nor awardees a right to compensation.

In case of objections to the assessment opinion, they will be solved in the award process. In multiple-stage procedures, objections will be solved by the competent authority who authorized the call to bid in the course of the next stage.

The award may be executed even though just one bid is placed in the selection procedure.

The award shall be informed to the awardee and the other bidders while the bid maintenance period remained in effect and shall be posted in the BCRA Procurement Information System.

CHAPTER XII
EXECUTION OF THE CONTRACT

SECTION 83 — EXECUTION OF THE CONTRACT. BCRA procurement for the acquisition of goods or the hiring of works and services may be signed either in paper or digitally.

Such procurement shall be executed when submitting the purchase order to the awardee or the corresponding document is signed, as the case may be.

If the awardee did not withdraw the purchase order or rejected it or else did not sign the corresponding contract when agreed, within either TEN (10) days of notification or the special term stated in the specific terms for complex supplies, the BCRA could award the procurement to the bidder who is next in merit order and so forth, notwithstanding the application of the corresponding penalties.
SECTION 84 — PERFORMANCE BOND. A performance bond shall be posted upon delivery of the purchase order or execution of the contract.

The performance bond shall be held by the BCRA until all the contractor’s obligations have been fulfilled. Should the BCRA staff fail to hold any such bonds, they shall be imposed disciplinary sanctions.

SECTION 85 — CONTENT OF THE CONTRACT. The contracts entered into by the BCRA shall at least contain the following information:

a) Identification of the parties;

b) Detailed description of the subject matter of the contract;

c) The price or the procedure for ascertaining the price;

d) The term of the contract, the start and end dates for fulfillment, and any agreed-upon extensions;

e) The conditions for the receipt, delivery, acceptance or approval of goods/services;

f) Payment conditions;

g) The contractor’s duty of confidentiality, where appropriate.

The contract may not contain provisions that deviate from the provisions included in the Terms and Conditions, which shall be applied as provided for in the bid or award.

The foregoing minimum requirements shall also apply to any purchase/sale orders issued by the BCRA.

SECTION 86 — CONTRACT DOCUMENTS. Contract documentation shall include the following:

a) General and specific terms and conditions, and specifications.

b) Project or terms of reference, where appropriate.
c) The awarded bid.

d) Samples.

e) The award.

f) The purchase or sale order, or the contract.

g) Service orders.

These documents shall serve as a basis for contract interpretation and enforcement in the order of priority they are listed above.

SECTION 87 — TRANSFER. Contracts may not be transferred or assigned, whether in full or in part, except the awardee has obtained prior written authorization of the BCRA and has assured in advance that the assignee can fulfill the contract. The assignor shall remain jointly and severally liable with the assignee for the obligations under the contract.

Subcontracting may be authorized by the BCRA—in writing, in advance and reasonably supported—when it involves supplementary aspects of the subject-matter.

SECTION 88 — PERFORMANCE OF THE CONTRACT. Contractors shall discharge their obligations as under the contract in the manner, within the time, on the date, at the place and in compliance with any other requirements set forth in the documents governing the selection process and in the purchase or sale order, or else the contract.

Where it is not possible to separate goods into parts so as to supply the exact amount awarded, they shall be delivered in a larger or smaller number of units at the BCRA discretion. The amount so determined shall be as close as possible to the number of units that can actually be supplied.

SECTION 89 — INCREASES AND REDUCTIONS. Keeping the same conditions and prices originally agreed, the BCRA may:

a) Increase or reduce by TWENTY PERCENT (20%) the total amount awarded. In the case of continuing contracts for goods or services, such percentage shall be calculated on the amount paid for ONE (1) month and
the resulting amount shall be added up to/deducted from the amounts for the remaining months until termination of the contract.

b) Extend continuing contracts for a period not to exceed ONE (1) month.

c) Accept, at the contractor’s request, any deliveries of up to TWENTY PERCENT (20%) in excess of the contractual amount in the case of items to be especially made for the BCRA or that are to contain signs of BCRA use. In that event, the awardee shall apply a discount of at least TEN PERCENT (10%) of the agreed-upon price.

The BCRA request for exceeding the limits set forth in a) and b) above—which under no circumstances may be higher than THIRTY-THREE PERCENT (33%) of the total amount awarded—shall be subject to the contractor's express approval.

SECTION 90 — INSPECTIONS. In the case of procurement of goods to be manufactured, suppliers shall give the BCRA free access to their production, warehousing or trade facilities, and furnish any necessary data and background information for the BCRA to determine whether production conforms to the agree-upon conditions, regardless of the examination of the goods upon their receipt.

