

# CONFLICT OF INTEREST AFFIDAVIT

## EXECUTIVE ORDER 202/2017

### PART I - Compliance with Executive Order 202/2017 (EXHIBIT I)

Affiant: Individual person

FIRST NAMES: .....

LAST NAMES: .....

TIN / TAXPAYER IDENTIFICATION NUMBER: .....

Relationships to declare

#### ARE THERE RELATIONSHIPS WITH THE OFFICERS NAMED IN ARTICLES 1 AND 2 OF THE EXECUTIVE ORDER 202/17?

(Mark "X" in appropriate boxes)

 NO

In this case, please sign at the end of this section. The option chosen as to the non-declaration of relationships implies the express declaration of the nonexistence thereof, in the terms of Executive Order 202/17.

 YES

In this case, please fill the information asked below and then sign at the end of this section. If there are relationships with more than one officer, the information requested below must be repeated for each of the relationships to be declared.

Relationship

#### WITH WHICH OF THE FOLLOWING OFFICERS?

(Mark "X" in appropriate boxes)

 PRESIDENT

 THE CHIEF OF THE MINISTERIAL CABINET

 VICE-PRESIDENT

 AUTHORITY HOLDING THE RANK OF MINISTER OF THE NATIONAL EXECUTIVE POWER

 MINISTER

 AUTHORITY WITH AN INFERIOR RANK TO A MINISTER WITH CAPACITY TO DECIDE

If you marked Minister, Authority holding the rank of Minister of the National Executive Power or Authority with an inferior rank to a Minister with capacity to decide, please complete the following fields

FIRST NAMES: .....

LAST NAMES: .....

TIN / TAXPAYER IDENTIFICATION NUMBER: .....

TITLE: ..... JURISDICTION: .....

**TYPE OF RELATIONSHIP**

(Mark "X" in appropriate boxes and provide all requested information regarding the selected type of relationship)

<p><b>PARTNERSHIP OR COMMUNITY</b> <input type="checkbox"/></p> <p>▶ Firm Name and TIN - Taxpayer Identification Number:</p> <p>.....</p>	<p><b>RELATIONSHIPS WITHIN THE FOURTH DEGREE OF CONSANGUINITY AND WITHIN THE SECOND DEGREE OF AFFINITY</b> <input type="checkbox"/></p> <p>▶ Specify the type of relationship:</p> <p>.....</p>
<p><b>DEBTOR</b> <input type="checkbox"/></p> <p>▶ Determine the amount and causes of debt:</p> <p>.....</p>	<p><b>CREDITOR</b> <input type="checkbox"/></p> <p>▶ Determine the amount and causes of credit:</p> <p>.....</p>
<p><b>PENDING LITIGATION</b> <input type="checkbox"/></p> <p>▶ Provide title of cause, case record, venue, jurisdiction, court and clerk's office:</p> <p>.....</p>	<p><b>RECEIVED IMPORTANT BENEFITS FROM THE OFFICER</b> <input type="checkbox"/></p> <p>▶ Specify the type of benefit and estimated amount:</p> <p>.....</p>
<p><b>PUBLIC FRIENDSHIP DEMONSTRATED BY A FAMILIAR AND FREQUENT TREATMENT</b> <input type="checkbox"/></p> <p>▶ No additional information is requested</p>	

ADDITIONAL INFORMATION:

.....

.....

.....

The non-declaration of relationships implies the express declaration of the nonexistence thereof, in the terms of Executive Order 202/17.

.....

SIGNATURE

.....

NAME

.....

DATE AND PLACE

## PART II - Conflicts of Interest Statement and Acknowledgement of the Code of Ethics for Suppliers

### A) DECLARATION OF CONFLICT OF INTEREST NOT COVERED BY THE EXECUTIVE ORDER 202/2017

In addition to the cases covered by the Executive Order 202/2017, and in relation to employees of **Grupo Aerolíneas** who work for the Purchasing Department (whatever their level), and / or in another area with which they are negotiating or reviewing a contract: Do you, as an Individual who makes a declaration, have a relationship with such employees that:

- ▶ affect or may affect the impartiality or independence in the commercial relationship with **Grupo Aerolíneas**, or
- ▶ a third party can interpret that said impartiality or independence is being or could be affected?

