

CIVIL CODE OF PARAGUAY LAW N ° 1183/85

THE CONGRESS OF THE PARAGUAYAN NATION PENALTIES WITH FORCE OF LAW PRELIMINARY TITLE OF THE GENERAL PROVISIONS

Art.1 °.- Laws are mandatory throughout the territory of the Republic from the day following their publication, or from the day they determine.

Art.2 °.- The laws provide for the future, they do not have retroactive effect, nor can they alter the rights acquired. The new laws should be applied to the previous facts only when they deprive the people with mere rights in expectation, or with powers that were their own and that they had not exercised.

Art.3 °.- The civil capacity is governed by the new laws, even if they suppress or modify the qualities established by the previous laws, but only for subsequent acts and effects

Art.4 °.- The laws that are intended to clarify or interpret other laws, have no effect with respect to the cases already tried.

Art.5 °.- The laws that establish an exception to the general rules or restrict rights, are not applicable to other cases and times than those specified by them.

Art.6 °.- The judges cannot stop judging in case of silence, darkness or insufficiency of the laws.

If an issue cannot be resolved by the words or spirit of the precepts of this Code, it will be will take into consideration the provisions that regulate cases or similar matters, and failing that, will go to the general principles of law.

Art.7 °.- Laws cannot be repealed in whole or in part, but by other laws.

The special provisions do not derogate from the general provisions, nor the latter from those, unless they refer to the same matter to render it without effect, explicitly or implicitly.

The use, custom or practice cannot create rights, except when the laws refer to them.

Art.8 °.- Ignorance of the law does not exempt from compliance, unless the exception is provided by law.

Art.9 °.- The legal acts cannot render without effect the laws in whose observance the public order or good manners.

Art.10.- The general waiver of the laws does not produce any effect; but the rights may be waived conferred by them, provided that they only look at the individual interest and that their resignation is not prohibited.

Art.11.- The existence, marital status, capacity and de facto incapacity of natural persons domiciled in the Republic, whether national or foreign, will be judged by the provisions of this Code, even if it is not a question of acts executed or of existing assets in the Republic.

Art.12.- The capacity and de facto incapacity of persons domiciled outside the Republic, will be judged by the laws of your domicile, even if it involves acts performed or assets existing in the Republic.

Art.13.- Those who are a minor according to the laws of their domicile, if they change from this to the territory of the Republic, will be considered of legal age, or an emancipated minor, when it is in accordance with this Code. If, according to the former, he is an emancipated major or minor, and not by the provisions of this Code, the laws of your domicile will prevail, being considered the greatest age or emancipation as a irrevocable fact.

Art.14.- The capacity and inability to acquire rights, the object of the act to be carried out in the Republic and the substantial defects that it may contain, will be judged for their validity or nullity by the norms of this Code, whatever may be the domicile of its grantors.

Art.15.- The legal and de facto capacity is the same for men and women, whatever the state civil law, except for the limitations expressly established by law

Art.16.- Assets, whatever their nature, shall be governed by the law of the place where they are located, in regarding its quality, possession, absolute or relative alienation and all the right relations of real character that they are susceptible to.

Art.17.- Credit rights are deemed to be located in the place where the obligation must be fulfilled. If this It cannot be determined, they will be deemed to be located in the domicile that at that time had constituted the debtor.

The representative titles of said rights and transferable by simple tradition, will be deemed to be located in the place where they are.

Art.18.- The change in the situation of movable property does not affect the rights acquired in accordance with the law of the place where they existed at the time of their acquisition. However, interested parties are required to fill out the substantive and formal requirements required by the law of the place of the new situation for the acquisition and conservation of such rights.

The change of situation of the movable thing in dispute, operated after the promotion of the real action, does not modifies the rules of legislative and judicial competence that were originally applicable.

Art.19.- The rights acquired by third parties over the same goods, in accordance with the law of the place of their new situation, after the change and before fulfilling the aforementioned requirements, the on those of the first acquirer.

Art.20.- Industrial property rights are subject to the law of the place of their creation, unless the matter is legislated in the Republic.

Intellectual rights are governed by the law of the place of registration of the work.

Art.21.- Ships and aircraft are subject to the law of the flag regarding their acquisition, alienation and crew. For the purposes of the rights and obligations arising from its operations in Non-national waters or airspaces are governed by the law of the State in whose jurisdiction they are.

Article 22.- The judges and courts will automatically apply foreign laws, as long as they do not oppose the political institutions, the laws of public order, morality and good customs, without prejudice to the fact that parties can claim and prove the existence and content of them.

Foreign laws will not be applied when the norms of this Code are more favorable to the validity of the acts.

Art.23.- The form of legal acts, public or private, is governed by the law of the place where they are held, Except for those granted abroad before the competent diplomatic or consular officials, the that will be subject to the prescriptions of this Code.

Article 24.- The legal acts celebrated abroad, related to real estate located in the Republic, will be valid as long as they consist of duly legalized public instruments, and will only produce effects once they have been formalized by order of a competent judge and registered in the public registry.

Art.25.- Legitimate or testamentary succession, the order of the hereditary vocation, the rights of the heirs and the intrinsic validity of the provisions of the will, whatever the nature of the assets are governed by the law of the deceased's last domicile, but the transfer of assets located or existing in the national territory will be subject to the laws of the Republic.

Article 26.- The existence and capacity of private legal entities incorporated abroad, They will be governed by the laws of their domicile, even if they are acts carried out or assets existing in the Republic.

Art.27.- The acts prohibited by law are of no value, if the law does not establish another effect for the case of contravention.

Book One

OF PEOPLE AND PERSONAL RIGHTS

IN FAMILY RELATIONS

TITLE I

OF THE NATURAL PERSONS

Page 3

CHAPTER I

GENERAL DISPOSITION

Art.28.- The natural person has legal capacity from its conception to acquire goods for donation, inheritance or bequest.

The irrevocability of the acquisition is subordinate to the condition that it is born alive, even if it is for

moments after being separated from the mother's womb.

Article 29.- It is presumed, without admitting evidence to the contrary, that the maximum legal duration of pregnancy is three hundred days, including the day of the marriage or its dissolution, and the minimum, one hundred and eighty days, computed from the day before the day of birth, not including the day of the marriage, or the day of dissolution.

It is also presumed, without admitting evidence to the contrary, that the time of conception of those born alive is fixed throughout the space of time between the maximum and minimum of the duration of the pregnancy.

Art.30.- The pregnancy of the mother, single or married, will be considered recognized, by her sole declaration, that of the husband or other persons interested in the birth of the conceived, whose parentage may not be contested, nor be the subject of lawsuits before he is born.