SECTION 91 — TESTING OF GOODS/SERVICES. Any such tests, trials, expert examinations or other kinds of analyses as are required to determine whether the goods or services provided conform to the terms and conditions shall be conducted as follows:

a) Perishables: Specific samples shall be collected upon delivery in the presence of the contractor or its legal representative. The time for conducting the test shall be informed upon sample collection. The failure of the supplier or their representative to attend the sample collection shall not prevent the test from being carried out, the result of which shall be final and unappealable.

b) Non-perishables: Any necessary measures shall be taken for the supplier or its legal representative to participate in the control of results from the tests, expert examinations, trials or other required analyses.

c) Services: Any necessary actions shall be taken to check conformity of the service to the requirements, and users shall be asked to give their opinion on the service being rendered.

When test results indicate that the agreed-upon conditions have not been complied and the nature of the goods under examination makes it
impossible for samples to be returned, the BCRA shall not pay for the samples, regardless of the penalties or sanctions that may be imposed.

SECTION 92 — PROVISIONAL RECEIPT. All receipt forms or delivery notes that may be signed shall be provisional and subject to verification.

SECTION 93 — FINAL RECEIPT. Such officers as are appointed by the requesting area shall be responsible for the acceptance of the goods/services required, except as otherwise stated in the purchase order and/or contract, as the case may be.

A Receipt Committee may be created for the final approval of receipt of special, complex or strategically or economically relevant goods.

For the purposes of approval of receipt, the goods delivered/services rendered shall be compared with the relevant specifications contained in the Terms and Conditions, with the standard sample or the one submitted by the awardee in the bid, and, if applicable, with the results of any necessary tests, trials, expert examinations or other analyses.

In addition to the specific provisions, the following shall be applicable:

a) Receipt shall be approved where goods/services are found to comply with the conditions contained in the documents governing the call and those that are part of the contract;

b) In the event of shortfall, the supplier shall be required to deliver the missing goods or services, as the case may be, within the period that the BCRA may establish;

c) Goods failing to conform to the requirements shall be rejected and the supplier shall be required to replace them as under the contract within the period that the BCRA may establish;

d) Should services fail to conform to the agreed-upon conditions, the supplier shall be required to take such actions as are necessary to render services in accordance with the contract within the period that the BCRA may establish. Final receipt shall not proceed where a service order fails to be fully performed. If a final receipt is all the same approved in the face of a pending service order, that receipt shall have no legal effect, without prejudice to the relevant functional, administrative or criminal responsibilities.
If after being required to act as under subparagraphs b), c) and d), suppliers deliver the missing goods or services beyond the originally agreed-upon deadline, they shall be charged with a late delivery penalty, notwithstanding any other applicable sanctions.

The supplier shall withdraw any rejected goods within such period as the BCRA may determine. Should the supplier fail to do so within the required period, such goods shall be deemed to have been surrendered to the BCRA, which may dispose of them. Without prejudice to any sanctions that may be applied, the supplier whose goods have been rejected shall bear any transportation costs and, if appropriate, any costs derived from their destruction.

**SECTION 94 — CONFORMITY.** Conformity of deliveries shall be granted within TEN (10) days, except as otherwise set forth in the specific terms and conditions. Such term shall begin on the working day immediately following either the delivery date or the deadline provided for in the terms and conditions. The same applies when goods are delivered or services are provided in stages.

Where a supplier is required to submit any missing goods, to substitute any goods or to make adjustments so that services be rendered as under the Terms and Conditions, the period for the conformity shall start running upon delivery of such goods/rendering of such services.

The record on the receipt procedure shall be forwarded to both the office in charge of payment and the user area's in order to be added to the selection procedure file.

**SECTION 95 — LIABILITY.** Final receipt shall not release a contractor from any liability arising from any defects at inception, manufacturing defects in the goods delivered or else works or services performed within NINETY (90) calendar days as from receipt date, unless a longer period has been established in the specific terms and conditions by reason of the characteristic features of the procurement. The contractor shall replace any such goods and repair any such defective works or services within the term and at the place that the BCRA may establish.

**SECTION 96 — BILLING AND PAYMENT.** Invoices shall be submitted upon conformity of final receipt in the form and at the place established in the relevant terms and conditions, which shall cause the payment period to commence. Offices in charge of billing and payment shall proceed based on the documents and certificates issued upon conformity of receipt.
Invoices shall be submitted in duplicate, and payment shall be made within the subsequent TEN (10) days, unless a longer period has been established in the specific terms and conditions.

Payments shall be authorized:

a) When the contract has been performed as agreed.

b) For any delivered batches or fulfilled partial contracts.

c) When a piece of work is completed in stages as set forth in the relevant terms and conditions, payment shall be made within TEN (10) days of the submission of the relevant payment certificate. Payment certificates shall bear the amount of the work done in each stage and its share in the total so that the amount to be paid goes hand in hand with the amount of work completed. Partial payments shall be treated as payments on account of the final payment.

d) Within the regulatory, customary terms where the delivery of goods or rendering of services is to be fully or partially paid in advance on account of their type or characteristics.

e) When agreed, in the case of procurements with state agencies or entities in which the State owns an interest and may have powers to adopt decisions.

f) In the case of contracts in foreign currency which are to be settled in Argentina, payments shall be made in the domestic currency at the selling exchange rate published by Banco de la Nación Argentina, at the end of the day preceding payment date.