NO     YES    | If "Yes", please provide the following information:

DESCRIPTION OF THE CONFLICT OF INTEREST				
NAME	TITLE	WORKPLACE	COMPANY	RELATIONSHIP

I hereby declare that by filling this form out, I have answered in a comprehensive and truthful manner and without hiding data or relevant information that may correspond. Moreover, should there be any change in the circumstances herein stated; I undertake the obligation to immediately inform the Company in writing.

### B) ACKNOWLEDGEMENT OF THE CODE OF ETHICS FOR SUPPLIERS

I hereby declare that I have received, read and understood and agree to comply with the provisions of the **Code of Ethics for Suppliers** of Grupo Aerolíneas (also available in the Suppliers section of the Company's website: [www.aerolineas.com.ar](http://www.aerolineas.com.ar)).

.....  
SIGNATURE

.....  
NAME

.....  
DATE AND PLACE

## NATIONAL STATE - EXECUTIVE ORDER 202/2017

### Conflict of Interest - Procedure

City of Buenos Aires, March 21st, 2017

WHEREAS Electronic File EX-2017-02843758-APN-OA#MJ and the Law on Ethics in the Public Service 25188, and WHEREAS

Part of the public management in charge of the agencies of the National Public Sector is carried out through different types of contracts such as purchase and sale, supply, service, location, public works, public works and public services concessions, licenses, permits, authorizations, awards and granting of legal interests in property of public domain.

In accordance with the provisions of the INTER-AMERICAN CONVENTION AGAINST CORRUPTION and of the UNITED NATIONS CONVENTION AGAINST CORRUPTION, approved in our country by Laws 24759 and 26097, respectively, and with the guidelines set up by the OECD-ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT, the aforementioned contracts must be executed within a transparency and integrity framework, with publicity of the acts and equal treatment of competing offerors and suppliers. In this regard, they promote rules that preserve public integrity and appropriate systems of public procurement, based on transparency, competition and objective decision-making criteria.

The Law on Ethics in the Public Service 25188 establishes a set of duties that must be met by individuals who exercise a public function at all levels and hierarchies, that oblige them to act in compliance with the ethical principles and guidelines listed.

The aforementioned Law has included in its Article 2 what the doctrine has called "virtuous performance" requiring officials to perform duties with "...honesty, probity, rectitude, good faith and republican austerity" (subsection b); "to safeguard the interests of the State in all their acts aimed at the satisfaction of general welfare, and consequently granting a privilege to public interest over individual interest" (subsection c); "to justify their acts and to show the greatest transparency in all decisions adopted without restricting information, unless a rule or the public interest clearly requires that" (subsection e); "to comply with the principles of publicity, equity, concurrence and reasonability in public procurement procedures" (subsection h); "to refrain from participating in any act that may lead to disqualification pursuant to the law of civil procedure" (subsection i), among others.

Said provisions are integrated with the principles included in the Code of Ethics for the Public Service, approved by Executive Order 41/99, among which stand out those of probity, prudence, justice, temperance, transparency, independence criteria and equity.

Moreover, Article 15 of the Law on Ethics in the Public Service 25188 states that, in the event that at the time of appointment, the official is found to be affected by any of the incompatibilities provided for in Article 13, said official shall: a) Resign from such activities as a precondition to take office. b) Refrain from intervening, during his / her term of office, in matters that are particularly related to the persons or matters to which he / she was related during the last THREE (3) years or where he/she is a stakeholder.

Furthermore, Article 6 of the Law on Administrative Procedures 19549 states that officials may excuse themselves or be challenged "for the causes and in the opportunities provided for in articles 17 and 18 of the National Code of Civil and Commercial Procedure".

In addition, in accordance with the above-mentioned provisions of Laws 25188 and 19549, it is the duty of the official to refrain from intervening in matters in which the official or the persons that are specially related to the official have a direct and substantial interest.

