

## **Majority Statement of Ad Hoc Group of Province of Buenos Aires Bondholders**

*21 July 2021*

Today, the Province of Buenos Aires (“PBA”) issued an announcement regarding an agreement it had reached with GoldenTree Asset Management LP and other, unnamed investors. This agreement does not have the endorsement of the Ad Hoc Group (“AHG”) of the Province’s bondholders.

The Province chose an unfortunate path towards launching its offer which involved bilateral discussions with certain, selected bondholders. The Province declined on multiple occasions to engage in direct negotiations with the AHG, notwithstanding its repeated invitations to the AHG to enter into non-disclosure arrangements meant to facilitate dialogue. This pattern of behavior does not constitute a “good-faith” approach under any broadly understood meaning of the word.

The Province’s efforts to restructure in the absence of reaching agreement with a broadly representative group of its bondholders is contrary to the approach of the nine other Argentine provinces which have previously reached successful restructuring agreements. Those provinces presented proposals that were fully endorsed by their creditor committees and which subsequently received strong support in the financial markets.

The Province has historically been the largest issuer in the international markets among Argentine provinces and has received wide support among institutional and retail bondholders based on its record of acting in good-faith. The approach taken by the Province in attempting to restructure its debt without making a good-faith effort to achieve consensus amongst the majority of its bondholders will raise questions about the leadership role of the Province and the ability of its historical providers of finance to support the Province in the future.

The majority members of the AHG will consider carefully their next steps, including potential outreach to a broader group of institutional and retail bondholders.