CHAPTER XIII
SANCTIONS

SECTION 97 — LOSS OF BONDS.

1. The bid maintenance guarantee shall be lost in the following cases:

1.1) Where the bidder withdraws its bid prior to the expiry of the maintenance period.
1.2) Where the bidder states it is no longer willing to maintain its bid, outside the period established for that purpose.

1.3) Where an error in the bid is reported by the bidder or identified by the BCRA prior to contract execution.

2. The performance bond shall be lost in the following cases:

2.1) Where a contract has been assigned or transferred, whether in full or in part, without prior express authorization by the BCRA.

2.2) In the event of non-performance of the contract, if the awardee expressly terminates the contract prior to the time for performance thereof, after the time originally agreed for fulfillment of the contract or the extension thereof, or after the time fixed by the BCRA upon demanding performance of the contract, in all cases, without the goods and/or services having been delivered/rendered as appropriate.

SECTION 98 — PENALTIES. The Specific Terms and Conditions shall establish the penalties to be imposed for every level of non-fulfillment, based on a gradual scale associated with the level of non-fulfillment, but in no event shall a penalty exceed the price of the contract.

Except as expressly provided for in the terms and conditions, contractors shall be charged with a daily late delivery penalty of TWO PER MILLE (2‰) of the price of the goods that have not been delivered, or the flawed goods that have not been replaced, in time. The same type of penalty shall be imposed should the contractor refuse or hinder any inspections to be carried out by the BCRA pursuant to Section 90 of these Rules.

No penalty will be imposed where delivery occurs within FOUR (4) days after the deadline. Otherwise, those four days shall also be computed for the late penalty.

Where appropriate based on the nature and type of procurement, the imposition of other penalties shall be established in the respective Specific Provisions of the Terms and Conditions. In the case of contracts for services or continuing contracts, the Specific Terms and Conditions may impose penalties for different types of breaches associated with the services/goods to be provided by the supplier.

The supplier shall be in default upon the mere lapse of the contractual term, without any advance notice being required.
Any fine or penalty that may be imposed shall be collected from the following, in the order stated: invoices ready for collection or being processed, then the respective bond, and finally any other claims for other contracts made with the BCRA. The awardee is deemed to have consented to such setoffs.

**SECTION 99 — TERMINATION.** Termination for cause and the resulting loss of the contract bond may be total or partial; in the latter case, sanctions shall be restricted to the unfulfilled part of the contract. Upon the lapse of the period for performance of the contract without the goods having been delivered/the services having been rendered, or even in the case of rejection, the BCRA shall demand delivery of the goods or the rendering of the services within TWO (2) days of receiving effective notice, subject to termination of the contract. Such demand will not release the awardee from the sanctions that may apply on account of its breach.

Upon the lapse of such time without the contractor having fulfilled its obligations, the user area will report on the status of the procurement and carry out the settlement of the accounts. The BCRA will then terminate the contract and proceed as appropriate for a new procurement procedure.

When the type of good or service involved does not allow for a new contractual procedure to be completed for reasons of necessity, urgency or continuity, the BCRA, in addition to terminating the contract, may contract with third parties for procuring such good or service, whether in full or in part. The non-performing contractor shall be charged any difference in price that may arise. Such difference shall be deducted from any claims that the contractor may have or shall be paid at the BCRA’s request.

Where appropriate, the termination of the contract shall be approved by the area that approved the respective award, after the legal department has examined the case.

**SECTION 100 — OTHER PENALTIES.** Without prejudice to the sanctions that may apply in connection with the selection or the contracts made, bidders, awardees or contractors may be officially reprimanded, suspended or disqualified by the BCRA’s Registry of Suppliers desk, and the penalty so imposed shall be reported to the National Procurement Office as follows.

**SECTION 101 — OFFICIAL REPRIMAND.** An official reprimand shall be imposed in the following cases:

a) Where a contractor does not fulfill its social-security obligations, as determined by the respective state agencies.
b) Where a contractor has repeated deficiencies in fulfilling its obligations to the BCRA.

**SECTION 102 — SUSPENSION.** Suspension from contracting with the BCRA may proceed in the following cases:

1) For up to SIX (6) months:

1.1) Against an awardee or contractor who has been imposed THREE (3) official reprimands within ONE (1) calendar year.

1.2) Against an awardee whose award has been revoked for cause.

1.3) Against a bidder, awardee or contractor who has been required to post the bond or deposit the amount resulting from a penalty that has been imposed, and has failed to do so within the established period.

2) For SIX (6) months to ONE (1) year:

2.1) Against a contractor whose contract has been terminated in full for cause and the award of such contract has been approved by the Deputy General Manager for Central Services and Administration.

3) For ONE (1) to THREE (3) years:

3.1) Against a contractor whose contract has been terminated in full for cause and the award of such contract has been approved by the Board of Directors.

