

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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ARAG-A Limited, ARAG-O Limited, ARAG-T Limited,  
ARAG-V Limited, Honero Fund I, LLC, Attestor Value  
Master Fund, Bybrook Capital Hazelton Master Fund LP,  
Bybrook Capital Master Fund LP, MCHA Holdings, LLC,  
Red Pines LLC, Spinnaker Global Emerging Markets Fund,  
Ltd., Spinnaker Global Special Situations Fund LP, Trinity  
Investments Limited, White Hawthorne, LLC, White  
Hawthorne II, LLC and Yellow Crane Holdings, L.L.C.,

Plaintiffs,

v.

The Republic of Argentina,

Defendant.

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CIVIL ACTION NO.  
16-2238

**DECLARATION OF SIONG WEI “MAX” LEE**

Pursuant to 28 U.S.C. Section 1746, I declare that the following is true and correct.

1. My legal name is Siong Wei Lee. I am known as “Max” Lee.
2. I am an authorized representative of Honero Fund I, LLC (“Honero”). I have personal knowledge of the averments in this declaration and am authorized by Honero to make this declaration.
3. Honero holds various beneficial rights in bonds issued by the Republic of Argentina (“Argentina,” or the “Republic”) that are governed by English, German and New York law, and on which Argentina has long been in default.

4. Honero is a plaintiff in civil actions pending before this Court, including those with docket numbers 14-09095 (S.D.N.Y.) (TPG), 14-09427 (S.D.N.Y.) (TPG), 15-01553 (S.D.N.Y.) (TPG), 15-06702 (S.D.N.Y.) (TPG), 15-08529 (S.D.N.Y.) (TPG), 15-09579 (S.D.N.Y.) (TPG), 16-00911 (S.D.N.Y.) (TPG), 16-00905 (S.D.N.Y.) (TPG) and 16-01193 (S.D.N.Y.) (TPG). In certain of these cases relating to bonds governed by foreign law (but not in the cases involving bonds governed by New York law), there are pending disputes concerning whether claims filed by Honero and other plaintiffs are time-barred by virtue of contractual prescription clauses, and the applicability of other technical defenses raised by Argentina.

5. Prior to February 2016, Honero representatives made numerous efforts to speak with representatives of Argentina to discuss settlement. To the best of my knowledge, no representative of Argentina engaged in any substantive discussion with us during that period.

6. On February 5, 2016, I reviewed a Spanish language version of Argentina's settlement proposal published on its official government website. A true copy of the proposal that I reviewed is attached as Exhibit 4 to the Declaration of Stephen Scotch-Marmo in Support of Plaintiffs' Motion by Order to Show Cause for a Preliminary Injunction ("Scotch-Marmo Declaration").

7. On or about February 7, 2016, I received and reviewed an official English translation of the proposal, a copy of which is attached as Exhibit 5 to the Scotch-Marmo Declaration.

8. On February 16, 2016, I spoke by telephone to Mr. Santiago Bausili, Argentina's Undersecretary of Finance. Later same day, I emailed Mr. Bausili a spreadsheet of Honero's holdings of Argentine bonds, ISIN by ISIN. I asked for confirmation of what he had told me on

the phone -- that Argentina was “offering 150% of principal/face value for all the bonds in the attached spreadsheet.” Attached as Exhibit 1 is a true copy of my email to Mr. Bausili with the spreadsheet attachment.

9. At 1:22 p.m. EST on February 17, Mr. Bausili emailed me, stating, “Max, we were working on providing the following link and agreement for you to execute. . . . **We did not find any issues in the list of ISINs that you sent us.**” (emphasis added). Attached as Exhibit 2 is a true copy of the February 17, 2016, 1:22 p.m. email from Mr. Bausili. The link to which Mr. Bausili referred was to a form of “Master Settlement Agreement” published by Argentina on a government website. The linked document was identical to the Master Settlement Agreement attached to the Scotch-Marmo Declaration as Exhibit 7.

10. On February 17, 2016 at 5:06 p.m. EST, Mr. Bausili emailed me again. He stated, “Max, rather than amending the doc, send us the form if you want as a draft, with the list of bonds and isins and the total value of the settlement. If we match it, we sign the figure itself. Does this make sense?” Attached as Exhibit 3 is a true copy of the February 17, 2016, 5:06 p.m. EST email from Mr. Bausili. Later that same day at 7:28 p.m. EST, Mr. Bausili emailed me to say that disputes about “prescription become irrelevant i guess if we agree on an amount of money for the isins and principal submitted.” Attached as Exhibit 4 is a true copy of the 7:28 p.m. EST email from Mr. Bausili.

11. Honero downloaded the Master Settlement Agreement from Argentina’s website, and completed the “Agreement Schedule” thereon. On February 18, 2016, at 4:12 p.m. EST, on behalf of Honero, I emailed a fully-executed Agreement Schedule to Mr. Bausili. A true copy of my covering email and the executed Agreement Schedule is attached as Exhibit 5. The

submitted schedule was precisely in the form of Argentina's Master Settlement Agreement, with one exception. In light of the disputes that existed in pending litigation concerning foreign law on claims timeliness, Honero included "Rider A to Agreement Schedule," which added subsection (vii) to the Agreement Schedule (the "Rider"). *See id.*

12. In my 4:12 p.m. EST cover email, I made note of the Rider, noting to Mr. Bausili my understanding that "a significant portion of the Morgan Lewis bondholder group (perhaps as great as 73% of the group US\$483 million holding) are prepared to promptly to send in their ISINs with the identical rider if these terms are acceptable to you." Exhibit 5. (The Morgan Lewis bondholder group includes a number of entities that hold the same or similar foreign-law bonds that are held by Honero, and have been parties in the same underlying litigation.)

