



BYMA

Bolsas y Mercados
Argentinos

INVESTOR PROTECTION CODE



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INVESTOR PROTECTION CODE

Preface:

This Code has been prepared in order to enhance trading practices in the Argentine Stock Market, by means of a guide that enable investors to enforce their rights and take any actions they may deem necessary.

Any Agent, Broker or Broker-Dealer registered with BYMA (hereinafter referred to as "Broker") must implement this Code, which aims are to contribute in entrenching Brokers' Clients rights and obligations, to improve market transparency and to build stronger bonds with society.

In light of the above, we understand that the application of those practices will help Brokers' Clients to be more acquainted with their rights and obligations and to raise awareness on the importance of maintaining a reflective and constant conduct, which ultimate purpose is to build a closer Broker-Client relationship.

The provisions of this Code have been drafted after considering not only the rights and obligations arising from Broker-Client contractual terms, but also the ethical and moral transparency that has characterized the Argentine Stock Market for more than 150 years.

We are convinced that the enforcement of this Code will improve market practices and will eventually contribute to turn these practices into a regular and constant business conduct.



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The purpose of this Code is to avoid any conflict of interest that may arise between the parties of an Broker-Client agreement, provided that the provisions stated herein are also governed by the Argentine Law No. 26,831, the Regulatory Executive Order No. 1023/13 and CNV Regulations (Restated Text 2013 as amended), all of which rule the activities above mentioned.

In order to assure the compliance of these provisions, these regulations will be subject to deep monitoring, so as to put them into practice and also enhance their compliance.

Finally, we believe that the preceding considerations will enable us to strengthen the capital market, something that is essential for the development of the country's economy.

Chapter I: Introduction

- 1.1.** This Investor Protection Code (hereinafter, the “Code”) shall be enforced by all Agents, Brokers or Broker-Dealers registered with BYMA (hereinafter, “Brokers”). The purpose of this Code is to create a reference framework to be used as a guideline in the relationship between Brokers and their Clients, upon the execution of trades and for the term corresponding to the pertinent contractual agreement entered into by the parties.
- 1.2.** Notwithstanding the provisions of this Code, it is worth mentioning that it is governed by the provisions of Argentine Law No. 26,831, Regulatory Executive Order No. 1023/13 and CNV Regulations



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(Restated Text 2013 as amended); therefore, any provision of this Code that is contrary to the new legal framework in force shall be deemed as not valid and, thus, inapplicable.

- 1.3.** The provisions of this Code shall be enforced taking into account the commitment undertaken by Brokers in the performance of their activities and shall be used as instruments in order to improve transparency in regard to the information provided to Brokers' Clients and, especially, in any aspect related to the quality of transactions being offered.
- 1.4** The Code sets forth the basic guidelines to be complied with by Brokers, whose main purpose is the compliance and continuous improvement of such guidelines.
- 1.5.** Brokers shall use the provisions of this Code as a guideline for their business activity and must faithfully comply with the obligations set forth in this Code and in any other regulations that govern their business activity, in order to meet their Clients' requirements and expectations.
- 1.6.** Furthermore, this Code constitutes a reference or guideline based on which Brokers' Clients may control their brokerage account information, with the aim of building a reciprocal monitoring system as regards the quality of the trades offered.

- 1.7.** There follows a list of the transactions authorized by the National Securities Commission (CNV), as set forth in Chapter V, Title VI of CNV Regulations (Restated Text 2013 as amended):
- 1.7.1.** Cash Transactions.
 - 1.7.1.1.** Immediate settlement.
 - 1.7.1.2.** T+1 Settlement cycle.
 - 1.7.1.3.** T+2 Settlement cycle.
 - 1.7.1.4.** Short selling.
 - 1.7.2.** Forward Transactions.
 - 1.7.2.1.** Fixed Term Transactions.
 - 1.7.2.2.** Swap.
 - 1.7.2.3.** Guaranteed Security.
 - 1.7.2.4.** Options (direct).
 - 1.7.2.5.** Securities Lending.
 - 1.7.2.6.** Futures Contracts.
 - 1.7.2.7.** Options Contracts (indirect) on Futures Contracts.
- 1.8.** The provisions of this Code shall become effective on the date established by the National Securities Commission.
- 1.9.** Brokers shall use any means they deem necessary to ensure the compliance of the provisions stated herein by its personnel, and such personnel shall sign a copy of this Code as proof of consent.

Chapter II: Opening Accounts Guidelines

- 2.1** Upon opening a new account, Brokers must inform each of their Clients that they may trade with any CNV-authorized Agent and that the election of said Agent is their exclusive responsibility. The list of CNV-authorized Agents is available in: www.cnv.gob.ar. This requirement shall be deemed as complied with, upon the submission of a copy of Annex I, Circular No. 3524, which includes a list of the regulations, codes and guidelines ruling on accounts opened for Brokers' Clients, as approved by BYMA's Board of Directors.
- 2.2.** Broker's Clients will be entitled to withdraw any balance in their accounts, at any time, and to request the closing of such accounts. Moreover, Brokers may unilaterally decide to close their Client's account, provided Broker serves written notice to their Client at least 3 days in advance to the closing date. In any case, the closing of the account shall entail the settlement of any pending transaction, the payment of liabilities and any credit or balance, if any, to the account holder.
- 2.3** In case of breach on behalf of the Client, Brokers may decide to close the account, proceed to settle any pending transactions and pay the account balance, if any, to the account holder. The decision of closing an account must be informed to the Broker's Client by serving written notice within a term of 48 hours following the account closing date.