3.2) Against a bidder, awardee or contractor that falls within the provisions of Section 8 of these Rules.

3.3) Against a bidder whose bid has been disregarded for ineligibility as under Section 57 of these Rules.

3.4) Against a person who is suspended from contracting with the National Administration or is ineligible to contract with the National Administration at the time of the bid opening, the assessment stage or the award.
3.5) Against a bidder who has submitted false or tampered documents or information.

Should more than one cause for suspension occur, the period applicable to each cause shall uninterruptedly and consecutively run as from the date of notice of the penalties.

SECTION 103 — DISQUALIFICATION. Individuals included in section 57 of these Rules of Procedure shall be disqualified from entering into contract with the BCRA for the duration of the grounds for disqualification.

In addition, disqualification shall also apply in the following cases:

1°) Disqualification for up to THREE (3) years, for individuals having received FOUR (4) warnings within a period of TWO (2) calendar years, and disqualification for up to THREE (3) years for any contractor having his contract terminated in TWO (2) occasions due to his own fault; such disqualification may be extended up to FOUR (4) years whenever the sanctioned party has not complied with the obligation to submit the performance bond when required;

2°) Disqualification for up to FIVE (5) years for any disqualified individual being disqualified again; and

3°) Disqualification for up to TEN (10) years when a wrongful act with a valid final judgment is confirmed.

SECTION 104 — SCOPE OF DISQUALIFICATION.
Disqualifications shall apply to companies and, individually, to their partners, only affecting those acts done after the date when the penalty was imposed. Such moment marks the beginning of disqualification.

When individuals disqualified for committing wrongful acts are, at the same time, members of other companies, penalties shall also apply to such companies only if the individuals hold the majority of the voting rights, by means of any stock, to control the company’s decisions.

In the event that disqualification is determined for a minimum of four (4) years, once the period of disqualification has expired, the disqualified company may apply again as a new supplier, provided that the requirements and conditions established in BCRA’s Registry of Suppliers are complied with. Individuals disqualified for less than four (4) years shall automatically qualify again to enter into contract with the BCRA after expiry of the penalty.
SECTION 105 — PENALTIES. COMPETITION AND GENERAL CRITERIA. The Deputy General Manager for Central Services and Administration shall determine any and all penalties in terms of loss of guarantees, warnings, suspensions, fines and disqualification.

The penalties so established, shall be applied, by means of a well-founded and enforceable act, taking into account the mitigating or aggravating circumstances of each case, and the reasons, among others, for the breach as well as the background of the contractor, the efforts made to comply with the contract, and the extent of the damage and delays caused in the course of the acquisition of the good or service.

The application of a suspension and/or disqualification penalty shall not prevent the contractor from complying with the contracts already awarded and/or underway. Nevertheless, no new contracts may be awarded as from the time the penalty enters into force until its expiry.

Penalties set forth in these Rules of Procedure shall be published in BCRA’s Procurement Information System and shall be communicated to the National Procurement Office. Likewise, at the time bids are assessed, the BCRA shall take into account penalties for non-compliances or other causes that are communicated by other institutions or official agencies, in order to determine the appropriateness of the award.

SECTION 106 — PENALTY PROCEDURE. The penalty procedure begins with a detailed report of the user unit, indicating the conduct of the contractor during the performance of the contract, and the verified non-compliances according to the contractual documents.

The Procurement Management Office shall file the charges within FIVE (5) days, and forward them to the contractor. The contractor shall have FIVE (5) days to submit his arguments, and attach any documentary evidence deemed necessary, together with any other defense.

If the contractor does not submit any defense, the Procurement Management Office, after obtaining a legal opinion, will draft a resolution with the available details.

If a defense is formulated without submitting any evidence, the same procedure as in the previous case shall apply.

If the supplier submits evidentiary support and it is accepted, once the proceeding has been completed, after obtaining the legal opinion, the corresponding resolution will be drafted, and sent, within FIVE (5) days,
to the competent authority to decide, within THREE (3) days on such a matter.

The decision shall be enforceable and any appeal that may be brought against it shall not stay such a decision, unless the terms of the administrative appeal give rise to manifest illegality or it is unmistakable inconvenient to the BCRA, in which case, the stay could be granted.

If, despite the non-compliances that gave rise to the penalty applied, the contractor is entitled to receive payment for the services rendered; such a payment will be made, based on a well-founded report.

Comprehensive Reparation: the enforcement of bonds or the actions filed to collect them, shall take place irrespective of the application of the appropriate fines or judicial actions initiated to obtain the comprehensive reparation of damages that might have been caused by the non-compliances of bidders, awardees or contractors.

No penalties may be imposed after TWO (2) years have elapsed, from the date on which the event giving rise to their application occurs or, otherwise, from the moment when the BCRA became aware of their existence.

