

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

NML CAPITAL, LTD.

Plaintiff,

v.

THE REPUBLIC OF ARGENTINA

Defendant.

08 Civ. 6978 (TPG)

**DECLARATION OF ROBERT S. KOENIGSBERGER (GRAMERCY FUNDS  
MANAGEMENT LLC, et al.)**

Pursuant to 28 U.S.C. § 1746, Robert S. Koenigsberger, declares as follows:

1. I am currently Chief Investment Officer of Gramercy Funds Management LLC, and a Director of Gramercy Emerging Markets Fund; Gramercy Argentina Opportunity Fund, Ltd.; Gramercy Distressed Opportunity Fund, Ltd.; Gramercy Distressed Opportunity Fund II, L.P.; Gramercy Master Fund; Gramercy Opportunity Fund – Special Opportunities II Offshore SP; Gramercy Opportunity Fund – Special Opportunities II SP; Gramercy Opportunity Fund – Special Opportunities SP; and Gramercy U.S. Dollar Emerging Market Debt Master Fund (each a “Gramercy Entity” and together with any current or former affiliates (including Gramercy Distressed Argentina Fund Ltd.), “Gramercy”).

2. Gramercy Emerging Markets Fund (“GEMF”) has been an investor in Argentine sovereign debt since its launch in 1999. More specifically, GEMF, at various times, has purchased debt securities issued by the Republic of Argentina (“the Republic”) pursuant to the Fiscal Agency Agreement (such debt securities, “FAA Bonds”).

3. Gramercy organized and participated in the 2010 debt exchange offered by the Republic, and tendered approximately \$2.7 billion in face value of FAA bonds in connection therewith.

4. In connection with Gramercy's participation in the 2010 debt exchange, we agreed to accept a discount from the face value of the FAA Bonds (plus accrued and unpaid interest thereon) of at least 70% in reliance on the Republic's representations that it was willing and able to make payments on the Exchange Bonds.

5. I have reviewed the Plaintiffs' brief in this case dated November 13, 2012. I am aware that the Plaintiffs cite press reports suggesting that some Exchange Bondholders are attempting to receive payments in France or Switzerland. These reports are categorically false as to Gramercy, and, to the best of my knowledge, as to all other Exchange Bondholders.

6. I further understand that there has been some suggestion that the Exchange Bondholders have some special ability to convince the Republic to pay the Plaintiffs' judgment. Any such suggestion is entirely false as to Gramercy, and, to the best of my knowledge, as to all other Exchange Bondholders.

7. Clients of Gramercy that hold direct or indirect interests in the Exchange Bonds include the pension plans of public employees (such as police officers), non-profit foundations, and charitable endowments.

8. As of November 9, 2012, Gramercy Argentina Opportunity Fund, Ltd., a Gramercy Entity, held Exchange Bonds in the following amounts: €78,299,440.42 of ISIN XS0501195134; €789,210 of ISIN XS0209139244; \$82,499,250 of ISIN US040114GL81; and \$41,331,000 of ISIN US040114GK09.

9. In addition to the Exchange Bonds held by Gramercy Argentina Opportunity Fund, Ltd., the Gramercy Entities specifically identified in Paragraph 1 of this Declaration (other than Gramercy Argentina Opportunity Fund, Ltd) collectively held, as of November 9, 2012, Exchange Bonds in amounts totally not less than the following amounts: €70,000,000 and \$70,000,000. In addition, separate accounts managed by Gramercy also hold significant interests in Exchange Bonds.

10. Certain of the Exchange Bonds issued by the Republic have final maturity dates occurring in the following years: 2017, 2033 and 2038.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: Greenwich, Connecticut  
November 16, 2012



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Robert S. Koenigsberger