Art.31.- The representation of unborn persons ceases on the day of delivery, or when the maximum duration of pregnancy without delivery.

Art.32.- The birth with life is recognized as true, when the people who attended the birth have heard the breathing or voice of the newborn or had observed other signs of life.

Art.33.- Those born in a single birth will have the same age.

Article 34.- If two or more had died on the same occasion, without being able to determine who died first, it is presumed, for legal purposes, that they died at the same time.

Article 35.- The birth and death of persons will be proven by the testimonies of the parties and the Authentic certificates issued by the Civil Status Registry.

In the case of people born or dead before their establishment, by the certifications obtained from parish records.

In the absence of records or entries, or not being them in due form, by other means of proof.

CHAPTER II

ABILITY AND INABILITY IN FACT

Art.36.- The de facto capacity consists of the legal aptitude to exercise one by itself or by itself its Rights. This Code considers every human being who has reached twenty years of age to be fully capable and has not been declared judicially incapable.

Art.37.- They are absolutely incapable of fact:

- a) unborn persons;
- b) minors under fourteen years of age;
- c) the mentally ill; Y
- d) deaf-mutes who do not know how to make themselves understood in writing or by other means.

Art.38.- Minors who have reached fourteen years of age and those who have a relative de facto disability persons legally disqualified.

Art.39.- The de facto incapacity of minors will cease:

- a) of men and women of eighteen years of age, by sentence of a competent judge before whom their consent and that of their parents is accredited, and in the absence of both, that of their guardian, who enables them to the exercise of commerce or other legal activity;
- b) of males aged sixteen and fourteen, and females fourteen years of age, due to their marriage, with the limitations established in this Code; Y

Page 4

c) for obtaining a university degree.

Emancipation is irrevocable.

Art.40.- The following are necessary representatives of the absolute and relative incapable of fact:

- a) of the people to be born, the parents and due to their incapacity, the curators appointed to them;
- b) of minors, parents and, failing that, guardians;
- c) of the mentally ill subjected to interdiction, and of the deaf and mute who do not know how to understand in writing or by other means, the respective curators; Y
- d) of those judicially disqualified, their curators.

These representations are extensive to all acts of civil life, which are not excepted in this Code.

Art.41.- In case of opposition of interests between those of the incapacitated person and those of his necessary representative, the latter

he will be replaced by a special curator for the case in question.

CHAPTER III

OF THE NAME OF THE PEOPLE

Art.42.- Every person has the right to a name and surname that must be registered in the Registry of the Civil status.

Only the judge may authorize, for just cause, changes or additions to be made to the name and surname.

Art.43.- Everyone has the right to sign their public and private acts with their name, in the form get used to using it. You also have the right to take the form you prefer.

Art.44.- He who is harmed by the improper use of his name, has action to make it cease and so that you are compensated for damages and losses. This provision is applicable to legal persons.

The action can be exercised not only by the holder of the name, but also, in the event of death, by any of his relatives in successive degree.

Art.45.- The change or addition of the name does not alter the status or civil status of the person who obtains it, nor constitutes proof of parentage.

Art.46.- Whoever wants to carry out a lucrative activity already undertaken or exploited by another with the same name or company name, you may do so, but with additions or deletions that avoid any confusion or unfair competition.

Art.47.- The pseudonym, used by a person in such a way that it has acquired the importance of the name, can be tutored in accordance with article 44.

Art.48.- The person harmed by a name change may challenge it in court within a year from the day the judgment of the judge who authorized it was published.

Art.49.- A married woman will add to her surname, that of her husband. You can be exempted from this obligation if it is known professionally or artistically by her maiden name.

This rule shall also apply to the widow who remarried.

The divorced woman who is not guilty may keep her husband's last name. If convicted, the husband you may ask the judge to deprive you of your last name.

Art.50.- The married child will bear the paternal surname, being able to add to it that of the mother.

The extramarital child will bear the surname of the father or the mother who recognized him, voluntarily or by court ruling.

Art.51.- The foundling, or child of unknown parents, will bear the name and surname with which it has been registered in the Civil Status Registry.

CHAPTER IV

Page 5

OF THE ADDRESS

Art.52.- The real domicile of the people is the place where they have established the main seat of their residence or business. The home address is the place of residence of the parents, on the day of the birth of children.

Article 53.- The legal domicile is the place where the law presumes, without admitting evidence to the contrary, that a person resides permanently for the exercise of their rights and fulfillment of their obligations:

- a) Public officials have their domicile in the place where they perform their functions, these not being temporary or periodic;
- b) the military in active service, in the place where they serve;
- c) those sentenced to imprisonment have it in the establishment where they are serving it;
- d) passers-by or people on the move, such as those who do not have a known address, have in the place of your current residence; Y
- e) The incapable have the domicile of their legal representatives.

Art.54.- The duration of the legal domicile depends on the fact that motivates it. For the residence to cause address must be permanent.

Art.55.- In the case of alternative accommodation in different places, the domicile is the place where the family, or main establishment.

If a person has his family established in one place and his business in another, the former is the place of his address.

Article 56.- Involuntary residence in another place does not alter the previous address, if the family or

you have the main seat of business.

Art.57.- The domicile of origin shall govern from the abandonment of the one established abroad, without the intention of return to him.

Art.58.- The real address can be changed from one place to another. This ability cannot be alienated by contract, nor by disposition of last will. The change of address is verified by the fact of the moving the residence from one place to another, with the intention of staying there.

Art.59.- The last known address of a person is the one that prevails, when the new one is not known.

Art.60.- The domicile is kept for the sole intention of not changing it, or of not adopting another, as long as it is not has in fact constituted a permanent residence.

Art.61.- The legal domicile and the real domicile determine the competence of the authorities for the exercise of the rights and fulfillment of the obligations.

Art.62.- Without prejudice to the provisions of the previous article, a special domicile for certain purposes, and it will be important to extend the jurisdiction.

CHAPTER V

DECLARATION AND PRESUMPTION OF DEATH

Article 63.- The death of a missing person in an earthquake, shipwreck, air or land accident, fire, or other catastrophe, or in action of war, when due to circumstances disappearance cannot reasonably admit its survival.

Art.64.- Uncertainty due to lack of news of the existence of missing or absent persons from your domicile or last residence in the Republic, for four consecutive years, counted from the last information that was obtained from them, causes the presumption of their death, for the purposes provided by the provisions of this chapter.

Article 65.- The period of four years established in the previous article will be reduced to two if the disappeared person does not he has left a representative or attorney-in-fact to manage his assets.