SECTION 107 — FORCE MAJEURE. The penalties and termination provisions previously mentioned shall not apply when default or breach of contract results from a force majeure event duly proven and accepted by the BCRA. Such events shall be made known to the BCRA within FIVE (5) days of the date of occurrence. Force majeure may not be invoked by a delinquent contractor.

CHAPTER XIV
CONTRACT’S ECONOMIC FINANCIAL EQUATION RESTRUCTURING

SECTION 108 — CONTRACT’S ECONOMIC FINANCIAL EQUATION RESTRUCTURING. The restructuring mechanism for the contract’s economic financial equation provided for in this chapter may be applied to contracts with extended performance terms of more than TWELVE (12) months which, for reasons beyond the control of the parties, undergo significant price changes. Such method shall be applied equitably between the parties in accordance with the principle of shared effort.
The guiding principle for the contract’s economic financial equation restructuring is the establishment of a compensatory value to offset the real change in costs incurred by the supplier and ensure the effective performance of the contract signed, given the public interest involved.

The contract’s economic financial equation restructuring will apply only to the unexecuted part of the purchase orders or contracts, becoming effective when the supplier makes the request to the BCRA, and when the cases provided for in the following section occur. This procedure will not apply to bids quoted in foreign currency, or quoted with a variable rate based on reference values.

At the time of the contract’s economic financial equation restructuring, the percentage granted as an “Advance”, if any, will be deducted from the overall amount of the bid.

In the case of supplies, works or services not rendered on time according to contractual provisions, which are the exclusive responsibility of the contractor, they shall be settled at the price that would have apply on the date on which they should have been rendered, irrespective of any penalties that may apply.

Any price change of a currently in force contract must be dealt within the restructuring scheme of the contract’s economic financial equation set forth in this chapter.

SECTION 109 — TRIGGERING EVENT. The Bank will not proceed ex officio to the contract’s economic financial equation restructuring. The restructuring may be requested by the contractor after a minimum of six (6) months have elapsed from the performance of the contract, and when the Reference Variation is higher than ELEVEN PERCENT (11%) based on the original price of the award value, or the value set in the last restructuring. If appropriate, the restructuring will be carried out as established in the method designed for the contract’s economic financial equation restructuring set forth in this Chapter.

SECTION 110 — REFERENCE INDICES. The reference indices and prices used to establish the triggering event of the method designed for the contract’s economic financial equation shall be those reported by the National Institute of Statistics and Censuses of Argentina (INDEC). The indices prepared by such Institute, as well as those of the Statistics Office reporting to the Governmental Administration of Public Revenue of the Government of the Autonomous City of Buenos Aires or other specialized public and/or private bodies exclusively approved by the BCRA for the purposes of this contract may be used as limits to the admissible changes for the restructuring of the contract’s economic financial equation.
In the case of labor force, indicators that show the changes in the wages of the activities concerned may be used. The employer must prove, at the time of the bid and whenever a restructuring is requested, that his workers are reached by such changes and that he complies with all tax- or social security-related obligations.

SECTION 111 — METHOD DESIGNED FOR THE RESTRUCTURING OF THE CONTRACT’S ECONOMIC FINANCIAL EQUATION.

I – REFERENCE VARIATION. The Reference Variation is the evolution over time of the indicator calculated on the basis of the elements that make up the good, service or contracted work being offered and their respective price indices. The indicator shall be calculated as the weighted average of price changes in cost components, pursuant to the guidelines set forth in this Chapter and the bid’s cost structure, for the period concerned, between the month in which the bid was submitted—or the month of the last restructuring, if applicable—and the month in which the restructuring request is carried out with all due formalities.

II – ABOUT BIDS. Bidders will detail in their bids the cost structure for the total price being offered, their weights and relevant reference prices or indices, based on the Costs and Indices Structure Form that will constitute a part of the Specific Terms and Conditions. Failure to submit any of the items indicated above upon BCRA’s request shall be grounds for rejection of the bid.

At the bid evaluation stage, the BCRA may request bidders to provide all supporting documentation explaining and justifying the cited cost structure and the proposed reference prices or indices.

III – SUPPLIER’S REQUEST Once the requirements set forth in Section 109 have been fulfilled, the supplier may request the restructuring of the purchase order or contract’s economic financial equation, explaining cost changes pursuant to the bid submitted. The supplier has to formally submit the evolution of its costs according to the cost structure previously submitted and the new value/s of its components, accompanying all the documents deemed necessary for the BCRA to make a decision. The contractor may not request the restructuring of the contract’s economic financial equation if he is in arrears in the fulfillment of his contractual obligations, until he has normalized such a situation.