- 2.4.** BYMA has no competence to settle any property issues or conflicts that may arise between Brokers and their Clients.
- 2.5.** Brokers who wish to open an account for a new Client shall request the pertinent investor a copy of his/her Identity Document (DNI), and/or Passport in the case of foreigners, so as to be kept in their respective files. Furthermore, Brokers shall also comply with the provisions of Law No. 26,831, the Regulatory Executive Order 1023/13, CNV Regulations (Restated Text 2013, as amended) and the Financial Intelligence Unit in Argentina regulations (UIF for its Spanish acronym).
- 2.6** Opening an account with the Broker implies authorizing the Broker to place orders and trade on behalf and to the order of the Client. As a consequence, the Client accepts that instructions to the Broker might be given face-to-face or by any other reliable means of communication, such as on the phone, via fax or e-mail. In case the Client prefers not to give verbal instructions, the Client shall inform the Broker through any reliable means that Broker shall only execute trades instructed in writing.
- 2.7.** In regard to authorizations issued by Broker's Clients to third parties, Clients shall clearly specify the scope of the Powers granted to such third parties.
- 2.8.** Brokers shall maintain available to the public the Brokerage Fees they charge for their services and any other expenses related to opening an account, making deposits of securities in Caja de



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Valores S.A., and any fees applicable to executed transactions and/or, if applicable, they shall serve notice to Client including such information. In this last case, an acknowledgment of receipt must be completed and signed.

- 2.9.** For each trading order executed, Brokers shall submit their Clients an order certificate, in compliance with the regulations in force.
- 2.10.** For every trade confirmation including cash and/or securities transfers, Brokers shall issue the respective receipt or payment order.

Chapter III: Commitment with Brokers' Clients.

- 3.1.** Commitments undertaken by Brokers with their Clients (Principals) are detailed below:
 - 3.1.1.** To act in a diligent, loyal and transparent way in all matters related to the different types of transactions being offered and in accordance with the rules and regulations in force.
 - 3.1.2.** To clearly and accurately inform Broker's Clients on any trades executed or placed by Brokers, so that Clients can make informed decisions.
 - 3.1.3.** To deal with Brokers' Clients in a honest and responsible manner, acting with the diligence of a prudent businessman.

Chapter IV: Information Transparency

4.1. Upon execution of the brokerage contract, Brokers shall:

4.1.1. Provide the Client all the information related to the transactions to be conducted on behalf and to the order of Client. Such information shall contain specific details in relation to the terms, conditions, settlement dates, expiry dates, etc.

4.1.2. Inform the Client about the documents required in order to trade in the stock market, specifying that such requirements are of utmost legal importance and for the benefit of Client's safety.

Chapter V: Brokers' Clients Support

5.1. Brokers shall provide to their Clients all the necessary communication channels (telephone number, e-mail account, personal support, etc.), so that Clients may promptly and easily contact them by reliable means.

5.2 Such customer service channels shall be available to answer any doubts Clients may have in relation to the enforcement of this Code, or in regard to concepts or procedures related thereto.

Chapter VI: Procedure to file claims

6.1. The procedure to file claims is set forth in Title XIII of CNV Regulations (Restated Text 2013 as amended), since the CNV

(National Securities Commission) is the only competent controlling authority in disciplinary matters.

Chapter VII: Brokers' Clients information

- 7.1.** Brokers shall be very careful while managing information belonging to each of their Clients. Brokers shall keep such information confidential, in accordance with the provisions of section 53, Law No. 26,831. Confidentiality must be kept even after the termination of the contractual relation between the Broker and its Client.
- 7.2.** In case of confidential information, it may only be disclosed pursuant to a written judicial order issued by a criminal or family Court, or in case the information is requested by the National Securities Commission, the Central Bank of the Argentine Republic, the Financial Information Unit or the Argentine Insurance Authority in accordance with the provisions of section 53, Law No. 26,831. If this is not the case, Agents and Brokers shall also keep confidential any and all information provided to them.
- 7.3.** Brokers' Clients shall be aware that trades executed in the Stock Market may give rise to legal effects between BYMA and CNV-authorized Agents registered with BYMA, to the exclusion of third parties. In the cases in which BYMA guarantees the compliance of trades, the guarantee is granted exclusively with respect to the Brokers or Agents duly registered with BYMA.

Chapter VIII: Applicable law

8.1 Brokers shall be subject to the following regulations:

8.1.1. Law No. 26,831.

8.1.2. Law No. 19,550, Argentine Companies Law.

8.1.3. Law No. 20,643. Tax relief for private securities. Registration. Caja de Valores.

8.1.4. Law No. 25,246. Concealment and Money Laundering of Proceeds of Crime.

8.1.5. Civil and Commercial Code of the Argentine Republic.

8.1.6. Regulatory Executive Order No. 1023/13.-

8.1.7. CNV Regulations (Restated Text 2013 as amended).

8.1.8 Bylaws of Bolsas y Mercados Argentinos S.A.

8.1.9. Internal Rules of Bolsas y Mercados Argentinos S.A.

8.1.10. Operating Rules of Bolsas y Mercados Argentinos S.A.

8.1.11. Listing Rules of Bolsas y Mercados Argentinos S.A.

8.1.12. General Arbitration Tribunal Regulations of Bolsas y Mercados Argentinos S.A.

8.1.13. Circulars and Information Memos issued by Bolsas y Mercados Argentinos S.A.

8.1.14. Circular No. 71 issued by Caja de Valores. Opening Joint Sub-accounts. Depositor-Principal.

8.1.15. Regulations on Agent-Principal relationship.

8.1.16. Contract subscribed by each Client with its Broker, by submitting a signed Client Application Form or by Signature Log.