Art.66.- In the case of the previous article, even if the disappeared person had left a power of attorney enough to manage his assets, but who does not want or cannot perform his mandate, will provide the judge, at the request of a party with a legitimate interest, the appointment of a curator of their assets, who

Page 6

must adhere strictly in the performance of its mission, to the rules of this Code and those of the Minor that regulate guardianship and curatorship.

Art.67.- The presumption of death will be declared regardless of the state of simple absence:

- a) when someone disappears as a result of military operations, without having had more news of it, and two years have elapsed since the ratification of the peace treaty, or in the absence thereof, three years since hostilities ceased;
- b) when someone falls prisoner, or is interned or transferred to a foreign country, and they have two years have elapsed since the ratification of the peace treaty, or in the absence thereof, three years since the hostilities ceased, without news of him; Y
- c) when someone has disappeared in an accident and there is no news of him after two years. If he day of the accident is not known, after two years from the end of the month. If it is also not known the month, from the end of the year in which the accident occurred. The presumptive day of death will be the last day of the terms established in this article.

Art.68.- They can request the declaration of disappearance with presumption of death:

- a) the spouse;
- b) their heirs and legatees;
- c) your creditors;
- d) Any person who proves a legitimate interest in the property of the disappeared person; Y
- e) the Public Ministry.

Art.69.- Whoever requests the statement must justify the circumstances mentioned in this chapter and prove your right.

Art.70.- Once the sentence that establishes the presumptive day of death has been executed, the judge will put in possession provisional property of the disappeared to the heirs and legatees who have requested it, prior inventory and bond.

They may not sell them, mortgage them or encumber them as a pledge, without judicial authorization.

Art.71.- If, given provisional possession, the disappeared person presents himself or his existence is proven, they will cease

the effects of the declaration of presumed death.

Art.72.- Ten years have elapsed since the disappearance, or since the last notice that has been had of the disappeared, or seventy years from the day of his birth, the judge may give final possession of his assets to heirs and legatees.

If the disappeared person presents himself later, he will recover the goods in the state in which they are, as well as those acquired with the value of those that are missing, and the income or interest not consumed.

CHAPTER VI

OF INTERDICTION AND INHABILITATION

Article 73.- Those of legal age and minors will be declared incapable and will be subject to guardianship. emancipated that due to mental illness do not have the aptitude to take care of their person or manage their assets, as well as deaf-mutes who do not know how to make themselves understood in writing or other means, who are in the same circumstances.

Art.74.- The interdiction may be requested by the spouse who is neither de facto prepared nor divorced; by the innocent spouse; by relatives up to the fourth degree of consanguinity or second degree of affinity, and by the Defender of the Incapable.

Art.75.- The complainant, when requesting the interdiction, must establish the alleged incapacity, with the report of a specialist doctor, and failing that, with other elements of conviction.

Article 76.- The judge, before providing, will make the accused appear and examine him personally, assisted by a specialist physician. If the presumed incapable person cannot or wants to attend, the judge will move for this purpose to your residence or accommodation.

The Ombudsman for the Disabled must be present at these events.

Page 7

If the complaint, in the judgment of the judge, appears notoriously unfounded and implausible, it may be dismissed without further processing, after hearing the Ombudsman for the Incapable.

Art.77.- Once the complaint is admitted, the judge will appoint a provisional curator to the accused, unless it is not consider it necessary, attentive to the circumstances, and the trial in which the denounced, the complainant, the Defender of the Incapable and the curator, if applicable.

Art.78.- The interdiction cannot be declared without the examination of the denounced by one or more specialists, judicially ordered.

Article 79.- When the mental illness appears notorious and undoubted, the adoption of precautionary measures, the judge will order the inventory of the defendant's assets and their delivery to a curator provisional for you to manage.

Art.80.- The main obligation of the curator will be to ensure that the injunction recovers health and capacity, and This purpose will preferably apply the income from their assets. If he is a deaf-mute, he will seek his re-education.

Article 81.- The injunction may not be transferred outside the Republic except with the authorization of the judge of the curatorship, hearing the opinion of two or more psychiatrists on the need for the measure and the facility where you could receive appropriate treatment.

Art.82.- Once a complaint for mental illness has been rejected, another will not be admitted against the same person, even if the complainant is different, if facts arising from the judicial declaration are not alleged.

Art.83.- The interdiction will be rendered without effect, prior medical opinion, at the request of any of the persons who may request it, the curator or the injunction itself, when the causes that they motivated her.

Art.84.- The sentence of interdiction, or that of its cessation, does not make res judicata in the criminal trial for determine the imputability of the accused.

Art.85.- Nor does the sentence rendered in the criminal jurisdiction that declare it be res judicata in civil proceedings unimputable to a defendant because of mental illness, or that, judging him exempt from it, admits his criminal responsibility.

Art.86.- Registered in the registry the sentence that declares a person interdicted or disqualified, will be of The acts of administration and disposition that she carries out have no value.

Art.87.- The acts prior to the interdiction may be annulled if the cause of it, declared by the judge, was publicly known at the time the acts were granted, respecting the rights acquired by third parties in good faith.

Art.88.- Once a person has died, their acts may not be challenged between living, due to incapacity, unless

be that it results from the same acts, or that these have been consummated after the complaint of interdiction.

Art.89.- The disqualification of those who due to weakness of their mental faculties will be declared judicially, blindness, senile weakness, habitual abuse of alcoholic beverages or drugs, or other impairments psychophysical, are not able to take care of his person or attend to his interests.

If in this trial the facts provided for in article 73 are proven, the interdiction of the denounced.

Art.90.- The disabled person may not dispose of their assets or encumber them, be in court, carry out transactions, receive payments, receive or give money on loan, or perform any act that is not simple administration, without the authorization of the curator who will be appointed by the judge.

The rules relating to the interdiction and its revocation shall apply, as pertinent, to the disqualification.

The judgment that declares the disqualification of a person.

BOOK FIRST

OF PEOPLE AND PERSONAL RIGHTS

Page 8

IN FAMILY RELATIONS

TITLE II

OF THE LEGAL PERSONS

CHAPTER I

GENERAL DISPOSITION

Art.91.- The following are legal entities:

- a) the State;
- b) Municipalities;
- c) the Catholic Church;
- d) the autarkic, autonomous entities and those of mixed economy and other entities of Public Law, which, in accordance with the respective legislation, they are capable of acquiring goods and being bound;
- e) universities;
- f) Associations whose object is the common good;
- g) registered associations with restricted capacity;
- h) foundations;
- i) public limited companies and cooperatives; Y
- j) the other companies regulated in Book II of this Code.

Art.92.- Foreign States, recognized international organizations are also legal persons. by the Republic, and other foreign legal entities.

