



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

COMMUNICATION "A" 7030

May 28, 2020

TO FINANCIAL INSTITUTIONS,
TO FOREIGN EXCHANGE TRADERS,
TO NON-FINANCIAL CREDIT CARD ISSUING COMPANIES,
TO NON-FINANCIAL PURCHASE CARD ISSUING COMPANIES:

Ref.: Circular
CAMEX 1 - 849

Foreign Trade and Exchange. Adjustments.

This is to inform that the BCRA has adopted the following resolution, which will become effective on May 29, 2020:

"1. Institutions shall have the prior consent of the BCRA for operating in the forex market as set out in paragraphs 3.1. through 3.11. and 4.4.2. of the regulations on "Foreign Trade and Exchange", except where transactions are carried out by natural persons for the build-up of foreign assets based on paragraph 3.8. Institutions shall be relieved from this requirement where they have the client's affidavit stating that—at the time of having access to the forex market—:

a) the client's whole holdings in foreign currency in Argentina are deposited in financial institutions' accounts and that they do not have available liquid foreign assets.

Liquid foreign assets are meant to be: holdings of banknotes and coins in foreign currency, coined gold or "good delivery" gold bars, sight deposits in financial institutions located abroad, and other investments that allow immediate availability of foreign currency (for instance, investments in foreign government securities, funds in investment accounts with investment managers from abroad, crypto assets, funds in payment service providers' accounts).

In the assumption that clients have liquid foreign assets at the start of the day on which they have access to the forex market, the institution may also accept the affidavit if there is written evidence that such assets were used in full on that same day to make payments through the local forex market.

b) the client undertakes to settle transactions in the forex market within five business days after the date they receive foreign currency from abroad as a result of loans granted to third parties; time deposits or the sale of any type of asset—where the asset has been acquired—, deposits have been made or the loans have been granted after May 28, 2020.

This requirement shall not apply to the following outflows: 1) transactions inherent to the institution in its role as a client, 2) payments of financing in foreign currency granted by local financial institutions for purchases on credit or purchase cards in foreign currency and 3) payments abroad by non-financial card issuing companies for the use of credit, purchase, debit or prepaid cards issued in the country.

The institution shall verify the compliance with all other requirements established by the foreign exchange regulation in force, which applies to each code involved.



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2. The payments for imports of goods (heading codes B05, B06, B07, B10 and B12) or for principal from the import of goods through the forex market until June 30, 2020 shall be subject to the prior consent of the BCRA, except the institution has:

- 2.1. the client's affidavit stating that the total amount of payments for the imports of goods carried out in the forex market in 2020—including the payment requested—does not exceed the amount determined for their operating in the forex market based on the imports of goods recorded in the importer's name in the monitoring system for the payment of imports of goods (Sistema de Seguimiento de Pagos de Importaciones, SEPAIMPO), and formalized between January 1, 2020 and the day before having access to the forex market.

The client's total payments for imports of goods shall also include payments of credit lines and/or commercial guarantees related to the client's imports.

- 2.2. supporting documentation evidencing the compliance with all other requirements established for the operation by the foreign exchange regulation.

The requirement set out in paragraph 2.1. shall not apply to:

- i) the public sector,
- ii) companies governed by private law but under the National State's influence,
- iii) trusts made up with public sector's investments,
- iv) legal persons providing patients with crucial medicine where they make payments in advance for this type of medicine in compliance with a request made by the beneficiary of the health insurance involved,
- v) payments for imports with pending customs registration aimed at the purchase of COVID-19 test kits or other goods, which tariff positions are listed in Executive Order No. 333/2020, as supplemented,
- vi) payments for imports with pending customs registration as long as the amount pending regularization by the client for similar payments made as from September 1, 2019 do not exceed USD250,000 (two hundred and fifty thousand US dollars), including the amount for which access to the forex market is requested.

The BCRA will continuously check the compliance with this paragraph on the basis of information on the payments for imports of goods through the forex market and on formalized imports included in the SEPAIMPO.

3. Until June 30, 2020 the prior consent of the BCRA shall be required to access the forex market for the payment of principal of financial loans held abroad when the creditor is a counterparty related to the debtor.
4. The provisions set out in paragraph 3. of Communication "A" 7001, as supplemented, are replaced with the following:
 - "3. The client may settle transactions in the forex market—including self-to-self- international transfers and arbitrage—subject to the prior consent of the BCRA and to other applicable requirements, except the institution has the client's affidavit stating that:



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- a) the client has neither sold any securities denominated in foreign currency in Argentina nor made any transfer in such denomination to depository institutions located abroad during a 90-day period before the date on which the transaction is settled.

Until June 30, 2020, the statement falling within the scope of this paragraph will be deemed to include the period as of April 1, 2020.

- b) the client undertakes to refrain from selling any securities denominated in foreign currency in Argentina and from making any transfer in such denomination to depository institutions located abroad on the date on which the transaction is settled and 90 calendar days afterwards.

This requirement shall not apply to the following outflows: 1) transactions inherent to the institution in its role as a client; 2) payments of financing in foreign currency granted by local financial institutions, including payments on credit or purchase cards in foreign currency; and 3) transactions set out in paragraph 3.12.4., provided that the transactions are automatically carried out by the financial institution in its capacity as non-resident beneficiary's attorney-in-fact."

Likewise, we will distribute the copies to be included in the regulations in force in replacement of the former ones.

Faithfully yours,

CENTRAL BANK OF ARGENTINA

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