

CLEARY GOTTLIB STEEN & HAMILTON LLP

ONE LIBERTY PLAZA
NEW YORK, NY 10006-1470
(212) 225-2000
FACSIMILE (212) 225-3999
WWW.CLEARYGOTTLIEB.COM

WASHINGTON, DC • PARIS • BRUSSELS • LONDON • MOSCOW
FRANKFURT • COLOGNE • ROME • MILAN • HONG KONG
BEIJING • BUENOS AIRES • SÃO PAULO • ABU DHABI • SEOUL

Writer's Direct Dial: +1 212-225-2508
E-Mail: cboccuzzi@cgsh.com

LAURENT ALPERT
VICTOR I LEWKOW
LESLIE N SILVERMAN
ROBERT L TORTORIELLO
LEE C BUCHHEIT
JAMES M PEASLEE
THOMAS J MOLONEY
JONATHAN I BLACKMAN
MICHAEL L RYAN
ROBERT P DAVIS
YARON Z REICH
RICHARD S LINCER
STEVEN G HOROWITZ
JAMES A DUNCAN
STEVEN M LOEB
CRAIG B BROD
MITCHELL A LOWENTHAL
EDWARD J ROSEN
LAWRENCE B FRIEDMAN
NICOLAS GRABAR
CHRISTOPHER E AUSTIN
SETH GROSSHANDLER
WILLIAM A GROLL
HOWARD S ZELBO
DAVID E BRODSKY
ARTHUR H KOHN
RICHARD J COOPER
JEFFREY S LEWIS
PAUL J SHIM
STEVEN L WILNER
ERIKA W NIJENHUIS
LINDSEY P GRANFIELD
ANDRES DE LA CRUZ
DAVID C LOPEZ
CARMEN A CORRALES
JAMES L BROMLEY
MICHAEL A GERSTENZANG
LEWIS J ULMAN
LEV L DASSIN

NEIL Q WHORISKEY
JORGE U JUANTORENA
MICHAEL D WEINBERGER
DAVID LEINWAND
DIANA L WOLLMAN
JEFFREY A ROSENTHAL
ETHAN A KLINGSBERG
MICHAEL J VOLKOVITSCH
MICHAEL D DAYAN
CARMINE D BOCCUZZI JR
JEFFREY D KARPFF
KIMBERLY BROWN BLACKLOW
ROBERT J RAYMOND
LEONARD C JACOBY
SANDRA L FLOW
FRANCISCO L CESTERO
FRANCESCA L GOELL
WILLIAM L MCRAE
JASON FACTOR
MARGARET S PEONIS
LISA M SCHWETZER
JUAN G GIRALDEZ
DUANE MCLAUGHLIN
BREON S PEACE
MEREDITH E KOTTLER
CHANTAL E KORDULA
BENET J O'REILLY
DAVID AMAN
ADAM E FLEISHER
SEAN A O'NEAL
GLENN P MCGRORY
MATTHEW P SALERNO
MICHAEL J ALBANO
VICTOR L HOU
ROGER A COOPER
AMY R SHAPIRO
JENNIFER KENNEDY PARK
ELIZABETH LENAS
LUKE A BAREFOOT

PAMELA L MARCOGLIESE
PAUL M TIGER
JONATHAN S KOLODNER
DANIEL ILAN
MEYER H FEDIDA
ADRIAN R LEIPSI
ELIZABETH VICENS
ADAM BRENNEWMAN
ARI D MACKINNON
JAMES E LANGSTON
RESIDENT PARTNERS

SANDRA M ROCKS
S DOUGLAS BORISKY
JUDITH KASSEL
DAVID E WEBB
PENELOPE L CHRISTOPHOU
BOAZ S MORAG
MARY E ALCOCK
DAVID H HERRINGTON
HEIDE H ILGENFRITZ
HUGH C CONROY, JR
KATHLEEN M EMBERGER
WALLACE L LARSON JR
AVRAM E LUFT
ANDREW WEAVER
HELENA K GRANNIS
GRANT M BINDER
JOHN V HARRISON
CAROLINE F HAYDAY
DAVID FLECHNER
RESIDENT COUNSEL

LOUISE M PARENT
OF COUNSEL

June 1, 2015

BY E-MAIL

Daniel A. Pollack, Esq.
McCarter & English, LLP
245 Park Avenue, 27th Fl.
New York, NY 10167

Re: *NML Capital, Ltd. v. Republic of Argentina*, No. 08 Civ. 6978 (TPG); et al.

Dear Mr. Pollack:

I write in response to your letter of April 20, 2015, in which you ask us to provide the response of the Republic of Argentina (the "Republic") to plaintiffs' purported invitation to engage in negotiations. The Republic has informed us that, after careful consideration, it has concluded that engagement at this time is not possible, in light of plaintiffs' persistence in conduct harmful to the Republic and the Republic's lack of confidence in a negotiation process under your supervision.

Plaintiffs claim to want to resolve this dispute on a consensual basis, but they have increased their unwarranted attacks on the Republic, both in and out of court. They have sought orders freezing immune diplomatic assets (most recently in France and Belgium) and sought to thwart clearly legitimate domestic debt issuances. They have tried to intimidate numerous parties by inundating them with subpoenas demanding information that is irrelevant to these proceedings, as well as, we understand, by threatening and harassing them. And they have made baseless threats to bring even more litigation, including the Aurelius plaintiffs' remarkable April 22, 2015 press release, which made the unfounded assertion that any owner of the Republic's debt would find itself a defendant in litigation brought by Aurelius (and which purported to impose document retention obligations on each and every owner of the Republic's debt).

Beyond all that, plaintiffs and ATFA, the entity they created to publicly harass the Republic, have continued their years-long campaign of attacking the Republic and its officials and fomenting negative press both here and abroad. The Republic's position is that the circumstances to engage in negotiations will not exist until plaintiffs' conduct ceases.

Nor does the Republic believe that engagement will occur under the the current Special Master framework. Since your July 30, 2014 press release, which the Republic considers inflammatory and in which you stated that a "Default" had occurred and that "ordinary Argentine citizens" were the "real victims," the Republic has had no confidence in your supervision of any negotiation process. The Republic's view has solidified over time, including because your latest press release, issued this past February, disclosed to the general public the confidential state of negotiations between the parties. The Republic does not view this process as productive or fair, and it declines plaintiffs' purported invitation to engage for this reason as well.

The Republic is willing to engage in negotiations in order to reach a fair, equitable, legal and sustainable solution with 100% of its creditors. However, until plaintiffs terminate the above-mentioned harassment of the Republic, including by withdrawing their baseless "enforcement" efforts against the Republic's diplomatic property in France and Belgium, and by desisting from their relentless misuse of the discovery process and their media campaign, it would not be possible to conduct any serious dialogue.

As counsel for the Republic, we will continue to communicate any messages from you to the Republic, and vice versa. However, for the reasons stated above, the Republic itself is not currently in a position to engage with plaintiffs. Under these circumstances, plaintiffs' "invitation" does not hold out the possibility of any actual resolution, but rather only promises, at best, a revival of last year's media circus.

Very truly yours,



Carmine D. Boccuzzi