Article 93.- The existence of the legal entities provided for in subsections e), f) h) and i) of Article 91, since its operation has been authorized by law, or by the Executive Power. The decisions administrative procedures that may or may not result in recognition may be appealed in court.

Art.94.- Legal persons are subjects of law other than their members and their assets are independent.

Its members are not individually or collectively liable for the entity's obligations, except for those exceptions established in this Code.

Art.95.- Legal persons, except those provided in the constitutive act, have their domicile in the place of its headquarters. If they have establishments in different locations, their address will be there for the fulfillment of the obligations contracted there.

Art.96.- Legal persons possess, for the purposes of their institution, the same legal capacity as natural persons to acquire goods or contract obligations, through the established bodies in its statutes. Within these limits they may exercise civil and criminal actions and respond to those that go against them.

Art.97.- Acts of legal persons are deemed to be those of their bodies.

Art.98.- Legal persons are liable for the damage that the acts of their organs have caused to third parties, be it an action or omission and even if it is a crime, when the facts have been carried out in the exercise of their functions and for the benefit of the entity.

Said acts hold their authors personally responsible in relation to legal entities.

Legal persons are also liable for damages caused by their dependents or things that are serve, in accordance with the rules of this Code.

Art.99.- The directors and administrators are responsible with respect to the legal person in accordance with the rules of the mandate. Those who have not participated in the act that has caused damage, unless having knowledge that it was going to be carried out, they have not recorded their dissent.

Page 9

Art.100.- If the powers of the directors or administrators have not been expressly established in the statutes, or the instruments that authorize them, the validity of the acts will be governed by the rules of the mandate.

Article 101.- The existence and capacity of foreign private legal persons are governed by the laws of Your domicile. The character that they have as such, enables them to exercise in the Republic all the rights that correspond to them for the purposes of their institution, to the same extent established by this Code for national private persons.

For the exercise of the acts included in the special purpose of their institution, they will be subject to the prescriptions established in the laws of the Republic.

CHAPTER II

OF THE RECOGNIZED PUBLIC UTILITY ASSOCIATIONS

Article 102.- People who want to establish an association that does not have a profit-making purpose, whose object is the common good, they will express their will through statutes formalized in public deed.

Art.103.- Associations shall be governed by the rules of this Chapter and by its statutes.

Art.104.- The statutes must contain the name of the association; the indication of its aims, its patrimony and domicile, as well as the norms on the operation and administration; the rights and obligations of the associates and the conditions of their admission. The statutes will also contain rules relating to the extinction of the entity and the destination of its assets.

Art.105.- The management of the association will be made up of one or more members of the entity designated by the assembly, which may remove them, as well as appoint the agents and revoke the mandates that, for specific matters, the statutes authorize.

The decisions of the management, if the statutes do not provide otherwise, will be taken by simple majority, being present at least half plus one of its members.

Article 106.- In the event of disintegration or failure of the management, or if there is a dispute regarding it, it may judicially appoint, at the request of the interested party, if there is an emergency, one or more associates to fill vacancies, until the assembly decides what corresponds.

If there are no associates to whom to entrust the direction, the judge may appoint other people reputed for their suitability and good repute.

Art.107.- The general assembly is the highest authority of the association. She must be summoned by the address in the cases and times determined by the statutes, or when the solution of urgent matters it is required by its competence, or at the written request of at least one fifth of the associates. The The convocation will always be done indicating the matters that will be dealt with and these will be resolved by simple majority of votes, for which each associate is recognized an equal right.

If the board of directors denies the request for a call made by the associates, they may request the authorization to the judge, who, if applicable, will make the convocation and designate the person who will preside over the assembly, until it decides what is pertinent.

Article 108.- The legal quorum for the assembly to be constituted is half plus one of the associates, except that the statutes require a higher number. Not meeting this number at the first call, they are will call for the second time under the warning of holding the meeting with any number of partners. Both Calls may be made for the same date, and in a single notice, indicating the hours respective. Any modification of the statutes and any agreement on dissolution and destination of the assets shall be it conditions the concurrence and conformity of three-quarters of the associates.

For the change of object or purposes of the association, that of four fifths of the associates.

No modification of the statutes will be valid without its approval by the Executive Power.

Associates can be represented in the assembly by simple power of attorney, not being able to person representing more than one partner.

Article 109.- Directors and other associates may not vote on matters in which they have an interest personal.

Article 110.- All associates may withdraw with loss of the rights or benefits recognized in the statutes in case of dissolution. Membership is non-transferable.

Art.111.- The exclusion of an associate cannot be agreed by the assembly except for serious reasons justified. The excluded person may appeal to the judicial authority within thirty days from the day in which the decision was made known to him.

Article 112.- The decisions of the assemblies or of the management, contrary to the law, the statutes, may be judicially annulled, at the request of any associate or the Public Ministry.

The annulment of the decision will not prejudice the rights acquired by third parties in good faith by virtue of acts carried out in execution of said resolution.

The judge, after hearing the directors or administrators of the association, may suspend at the request of whoever requested the nullity, the execution of the contested act, when there are serious reasons.

Art.113.- The existence of recognized associations of public utility ends:

- a) due to expiration of the term or other causes provided for in the statutes;
- b) by resolution of the assembly;
- c) due to impossibility of fulfilling its purposes;
- d) bankruptcy; Y
- e) by its dissolution decreed by the Executive Power, based on reasons of utility or convenience public, or for having incurred in transgression of legal or statutory norms.

Art.114.- The association is extinguished due to the lack of all its associates. Extinction must be declared by the Public Power.

Article 115.- Since the governmental decision by which the extinction of the legal person has been declared their directors or administrators are notified, they may not carry out new operations without take personal and joint responsibility.

Art.116.- Once an association has been dissolved, its assets will have the destination indicated in its statutes, and if nothing had arranged, they will be considered vacant, except for damage to third parties or associates.

Art.117.- Creditors who during the settlement have not asserted their credit, may request payment to Those to whom the assets have been awarded, within the year after the liquidation closing, in proportion and within the limits of what they have received.

CHAPTER III

OF REGISTERED ASSOCIATIONS WITH RESTRICTED CAPACITY

Art.118.- Non-profit associations that have not been recognized as persons by the Executive Power, may acquire and exercise the rights conferred by this chapter, if meet the following requirements:

- a) that the statutes are recorded in a public deed, and meet the conditions set forth in article 104; Y
- b) that they are registered in the respective Registry.

Once these requirements have been met, said associations constitute entities independent of natural persons. that integrate them, for the fulfillment of their purposes.

Art.119.- Any regularly registered association may be in trial as plaintiff or defendant through the person to whom, by agreement of its associates, the address is conferred.