In order to preserve the proper use of public resources, complying with the rules on ethics and integrity, it is essential to establish special procedures and mechanisms for cases in which there may be a conflict of interest or particular relationship between one of those interested in hiring or being awarded some of the aforementioned acts by the State, and the President of the Nation, the Vice President, the Chief of the Ministerial Cabinet, the Ministers and Authorities of equal rank and / or the principal of any agency or entity of the National Public Sector with jurisdiction to contract or approve any of the aforementioned forms of legal relationship, which may raise doubts about the proper management of public interest.

It is necessary to establish regulations of the above-mentioned legal provisions, specifying the type of relationship between officials and individuals and legal persons considered relevant for the purpose of applying special rules and procedures that ensure the highest standards of integrity, rectitude, transparency and protection of the public interest.

The situations in which the President and Vice President of the Nation and the aforementioned authorities of the Executive Branch maintain with any of the aforementioned interested parties - or their partners and directors in the case of legal entities - any relationship included in Article 17 of the National Code of Civil and Commercial Procedure, must be addressed.

For said purposes, it is intended, on the one hand, that the above-mentioned authorities should refrain from using jurisdiction over the cases in which they have a special relationship with the interested parties, in order to avoid any intervention of said authorities in such cases; and, on the other, to provide as much transparency as possible in the management of contracts and other acts affected by the described situations.

It is an essential objective of the National Government, to strengthen the basic pillars of the republican system and citizen confidence in institutions.

The ANTI-CORRUPTION OFFICE is competent to execute public policies of transparency in all the actions taken by the National Executive Branch and the agencies that work under its authority, ensuring compliance with the International Anti-Corruption Conventions ratified by the National State.

The GENERAL AUDITING OFFICE OF THE NATION is competent to prescribe and apply internal control rules of the agencies and entities that form part of the National Public Sector.

The draft bill used as the basis for this executive order, was published and opened for debate; citizens were summoned (through the ANTI-CORRUPTION OFFICE website), as well as jurists, officials, legislators, non-governmental organizations and other civil society actors who made valuable contributions that were considered and debated, in order to establish an effective tool to provide the greatest transparency and integrity to the activity of the State, and prevent corruption.

The General Directorate of Legal Affairs of the MINISTRY OF JUSTICE AND HUMAN RIGHTS has taken action.

This executive order has been signed by virtue of the attributions emerging from section 99, subsection 1 and 2, of the National Constitution.

NOW THEREFORE,  
THE PRESIDENT OF THE ARGENTINE NATION  
DECREES AS FOLLOWS:

**SECTION 1** - Any person who is part of a public procurement procedure or is granted a license, permit, authorization, award or legal interest in property of public or private domain of the State, carried out by any of the agencies and entities of the National Public Sector included in article 8 of Law 24156, must present a "Conflict of Interest Affidavit" in which said person must declare whether or not he/she is reached by any of the following relationships with the President and Vice President of the Nation, the Chief of the Ministerial Cabinet, the Ministers and Authorities of equal rank in the National Executive Branch, although they do not have jurisdiction to decide on the contract or act in question:

- a) Relationships within the fourth degree of consanguinity and within the second degree of affinity
- b) Partnership or Community
- c) Pending litigation
- d) Debtor or Creditor,
- e) Received important benefits from the official
- f) Public friendship demonstrated by a familiar and frequent treatment.

If the affiant is a legal entity, it must declare if the above-mentioned relationships currently exist or existed during the last calendar year, between the above-mentioned officials and the legal representatives, parent companies, subsidiary companies, or companies with direct interest in the economic or financial results, directors, partners or shareholders with participation in the organizational decision-making or that exercise a dominant influence as a result of their shares, quotas or interests.

In the case of companies subject to the public offering regime pursuant to Law 26831, the relationship shall be understood as referring to any shareholder or partner that owns more than FIVE PERCENT (5%) of the share capital.

**SECTION 2** - The same affidavit must be presented and in the same cases provided for in section 1, when there is a relationship with the officer with an inferior rank to a Minister with jurisdiction or capacity to decide on the contract or act in which the affiant is interested.

