

AMERICAN TASK FORCE ARGENTINA

The Honorable Robert J. Shapiro
Co-Chair

Ambassador Nancy Soderberg
Co-Chair

May 17, 2010

His Excellency Amado Boudou
Minister of Economy of Argentina
c/o Embassy of the Argentine Republic
1600 New Hampshire Avenue, NW
Washington, DC 20009

Dear Minister Boudou:

As you travel to Rome to again seek to persuade Italian bondholders to accept your government's proposed debt swap terms, we write to underscore that the offer is insufficient not only to European and American investors but also to the bondholders who lent Argentina their life savings nearly a decade ago, when your country was in need. President Cristina Kirchner will hear a similar message on the margins of the EU-Latin America, Caribbean and Regional Summit this week in Madrid.

American Task Force Argentina is a coalition of nearly 40 diverse organizations representing American taxpayers, educators, farmers and finance who have come together out of sincere concern about the impact of Argentina's record default, restructuring and debt repudiations, which have been held to be illegal in courts around the world. We believe the terms of the latest debt swap will be unacceptable to most bondholders, as they will result in payments of only 25 percent of what Argentina owes. While statements by you and other Argentine officials claim that the repayment represents 50 percent of the debt load, this calculation fails to take account of the accrued interest on the bonds.

Argentina's lenders have waited nine years for your government to negotiate in good faith and offer fair repayment terms. Throughout these years, Argentina's debts to those creditors have continued to grow. For this reason, American Task Force Argentina has long urged your government to conduct genuine negotiations and not simply issue a unilateral offer. Instead, your government has now proposed an exchange on terms even worse than your 2005 offer, which itself was the worst offer in history. Meanwhile, creditors have been penalized severely at a time when Argentina has much greater resources than it had during the restructuring in 2005.

We sincerely encourage you to review and improve the current swap terms. Investors who lent Argentina many billions of dollars in good faith when your country needed assistance deserve no less. Only in this way can Argentina resolve its outstanding debt fairly and return to the community of responsible nations.

Respectfully,



Dr. Robert Shapiro
ATFA Co-chair



Ambassador Nancy Soderberg
ATFA Co-Chair