Article 120.- Every registered association will also have the following rights:

- a) receive fees and contributions from its associates;

b) Acquire movable and immovable property necessary for the fulfillment of its obligations for consideration or free of charge. purposes;

c) Borrow money with or without collateral to carry out the acquisitions provided for in subsection previous; Y

d) receive funds granted as subsidies by the State.

Art.121.- The rules of recognized utility associations are applicable to registered associations. public, in which it is pertinent to its operation, administration, responsibility and termination. The cancellation of his personality and corresponding registration will be arranged by the same authority that ordered their registration, at the request of a legitimate party or the Public Ministry.

Art.122.- Registered associations may accept testamentary liberalities, under the condition of being recognized as public utility associations by the Executive Power.

Art.123.- Unauthorized or registered associations may not take action against their members or against third parties. In the legal act carried out on behalf of the association, the person who run, and if there are several, they will be jointly and severally.

CHAPTER IV

OF THE FOUNDATIONS

Art.124.- The foundation is constituted by the will of one or more people who dedicate in perpetuity certain assets for the creation of an entity for the common good.

The manifestation of will must be recorded in a public deed or a will.

Art.125.- The instituting party may annul the founding act granted between the living before its approval by the Executive Power, to which this revocation must be communicated. The founder's heir does not It will be authorized to revoke the foundation, if the instituting party requested its approval.

Art.126.- The foundation may be challenged by the heirs, insofar as it affects their legitimacy, or by the creditors of the founder.

Art.127.- Once the foundation has been approved, the institution, or his heirs, must transfer ownership and possession of the assets that were assigned to him.

When the foundation is not approved until after the death of the institution, it will be reputed, in in relation to the founder's dispositions, having existed before his death.

Art.128.- If the foundation is established in testamentary provisions, it will correspond to the executor or the heirs request the approval of it, and, failing that, the Public Ministry.

Art.129.- The founding act will establish the management and administration bodies and the rules for their functioning. If these provisions are lacking in said act, the Executive Power will dictate them, taking into account it counts the instituted purpose and the intentions of the founder.

Article 130.- The Executive Power may authorize in case of evident necessity the alienation of assets of the Foundation.

Art.131.- If the purposes of the foundation become impossible, or their fulfillment affects the public interest, or If its patrimony is insufficient, the Executive Power may give the foundation another purpose, or decree its extinction.

In the transformation of the purpose, deletion or modification of charges or conditions, it must be attended, where possible, the intention of the founder.

The Executive Power may also alter the organization of the foundation, whenever required by the transformation of its purpose or the best fulfillment of it.

In the event of extinction, the provisions for the recognized associations of public utility.

The decision of the Executive Power will be subject to judicial appeal.

Page 12

BOOK FIRST

OF PEOPLE AND PERSONAL RIGHTS

IN FAMILY RELATIONS

TITLE III

OF PERSONAL RIGHTS IN FAMILY RELATIONS

CHAPTER I

OF MARRIAGE - GENERAL PROVISIONS

Art.132.- The capacity to contract marriage, the form and validity of the act shall be governed by the law of the place of your celebration.

Article 133.- The rights and duties of the spouses are governed by the law of the matrimonial domicile.

Article 134.- The regime of property located in the Republic, of marriages contracted in it, will be judged in accordance with the provisions of this Code, even if they are contracting parties who at the time of the dissolution of the marriage had their domicile abroad.

Article 135.- Those who, having their domicile and property in the Republic, have celebrated the marriage outside of it, may, upon its dissolution in the country, demand compliance with the marriage conventions, provided that they do not oppose the provisions of this Code and public order.

Compliance with the agreed marriage conventions may also be required in the Republic. abroad by contracting parties domiciled in the place of its celebration, but at the time of the dissolution of their marriage have their domicile in the country, if those conventions do not establish place of execution, nor contravene the provisions of this Code on the property regime.

CHAPTER II

OF THE ESPONSALES

Art.136.- The promise of marriage does not oblige to contract it.

Art.137.- The guilty party for the breakdown of the marriage commitment will owe the other party compensation for expenses made in good faith. If the break would seriously harm the innocent fiancé, the judge may set compensation for non-pecuniary damage.

This claim is incessant.

Art.138.- The promised ones can, in case of rupture, demand the restitution of the gifts that have been made in consideration of the promise of marriage.

If the gifts do not exist in kind, the restitution will be made as in matters of illegitimate enrichment.

If the rupture has been caused by death, there will be no repetition. Any action derived from betrothal prescribes to the year, computed from the day of the rupture of the been caused by death, not there will be room for repetition. Any action derived from the betrothal prescribes the year, computed from the day of the breaking of the promise of marriage.

CHAPTER III

ABOUT THE ABILITY TO MARRY AND IMPEDIMENTS

Art.139.- A man before sixteen years of age and a woman cannot marry before turning fourteen.

Article 140.- They cannot marry each other:

- a) the ascendants and descendants in a straight line;
- b) siblings;
- c) related relatives in a straight line;
- d) the adopter and his descendants with the adoptee and his descendants;
- e) the adopted with the spouse of the adopter, nor the latter with the spouse of the former.

Page 13

f) the adoptive children of the same adopter between themselves; Y

g) people of the same sex.

Art.141.- A person linked by a previous marriage cannot marry.

Article 142.- The persons of whom one has been sentenced as perpetrator or accomplice of the consummated, frustrated or tempted homicide of the other's spouse. The instruction of the criminal trial suspends the celebration of marriage.

Art.143.- The injunction due to mental illness cannot marry, nor the one that for any reason he has lost the use of his reason that adds to him in unconsciousness, even if it is temporary.

Art.144.- If the application for interdiction has been presented, the Public Ministry may, at the request of a party authorized to promote it, request that the celebration of the marriage be suspended until definitive sentence.

Article 145.- The disappearance of a person with presumption of death does not authorize his / her spouse to remarry. You may do so in the event of a judicial declaration of death, provided for by this Code.

Art.146.- The woman who, having not become pregnant, remarries before the end of the three hundred days after your marriage is dissolved or annulled, you will lose the legacies or any other liberality or benefit that the husband would have made her in his will.

Article 147.- The guardian who marries the ward before the accounts of the guardianship are approved will lose the remuneration that would have corresponded to him, without prejudice to his responsibility.

The same sanction will be applied to the guardian if the marriage with the ward is contracted by a descendant of hers who it is under their authority.

This provision also applies to the tutor.

Art.148.- Minors, even if they have reached the age required by this Code, cannot marry without the authorization of their parents or the guardian, and in the absence of these, without that of the judge.