IV - ASSESSMENT AND DECISION MAKING PROCESS. The restructuring of the contract’s economic financial equation will not be triggered automatically by the mere verification of the percentage changes in the reference indices set forth in Section 109. The Procurement Management Office will analyze the legitimacy of the supplier’s request for restructuring the contract’s economic financial equation and will issue a decision thereon within a maximum of forty-five (45) calendar days from
the date the request was submitted with all due formalities. Such Management Office may request the cooperation of other BCRA units related to the good or service being rendered. The changes in reference indices set forth in Section 109 shall be a necessary condition to determine the legitimacy of the request for restructuring the contract’s economic financial equation; however, the BCRA, at its sole discretion, may request other documentary evidence to assess such restructuring.

The acceptance or refusal and, if applicable, the adjustment of the contract’s price will be based on the conclusions of the Procurement Management Office report, which should take into account the increases in costs and their impact on the performance of the contract, and decide whether there has been or not a change in the contract’s economic financial equation pursuant to Section 109.

The decision will be adopted by the appropriate level pursuant to the requested adjustment amount, as per the Scheme of Powers provided for in Annex I. In the cases addressed by the Board of Directors, prior technical consultation with the Economic Research Deputy General Management shall be required.

In no case shall the contractor be entitled to any interest, compensation, expenses or damages whatsoever, claimed as a result of the restructuring process.

The restructuring of the contract’s economic financial equation will be applicable as of the month of submission, and will be applied to the unexecuted part of the purchase orders or contracts until their completion, but will be subject to the contractor’s prior consent as to the new price. In all cases, reliable notification of the decision adopted shall be sent to the supplier.

Also, at the time of issuing the new purchase order or upon signing the corresponding contract, the supplier must attach a performance bond for the percentage of the restructuring request value.

The restructuring alternative available in this proceeding is an exclusive prerogative of the BCRA aimed at ensuring the proper performance of the contract, given the public interest involved. The contractor has no right whatsoever to be awarded a favorable decision on its request.

V – The submission of all supplementary invoice(s) in the manner and place indicated in the Specific Terms and Conditions, will determine the beginning of the payment term, which shall be similar to the one established for the original invoices.
VI – RECORD OF THE CONTRACT’S ECONOMIC FINANCIAL EQUATION RESTRUCTURING. Once the procedure described in this Section has been completed, the BCRA and the supplier will sign a Record of the contract’s economic financial equation restructuring, which will specify the deadlines for submitting any supplementary invoice(s) as requested in such Record.

The submission of supplementary invoice(s) in the manner and place indicated in the Specific Terms and Conditions, will determine the beginning of the payment term, which shall be similar to the one established for the original invoices.

SECTION 112 — LEGAL EFFECT OF SIGNING THE RECORD. The signing of the Record of the contract’s economic financial equation restructuring pursuant to these Rules, implies that as of the date of the agreement that allows the application of such restructuring, the contractor automatically waives any claim for higher costs, interest, compensation, expenses or alleged damages whatsoever resulting from the contract’s economic financial equation restructuring.

CHAPTER XV
CONTRACT FOR WORKS

SECTION 113 — SCOPE. Contract for works, including both the performance of physical and intellectual work, shall be subject to the specific regulations of this Chapter, irrespective of any general regulation that may apply pursuant to these Rules.

SECTION 114 — PARAMETERS. Upon executing a contract for works, the following parameters or their combination shall be used:

a) Unit of measurement;

b) Fixed price;

c) Other parameters established by means of technical reports drafted by the relevant areas involved.

SECTION 115 — UNIT OF MEASUREMENT. In the event that work is agreed to be carried out using the unit of measurement parameter, the contractor undertakes to complete each piece or unit of work for a set unit
price. For the purposes of the contract each piece or unit of work shall be considered an independent work.

SECTION 116 — FIXED PRICE. In case work is agreed to be carried out using the fixed price parameter, the agreed price may not be changed unless the parties give their consent.

SECTION 117 — SEPARATE CONTRACTS. In those works where the BCRA deems it appropriate, it may provide for the execution of separate contracts. In addition, the BCRA may determine that part of the work be carried out with companies other than the main contractor.

In all cases, the general leadership on work to be performed shall be in charge of the main contractor.

The Specific Terms and Conditions that govern the contract must set forth the conditions regarding the exercise of rights and obligations available for each contractor, in order to avoid overlapping. They shall also specify the liability of the main contractor to the BCRA and to the rest of the contractors, as well as the liability of the latter.

The main contractor shall be liable for all damages and non-compliances that may occur due to his poor leadership.

SECTION 118 — TERM. The Specific Terms and Conditions shall stipulate the starting time and duration of the work contracted. Incentives may be established in said Specific Terms and Conditions for the early handover of works, provided that the characteristics of the work being performed and its processes allow for such early handover, without compromising quality.

SECTION 119 — WORKS SUPERVISION AND CONTROL. The BCRA may directly supervise and control works or else outsource the supervisory tasks and contract compliance control services; however, such supervisory and control instances do not imply that the contractor is released from his responsibilities.

The Specific Terms and Conditions shall stipulate the scope of supervision and control, detailing the name of professionals in charge, who must meet the same requirements as those applied to the technical representative of the contractor, irrespective of the latter's civil liability.