13. On February 18, 2016 at 10:03 p.m. EST, Mr. Bausili emailed me confirming that "[a]ll isins that were involved in litigation before their prescription date should be fine." Attached as Exhibit 6 is a true copy of the February 18, 2016, 10:03 p.m. EST email from Mr. Bausili.

14. Over the course of Thursday, February 18, and Friday, February 19, 2016, I exchanged calls and emails with representatives of Argentina, who said they were seeking to reconcile the ISINs in our submitted acceptance (Exhibit 5) with complaints filed in this Court. On February 18, 2016 at 10:32 p.m. EST, Mr. Bausili sent me an email stating: "We will need to reconcile tomorrow morning. The team in [Buenos Aires] is doing it. **The main thing is to match the amount of each bond involved in each docket number.** With that done, it is easy." (emphasis added). Attached as Exhibit 7 is a true copy of the February 18, 2016, email from Mr. Bausili. I sent the relevant complaints to Mr. Bausili on February 18 and 19.

15. On February 19, 2016, at 9:21 a.m. EST, I emailed Mr. Bausili again concerning our proposal to add the Rider that would moot this concern. I advised that I believed that “more than 90% of the Morgan Lewis group will sign up to the deal now.” Attached as Exhibit 8 is a true copy of the February 19, 2016, 9:21 a.m. EST email to Mr. Bausili.

16. On February 19, 2016, at 10:12 a.m. EST, Mr. Bausili responded by email, writing, “Max. Just landed. **We will be ok with the rider.** We will need to however reconcile isins into cases as mentioned before. We will continue working on that throughout the day but prioritizing the injunction adhesions that suffer reduction at 5 pm.” (emphasis added). Attached as Exhibit 9 is a true copy of the February 19, 2016, 10:12 a.m. EST email from Mr. Bausili.

17. On February 19, 2016, at approximately 4:42 p.m. EST, this Court’s Indicative Ruling on the order to show cause was published on the court docket.

18. On Monday, February 22, 2016, at 10:56 a.m. EST, Osvaldo Colazo, a representative of Argentina, sent me an email with the following request: “Could you please re-submit for our reconciliation the table for Honero Fund I that goes for the Injunction Offer, splitting up the bonds that have injunction from the rest? We cannot reconcile the figures the way they are because you grouped up dockets and different type of legal status. We are working on the reconciliation of the EUR where some bonds may have prescribed.” Attached as Exhibit 10 is a true copy of the February 22, 2016, 10:56 a.m. EST email from Mr. Colazo.

19. Following the issuance of Court’s Indicative Ruling on February 19, 2016, Argentina for the first time began raising new “statu[te] of limitations” questions. On Monday, February 22, 2016, at 12:52 p.m. EST, Mr. Bausili emailed me to say, “Max, we reviewed your calculation and we believe that you are not taking into consideration the status [sic] of

limitations. On the bonds that have the injunction, the interest should run for the five years since entered the legal action. . . . On the EUR bonds, lawyers are still driving us crazy with definitions and have not come out with a formal decision yet.” (I understood his email to refer to “*statute*” of limitations.) Attached as Exhibit 11 is a true copy of the February 22, 2016, 12:52 p.m. EST email from Mr. Bausili. I responded that afternoon, expressing my puzzlement, because of his earlier statement that “we will be okay with the rider.” Attached as Exhibit 12 is a true copy of my February 22, 2016, 2:08 p.m. EST email to Mr. Bausili.

20. On February 25, 2016 at 11:32 a.m. EST, Mr. Colazo emailed again. He stated that “The instruments that you have into the injunction order [do] not have monetary judgment[s], then you can choose the standard offer or the total claim less (27,5% o[r] 30%) considering for the calculation the cash flow not prescribe as of January 31, 2016. (Interest: five years previous of the filing day of your complaint; and for principal the complaint day should be prior of the 10 year after the maturity).” Attached as Exhibit 13 is a true copy of the February 25, 2016, 11:32 a.m. EST email from Mr. Colazo.

21. On February 29, 2016 at 10:10 a.m. EST, I emailed Mr. Bausili and [agreementinprinciple@mecon.gov.ar](mailto:agreementinprinciple@mecon.gov.ar), which is the email address provided by Argentina for bondholders to email their accepted settlement offers. Attached as Exhibit 14 is a true copy of my February 29, 2016, email to Mr. Bausili. In my email, in response to the entry of the Court’s Indicative Ruling, I withdrew Honero’s prior settlement submissions and delivered to Argentina Honero’s executed acceptances of Argentina’s offer (without modification to the Argentina’s Master Settlement Agreement or Agreement Schedule) on behalf of Honero’s bonds governed by New York, German and English law (“Pursuant to the enclosed, fully executed submission dated February 29, 2016, which contains no rider or other change to the Master Settlement Agreement,

Honero is pleased to accept the Republic's offer, as set forth in the Master Settlement Agreement.").

22. On February 29, 2016 at 10:12 a.m. EST, Mr. Bausili emailed me acknowledging receipt of Honero's accepted offers: "Thanks Max. I acknowledge receipt. Will review and come back to you at the earliest opportunity." Attached as Exhibit 15 is a true copy of the February 29, 2016, 10:12 a.m. EST email from Mr. Bausili.

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

Executed on April 6, 2016

  
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SIONG WEI LEE