Art.149.- If the minors marry without the necessary authorization, they will remain under the legal regime of separation of property until they are of legal age. The judge, however, will set the food quota that The emancipated minor may have to meet their needs at home, which will be taken from its net income, and if necessary, capital.

The same rule will apply when one of the contracting parties has not reached the required age, or is will marry the guardian or his descendants with the person who is under guardianship, as long as the accounts of it.

Once they have reached the age of majority, or the accounts have been approved, the spouses may opt for the community of property.

CHAPTER IV

OF THE PREVIOUS DILIGENCES AND OF THE CELEBRATION AND TEST OF MARRIAGE

Article 150.- The preliminary proceedings and the celebration of the marriage shall be governed by the provisions of the law and of the Civil Status Registry.

Article 151.- The spouse of the person who wishes to contract it may oppose the celebration of the marriage, the relatives of the betrothed within the fourth degree of consanguinity or second of affinity, and the guardian or curator, if applicable.

The Public Ministry must deduce opposition, provided that it is aware of the existence of any impediment.

Article 152.- The marriage will be proven by the testimonies of the parties or the authentic certificates issued by the Civil Status Registry, and in the case of marriages celebrated before their establishment, by the certifications from parish records.

In the event of loss or destruction of the records or entries, or not being found in due form, you may justified by other means of proof.

CHAPTER V

Page 14

OF THE RIGHTS AND OBLIGATIONS OF THE SPOUSES

Article 153.- Within marriage, women and men have the same rights and the same capacity, with the limitation that derives from the unity of the family and the diversity of their respective functions in the society. 1/92)

Article 154.- Marriage creates a community between the spouses that obliges them to marital life, to dignify the home and their mutual protection, fidelity and assistance, as well as to provide sustenance, care and education of the children.

Article 155.- The marital domicile will be established or changed by mutual agreement between the husband and the wife. The judge may, for just cause, authorize either spouse to temporarily abandon him.

Article 156.- Spouses cannot contract with each other, except in the cases expressly provided for in this Code. or in special laws.

Article 157.- A woman of legal age and separated from property may, without the permission of the judge, grant a mandate to her husband, give security to obtain his freedom, agree with him a mutual contract, entrust him deposit, enter into a public limited company or limited liability company contract; but he will not be able without permission judicial be your guarantor or co-obligated in matter of the exclusive interest of the husband.

Article 158.- It will be necessary the agreement of both spouses so that the woman can validly carry out the following acts:

- a) exercise profession, industry or trade on their own account, or carry out work outside the home;
- b) provide their services on location;
- c) establish collective, capital and industrial companies, or limited partnerships, simple or by shares;
- d) accept donations;
- e) to renounce, gratuitously, for acts between living, of the assets that it administers.

In all cases in which the husband's agreement is required, if he denies it, or cannot provide it,

The woman may request the due authorization from the judge, who will grant it when the petition responds to the needs or interests of the home.

Article 159.- It will be presumed that there is agreement of both spouses, only in the following cases:

- a) When the wife exercises a profession, industry or commerce on her own account, or carries out work

outside the common home, personally and in his name; Y

b) if he continues to carry out the activities in which he was engaged when he married.

When in the cases provided for in these articles, the husband wishes to modify or deny the agreement and the wife is not satisfied, it must require the intervention of the judge, who will decide taking into account whether the withdrawal responds to understandable reasons. The mere opposition of the husband will not be enough for the wife to cease the performance of their activities.

Article 160.- Issues between spouses, provided for in the previous articles, will be resolved summarily by the judge, after hearing the interested parties. When there is damage in the delay, it may be arranged that before the decision, the acts causing the incident are suspended.

Art.161.- For the agreement, its revocation and reestablishment to produce effects regarding third parties of good faith, it will be necessary for them to be registered in the corresponding Registry.

Article 162.- The obligation to support the wife ceases for the husband due to the abandonment that she makes without just cause of the marital domicile, if I refuse to return with him.

CHAPTER VI

OF THE DISSOLUTION OF THE MARRIAGE

Article 163.- A valid marriage celebrated in the Republic is not dissolved except by the death of one of the husbands

Article 164.- The marriage celebrated abroad will not be dissolved in Paraguay, if the spouses have their domicile there, but in accordance with the provisions of this Code.

Page 15

Article 165.- The dissolution abroad, of a marriage celebrated in the Republic, will not enable none of the spouses to remarry in this, but in accordance with the rules of this Code.

Article 166.- The law of the conjugal domicile governs the separation of the spouses, the dissolution of the marriage and the effects of the nullity of the same.

CHAPTER VII

OF THE SEPARATION OF BODIES

Art.167.- Spouses can, regardless of the country where they celebrated their marriage, separate judicially of bodies by mutual consent and without expression of cause, after two years of marital life.

This right shall also be enjoyed by minors emancipated by marriage, but only after two years of age of majority of both spouses.

Article 168.- The judge will hear the two spouses separately, within a period of thirty to sixty days, to confirm or not their willingness to separate.

Art.169.- The judge will approve the agreement if both spouses are ratified, within the term that may be necessary. indicated. If either of them retracts, or remains silent, the request for separation will be rejected.

Article 170.- The separation of bodies may be demanded by either of the spouses for the following

Causes:

a) adultery;

b) the attempt of one of the spouses against the life of the other, and the attempted murder, either as the perpetrator or as an accomplice;

c) the dishonorable or immoral conduct of one of the spouses, or their incitement to the other to adultery, the prostitution, or other vices and crimes;

d) brutality, bad treatment and serious injuries;

e) Willful and malicious abandonment. The spouse who fails to perform his duties also incurs in abandonment of assistance with the other or with their children, or who, condemned to provide alimony, is in arrears for more than two consecutive months without just cause; Y

f) the habitual state of intoxication or the repeated use of narcotic drugs, when they do married life unbearable.

Art.171.- Once the demand for separation is promoted, or before it in case of urgency, the judge may, at instance of the party, decree the personal separation of the spouses, authorize the woman to reside outside the marital domicile, or arrange for the husband to leave it. You can also determine, if necessary, the food to be paid to the woman, as well as the expenses for the trial.

Having children

minors, the parties will appeal to the guardian judge to request the corresponding measures.

Art.172.- All kinds of evidence will be admitted in this trial, with the exception of confession and testimony. of the ascendants and descendants of the spouses.

Art.173.- The separation action will be extinguished by the death of one of the parties; but if she If it is initiated and it is pre-judicial of another related to the patrimony, it may continue to this effect only for the heirs of the deceased, or against them. It may also be pursued by the defendant spouse or their heirs, when the accusation on which it is founded amounts to damage to the honor of the former.

Article 174.- In the cases provided for in Article 170, the sentence will rule on the guilt of one or both spouses.