The contractor may not object to the technical experts appointed by the BCRA to carry out the supervisory and control instances; however, if justified, he shall state the reasons for such objection for the BCRA to
decide the best course of action, but such circumstance shall not be grounds for work interruption.

The BCRA shall have free access to the contractor’s workshops, labs, offices and means of transport, as well as to factories, establishments or places where the elements or consumables used for performing the work contracted are made.

**SECTION 120 — BREACH OF THE CONTRACTOR.** Failure to comply with the work plan, or failure to fully or partially comply with the contract’s deadlines, will give rise to the penalties set forth in the Specific and General Terms and Conditions.

The contractor shall be deemed to be in arrears upon expiry of the terms agreed in the contract, and will be required to pay any applicable fines, pursuant to the procedure set forth in Chapter XIII. Such amount shall be deducted from any certificate pending issuance, future invoices, or credits taken by the contractor, regardless of their nature; or, as a last resort, from the enforcement, if applicable, of the contract bond.

If the total amount of fines imposed exceeds by TEN PERCENT (10%) the contractual amount, the BCRA may terminate the contract for reasons attributable to the contractor.

In cases where the work is partially completed, the fine will be calculated on the basis of the unfinished part of the work that has not been completed on time.

**SECTION 121 — EXTENSIONS.** The contractor must inform the BCRA in writing about any event that affects compliance with contractual deadlines, within a period of FIVE (5) administrative business days of occurrence—either of the event itself or its consequences—and submit any relevant elements supporting the grounds for such requested extension.

The BCRA must decide on the request for extension within TEN (10) administrative business days of the request, allowing such an extension on justified grounds only.

**SECTION 122 — RIGHTS AND PATENTS.** The rights or patents of any kind that should be paid for using any material, element, system, method, product or device will be the sole responsibility of the contractor.

The contractor will be responsible for any claim or complaint from third parties arising from the provision or improper use of such materials, elements, systems, methods, products or devices.
SECTION 123 — RESPONSIBILITIES OF THE CONTRACTOR. The contractor shall be liable for damages caused to the BCRA and any third parties resulting from willful misconduct, fault or negligence.

The contractor shall not have the right to invoke error or omission on his part in order to request that changes be made in the price, terms or other conditions of the contract.

The contractor is responsible for any lack of means or errors found in the tasks under his charge, as well as for the correct interpretation of the specifications and technical documentation needed for performing the work assigned. The contractor shall also assume responsibility for any faults during execution and maintenance, until final handover.

If the contractor notices any deficiencies or errors in the specifications or technical documentation, he shall duly and timely notify the BCRA and refrain from carrying out any work that may be affected by such deficiencies, unless the BCRA duly orders their execution, in which case the contractor shall be exempt from any responsibility thereof.

In case the deficiencies imply a destruction risk under the terms of Sections 1273 and 1274 of the Civil and Commercial Code of Argentina, the contractor may refuse to carry out the work until such deficiencies have been rectified. In such a case, the contractor may terminate the contract for cause attributable to the BCRA.

In the foregoing cases, the absence of due notification to the BCRA or the execution of work without the corresponding order to carry on, will make the contractor a responsible party.

SECTION 124 — AMENDMENTS. The quantitative or qualitative changes in the work may be carried out unilaterally by decision of the BCRA or as agreed between the parties. Any amendment to the contract will entail an increase or decrease in the total amount agreed in the contract and in the contract bond.

Amendments decided by the BCRA shall be binding on the contractor provided that:

a) Together and cumulatively, they do not exceed TWENTY PERCENT (20%), whether adjusted to a higher or lower value, of the total amount of the contract; and
b) Do not require the use of services, types of machinery or work systems that were not provided for in the contract.

The purchase order of the amendment shall be approved by the appropriate level, according to the provisions set forth in Annex I of Authorities responsible for Approval.

SECTION 125 — CERTIFICATION. The Terms and Conditions shall determine the manner in which the BCRA will measure the progress of the work and the certification or billing of the work performed.

A certificate shall mean the instrument issued by the BCRA in favor of the contractor, based on compliance with contractual obligations, for payment purposes.

The certificate is an interim document used for prepayments, subject to future changes, until the final settlement or closure of accounts.

SECTION 126 — PAYMENT OF CERTIFICATES. Certificates shall be paid within the period established in the Terms and Conditions, taking into account the provisions set forth in Section 96 of these Rules.

SECTION 127 — RIGHT OF RETENTION. The contractor and his subcontractors may not exercise any lien on the work performed.

SECTION 128 — HANDOVER OF WORKS. Works can be handed over whether partially or totally, as provided for in the purchase order or contract and other documents that are a part of the contractual arrangement. Partial handover may also be made when the BCRA deems it fit.

Total or partial handover shall be provisional until the bond period established has expired.

a) PROVISIONAL

Works will be provisionally handed over to the BCRA upon completion pursuant to the provisions set forth in the contract and when proof of performance has been successful; the Record of Provisional Handover being drafted thereafter.