**SECTION 3** - The "Conflict of Interest Affidavit" must be presented at the moment of registration as a supplier or contractor of the National State in the applicable registry.

Those suppliers or contractors, who have already been included in the applicable registries, must present the affidavit within NINETY (90) business days from the entry into force of these presents.

In those cases in which prior registration in a specific registry is not required or the assumption set forth in section 2 is configured, the affidavit must be accompanied at the first opportunity provided in the respective regulations for the interested party to appear before the agency or entity for the purpose of contracting or granting the acts mentioned in article 1.

The data included in the "Conflict of Interest Affidavit" must be updated annually, as well as within NINETY (90) business days as of the existence of a supposed relationship.

**SECTION 4** - If the existence of any of the supposed relationships provided for in Section 1 and 2 arises from the "Conflict of Interest Affidavit", the agency or entity where the respective procedure is developed shall apply the following processes and procedures:

- a. Inform the ANTI-CORRUPTION OFFICE and the GENERAL AUDITING OFFICE OF THE NATION of the "Conflict of Interest Affidavit" within THREE (3) days from service of the Affidavit.
- b. Arrange the means necessary for giving publicity to the procedures, on its website and on the website of the ANTI-CORRUPTION OFFICE, in accordance with the rules and exceptions set forth as regards access to public information, and, where appropriate, request assistance or collaboration from the MINISTRY OF MODERNIZATION for the aforementioned purposes.
- c. Adopt, in a well-founded manner and requesting assistance from the ANTI-CORRUPTION OFFICE and the GENERAL AUDITING OFFICE OF THE NATION, at least one of the following mechanisms:
  - I. To enter into an Integrity Pact
  - II. To invite "Testigos sociales"<sup>1</sup>
  - III. To have control agencies' special oversight
  - IV. To hold Public Hearings

For such purpose, the ANTI-CORRUPTION OFFICE shall approve the standards and procedure manuals for each of the aforementioned mechanisms, and for other mechanisms that may be appropriate for the purpose of this regulation.

- d. The official with jurisdiction to resolve the issue and with respect to whom, one of the aforementioned relationships has been declared, shall abstain from intervening in the above-mentioned procedure, which shall be in charge of the official who should act in the event of disqualification. If the conflict of interest involves the Chief of the Ministerial Cabinet and another Minister (s) simultaneously, the provisions of Section 9 and 10 of the Executive Order 977/95 and its amendments shall apply.
- e. When dealing with a direct contracting procedure, the proposal may be declared inadmissible, except as otherwise provided in Section 25, subsection d), item 2, 3 and 6 of Executive Order 1023/01.
- f. If the person who was selected in the respective procedure has declared any of the situations provided for in sections 1 and 2, the mechanisms included in subsection c) must be applied at all stages of the procedure and execution of the contract.

**SECTION 5** - The provisions of this executive order are complementary to the provisions of Law 25188 and Article 6 of the Law on Administrative Procedures 19549 on disqualification of and challenge to officials.

The ANTI-CORRUPTION OFFICE shall examine, in all cases in which it is necessary to take action on possible violations of the Law on Ethics in the Public Service 25188 and its complementary rules.

**SECTION 6** - Failure to timely submit the "Conflict of Interest Affidavit" may be considered sufficient cause for exclusion from the corresponding procedure, and any misrepresentation shall be considered a gross misconduct, for the purposes that may correspond in accordance with the applicable sanctioning regime.

**SECTION 7** - Within SIXTY (60) calendar days from the effective date of this executive order, the ANTI-CORRUPTION OFFICE shall approve the regulations and the necessary forms for its implementation.

Moreover, it may enact operative, clarifying and complementary rules that are necessary for the better fulfillment of what is established in this executive order, and will elaborate plans, protocols, manuals and / or standards to be applied by the agencies within the scope of these presents.

**SECTION 8** - The enforcement of this executive order shall be mandatory in pending procedures.

**SECTION 9** - This executive order shall be disclosed, published, forwarded to the NATIONAL DIRECTORATE OF OFFICIAL ARCHIVES, and filed.  
- MACRI. - Marcos Peña. - Germán Carlos Garavano. \_\_