The innocent husband will retain the rights inherent in his capacity as long as they are not incompatible with the state of separation.

The culprit will incur the loss of the profits or benefits that correspond to him according to the convention matrimonial. You will only have the right to ask the other for food, if you lack the resources to support it.

Article 175.- If there are minor children, a copy of the proceedings will be sent to the Tutelary Judge, once the sentence that makes room for separation.

Page 16

Art.176.- The spouses may by mutual agreement, cease the effects of the separation sentence with an express declaration to the judge, or with the fact of cohabitation.

In no case will the reconciliation harm the rights acquired by third parties during the separation or before her.

CHAPTER VIII

NULLITY OF MARRIAGE

Art.177.- The nullity of the marriage can only be declared for the causes established in the present chapter.

Article 178.- It is the responsibility of the judge of the marital domicile to know of the nullity and its effects, if the spouses have domicile in the Republic. If the defendant spouse does not have it in the country and the marriage is has been celebrated in it, the annulment action may be tried before the judge of the last matrimonial domicile in the Republic.

Article 179.- The marriage is null:

- a) when it is carried out with any of the impediments established in articles 140, 141 and 142; Y
- b) when it has been contracted between people of the same sex.

Article 180.- This nullity must be declared at the request of the Public Ministry or of the persons who have interest in it.

Art.181.- The marriage is voidable:

- a) If it is celebrated by either spouse with the impediment of article 143. If at the time of the celebration of the marriage, there was already a sentence of interdiction passed in the authority of res judicata, or well if the interdiction had been pronounced later, but there was mental illness in the moment of marriage, the challenge may be removed by the curator of the injunction, or by those who they could have opposed the marriage. The action may not be promoted if after the revocation of the interdiction, the spouses have made marital life;
- b) when any of the contracting parties is not of the minimum age required by law. The cancellation may be sued by the person who could oppose the celebration. The right to challenge will expire since the minor has reached the age of majority, and in the case of the woman as long as she has conceived. If the challenge has been tried before, the trial will be dismissed;
- c) If the consent of one of the contracting parties is vitiated by fraud, violence or error regarding the identity of the person of the other spouse;
- d) Due to permanent, absolute or relative impotence, existing at the time of the celebration of the marriage; The action can be promoted by either spouse; Y
- e) when the marriage has not been performed with the prescribed forms and solemnities. The Non-observance of these cannot be argued against the validity of the marriage, if there is a record of its celebration and possession of state.

Article 182.- The action for nullity due to the defect of consent may only be attempted within sixty days since the error was known or the violence stopped, and, in the case of abduction, since the victim recovered your freedom.

Art.183.- In voidable marriage cases, it may only proceed at the request of a party.

Such marriages can be confirmed

The annulment of the marriage by mistake can only be attempted by the deceived spouse.

Article 184.- The sentence declaring the nullity of a marriage will have the following effects:

a) If both spouses contracted it in good faith, it will produce the effects of a valid marriage until the sentencing date. Henceforth, the rights and obligations produced by marriage will cease, with Exception of the reciprocal duty to provide food if necessary. Society will also cease conjugal;

Page 17

b) When there was good faith on the part of one of the spouses, the effects of a union valid until sentencing day. The spouse in bad faith will not have the right to maintenance or an advantage any granted by the marriage contract, nor the rights inherent to parental authority regarding the children, but obligations; Y

c) If both spouses acted in bad faith, the marriage will not produce any effect, except as provided for the next article. Regarding goods, the rules governing de facto unions will be applied, in your case, or the de facto companies.

Art.185.- The annulment of a marriage, even if both spouses are in bad faith, does not hinder the quality of matrimonial child of the one who has been conceived before the sentence declaring it.

Art.186.- The bad faith of the spouses consists in the knowledge they had, or should have had before the celebration of the marriage, about the cause that determined its nullity.

The husband who is not old enough to marry and the one who suffered violence when expressing his will will always be considered in good faith.

The contracting party in bad faith must indemnify the party in good faith for any damage resulting from the nullity of the marriage.

Art.187.- The nullity of the marriage does not harm the rights of third parties who in good faith contracted with the spouses or with some of them.

Art.188.- The action of nullity of a marriage cannot be tried except in the life of the spouses. One of The spouses can, however, deduct at all times that which is incumbent upon them against a second marriage. contracted by your spouse. If the nullity of the first is opposed, this opposition will be previously judged. The prohibition does not apply if to determine the plaintiff's right it is necessary to examine the validity of the union, when the nullity is based on the impediments of union, incest or crime, and the action is attempted by ancestors or descendants.

CHAPTER IX

THE PATRIMONIAL REGIME OF MARRIAGE

SECTION I

OF THE COMMUNITY OF ASSETS

Art.189.- The spouses will be subject to the regime of the community of property, which will be regulated by the provisions of this Chapter, provided that they do not agree on a different patrimonial regime.

Art.190.- The community is responsible for the use and enjoyment of its own and joint assets.

Art.191.- The following are community assets:

- a) Those acquired for consideration by either spouse during the marriage, when there is no I will prove that they are my own. In the case of furniture, the rules of usufruct shall apply;
- b) those acquired by donation, inheritance or bequests, in favor of both spouses;
- c) the natural and civil fruits of the common property or those of the spouses, received during the marriage, or pending at the time of the dissolution of the community of property. The products of another class they will be governed by the dispositions on the usufruct;
- d) the civil fruits of the profession, work or industry of either spouse;
- e) those received by the spouses for the usufruct of the property of the children of another marriage;
- f) Those acquired by fortuitous events. Those from raffle or redemption are excepted, with premium or without it, of securities that belong to one of the spouses,
- g) The value that at the time of the alienation, or upon dissolution of the community of assets, the improvements made to the spouses' own goods when they have increased in price. The amount may not exceed what was actually spent, for which the alterations that the monetary sign would have experienced between the time the improvements were made, and the alienation, or liquidation of the community;

h) the goods that during the marriage should have been acquired by one of the spouses, but that were acquired after the community was dissolved, because they had not been heard from, or because unfairly prevented its acquisition; and

i) the amount invested in charges of own goods, or in any other concept, provided that only one of the husbands would have obtained profit.

Art.192.- It is presumed that all existing assets at the end of the community are joint, except prove otherwise. It will not be valid against the creditors of the community or of any of the spouses, the single confession of these.