If the contractor—duly notified of the procedure—does not attend or refuses to attend, attendance by the BCRA’s representative shall be deemed sufficient to establish the legality of the procedure. BCRA’s
representative acting on his own behalf, shall note for the Record that the contractor was duly notified and failed to attend.

Provisional handover releases the contractor from responsibility as to any apparent defects in the works carried out. If, during provisional handover, there are works that have not been executed in accordance with the terms set forth in the documents that are a part of the contractual arrangement, the operation may be suspended until the contractor remedies the defects identified, within the period set forth by the BCRA. If the contractor fails to comply with his obligations within the established period, the BCRA may carry out or have the necessary work be carried out on behalf and to the order of the contractor, without prejudice to any applicable penalties.

Provisional handover may apply in cases of minor deficiencies that need correction or details that need completion, but that do not interfere with the final approval of works. Such cases must be explicitly recorded in writing to ensure adequate completion within the maintenance and bond period. In these cases, the BCRA may retain the amount equal to the service that has not been provided.

The BCRA may allow that such retention be replaced by posting a bond for an equal amount, in accordance with the provisions of Section 51 of these Rules.

Performance bonds shall not be returned to the contractor until final handover is approved.

b) FINAL

Final handover shall take place when the bond period established in the Specific Terms and Conditions has expired, during which time the contractor is responsible for the maintenance and repair of works, except for damage caused by misuse.

If no deadline has been established for final handover, the same shall occur within a maximum period not exceeding ONE HUNDRED EIGHTY (180) calendar days after provisional handover.

In the case of partial handovers of a final nature, the contractor shall be entitled to be reimbursed or released from the proportional part of the performance bond.

SECTION 129 — TERMINATION OF THE CONTRACT. The contract shall be terminated in case of death, bankruptcy or supervening disability of the contractor. Notwithstanding the foregoing, the heirs or the bankruptcy trustee or the representative of the disabled party authorized by
a competent judge, may offer to continue with the contract, either by themselves or through third parties. The BCRA may either accept or reject such offers, without rejection giving rise to any claim or compensation whatsoever.

The Terms and Conditions shall establish the consequences of termination of the contract on the grounds referred to in the previous paragraph.

SECTION 130 — TERMINATION BY THE BCRA. The BCRA shall have the right to unilaterally declare the termination of the contract, in the following cases:

a) If the contractor incurs in gross negligence, willful or criminal misconduct when performing his legal or contractual obligations.

b) If the contractor breaches any tax, labor, social security or professional laws—or consents to the breach thereof by his subcontractors—with respect to the personnel employed in the execution of works.

c) If the contractor, without justified cause, carries out work slowly, so that the executed portion of the work does match the time set forth in the work plans, and the BCRA justifiably determines that works cannot be completed within the deadlines agreed in the Contract.

d) When the contractor, without justifiable cause, exceeds the deadline established in the contract for starting works.

e) When the contractor assigns or transfers, whether in whole or in part, his contract, or enters into partnership with others to carry it out, or subcontracts it, without the prior authorization of the BCRA.

f) When the contractor unjustifiably leaves or interrupts works, during the periods and pursuant to the conditions established under the Terms and Conditions.

g) In all other cases provided for in these Rules.

In the cases provided for in subparagraphs c), d) and f), the BCRA shall require the contractor to resume the normal execution of works as provided for in the contract, within a period to be established, under penalty of contract termination.
The consequences of contract termination on the grounds set forth in this Section shall be established in the Terms and Conditions.

**SECTION 131 — TERMINATION BY MUTUAL AGREEMENT.** Both parties may terminate the contract if an event of force majeure or an Act of God or supervening charges, duly justified, make it impossible to comply with the contract, without the parties being entitled to any compensation whatsoever.

**SECTION 132 — REVOCATION OF THE CONTRACT.** The BCRA may terminate the contract by invoking justified reasons of opportunity, merit or convenience. Only consequential damages, the amount thereof being duly proven, shall be taken into account.

**CHAPTER XVI**
**SUPPLEMENTARY PROVISIONS**

**SECTION 133** — As long as the BCRA Procurement Information System is not implemented through a comprehensive procurement system, the BCRA shall use all computer means currently available for posting, communicating and managing procurement processes.

**INTERIM CLAUSE:** These Rules shall apply to those contracts starting after being approved and published in the Official Gazette.
ANNEX I TO THE PROCUREMENT RULES OF PROCEDURE

Value of the CU (Contracting Unit): AR$ 1,300.

AUTHORITIES RESPONSIBLE FOR TENDER CALL APPROVAL AND AWARD/RESOLUTION PROCEDURES

Public Tenders and Competitive Selection Processes

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Approved by BCRA’s Board Resolution No. 383/16 (September 29, 2016), amended by BCRA’s Board Resolution No. 122/17 (April 12, 2017).