SECTION II

OF OWN ASSETS

Art.193.- The following are property of each of the spouses:

a) those owned by each one upon marriage;

b) those that hereafter acquired by donation, inheritance or legacy;

c) those that he will obtain by exchanging his own goods, or that he will buy with his money;

d) material increases that accrue to their own good when they form a single body per accession, or for any other cause;

e) Compensation for damages suffered to one's own property;

f) retirements, pensions and life annuities in favor of one of the spouses prior to marriage;

g) compensation for professional risks, or illegal acts and compensation from insurance on the person or property of the spouse;

h) personal and family memorabilia, clothing, ornaments, work instruments and books necessary for the exercise of a profession;

i) the letters received by one of the spouses, when they correspond to the addressee and the manuscripts of the same;

j) the assets acquired during the term of the community, even if for consideration, when the cause for which they were obtained has been prior to the marriage;

k) Those who before the marriage belonged to either spouse, by a title whose vice was he purged during the community, whatever the means;

l) the assets that return to one of the spouses due to nullity, resolution or revocation of the transferring act prior to the community; Y

m) half the value of a community asset alienated by the execution of the other spouse's own debts.

SECTION III

OF THE CHARGES OF THE COMMUNITY

Art.194.- The following are charges of the community:

a) the maintenance of the spouses and their children, their ancestors and the children that any of them would have had when marrying;

b) the preservation and repair of the spouses' own and common property;

c) Obligations contracted by the husband, and those contracted by the wife in cases where she can legally bind the community; Y

d) assets lost due to fortuitous events;

SECTION IV

OF THE ADMINISTRATION OF THE ASSETS

Article 195.- The husband is the administrator of the community assets, except for the exceptions provided in This chapter.

Art.196.- The husband, in the exercise of the administration, must act diligently, according to the nature of the goods and the rules of this Chapter.

Art.197.- The husband may not, without the express consent of the wife;

a) To alienate her own property or that of the community that must be registered in Public Registries,

or constitute real rights over them;

b) provide a bond by compromising the wife's or community's own assets; Y

c) make donations, unless they are of little value or remunerative of services in charge of the community.

If the wife denies her agreement, or is unable to express it, the husband may be authorized judicially, if the interest of the family so requires.

Article 198.- The administration of the community will pass to the woman, with the same powers and responsibilities, when she was appointed curator of the husband, or the latter was declared absent or unable to exercise it.

The husband will regain the administration when the causes that caused it to be granted to the wife cease.

Article 199.- If due to the incapacity or justified excuse of the woman, another person is entrusted with the guardianship of the husband, the curator will have the administration of all the property of the conjugal partnership, with the same rights and obligations.

Art.200.- The administration of the property of the community entrusted to the husband does not extend to the property reserved from the wife.

SECTION V

OF THE RESERVED ASSETS OF THE WIFE

Art.201.- The reserved assets of the wife are:

a) Things intended exclusively for your personal use and especially your dresses, jewelery, jewelery and working tools;

b) those that he acquires after his marriage, by inheritance, legacy or donation, provided that the testator or donor has so arranged;

c) those acquired in the exercise of an inherent right to their reserved assets or by way of compensation of damages suffered in them, or by virtue of a legal act that refers to said assets; Y

d) those who obtain the legal usufruct of the assets of their minor children from a marriage previous.

Art.202.- The reserved assets will be liable for the obligations that the woman may have contracted before or after the marriage, but not for those of her husband, whether she contracted them in the interests of a personal business or in the interest of the community that I will manage.

If the capital of the community is not sufficient to meet the ordinary needs of the home, the woman owner of reserved property must contribute to his satisfaction, at the same rate as her husband, and in proportion to said goods.

SECTION VI

OF MARRIAGE AGREEMENTS

Art.203.- Future spouses may carry out marriage conventions that have only the purposes following:

a) opt for the property separation regime;

b) determine the assets that each of the future spouses contribute, with an expression of their value and liens;

c) establish a detailed list of the debts of the future contracting parties;

d) consign donations from men to women;

Page 20

e) determine the property of the woman whose administration she reserves.

Minors authorized to marry may also celebrate the conventions referred to in the subsections a), b) and c), with the agreement of their legal representatives.

Article 204.- After the marriage is celebrated, the spouses may agree only on the following:

a) opt for the property separation regime, or adopt the community regime, as the case may be;

b) Reserving property belonging to the wife to its administration or submitting property reserved to the husband's administration;

c) reciprocally grant a mandate;

d) exchange goods of equal value; Y

e) Incorporate companies with limited liability.

Art.205.- For the cases provided for in subsections d) and e) of the preceding article, authorization will be required.

prior judicial process, which will be granted provided that the contract contemplates the interest of the family and that of both

spouses alike.

Art.206.- Donations made by the future by marriage conventions, or by separate act husband to his fiancée, or those that third parties did to either or both of them, on the occasion of their marriage, will be without effect if the marriage is not celebrated, or if it was annulled, except for the rights recognized by this Code to the spouse in good faith.

Art.207.- Marriage conventions and their modifications must be made in writing and will only apply effect against third parties from their registration in the corresponding Registry.

SECTION VII

OF THE DISSOLUTION AND LIQUIDATION OF THE MARITAL COMMUNITY

Art.208.- The conjugal community is dissolved:

- a) due to the death of one of the spouses;
- b) due to the disappearance of a spouse with presumption of death, when the definitive possession of the goods;
- c) by judicially decreed marriage annulment; Y
- d) by judicial separation of property, decreed at the request of one of the spouses or both.

Art.209.- At any time, either spouse or both in accordance, may request, without expression of cause, dissolution and liquidation of the community.

The judge must order it without further ado and the community will be extinguished.

Article 210.- Since the judge decrees the dissolution of the community, the state of the assets of her, and will be considered simulated and fraudulent, both the lease contracts that one of the spouses, without the consent of the other or the court, such as advance receipts for rents or rents not supported by use.

Art.211.- Once the dissolution order has been presented, the inventory faction will immediately proceed and appraisal of the assets and the court may, at the request of the party, order precautionary measures and designate provisional administrator to either spouse, or to a third party.

Article 212.- The court will call by edicts those who have an interest in claiming against the community, to that they appear in the peremptory term of thirty days to deduct their actions. The edict will be published for fifteen consecutive days in one of the newspapers of the jurisdiction of the court.

The interested parties who do not appear within the term will only have action on the assets of the debtor.

Article 213.- The effects of the dissolution of the community will occur between the spouses from the day of the resolution that declares it and, with respect to third parties, from the day it has been registered.

Article 214.- Once the inventory is finished and the edicts published, the credits recognized in court will be paid.

If there is against the common fund, each spouse will be returned what they introduced into the community and the Gains will be divided between the consorts equally. If there is a loss, the amount thereof will be

Page 21

deduct from the assets of each consort in proportion to the profits that should correspond to them, and if only one contributed capital, from this the total loss will be deducted.

Article 215.- Once the community has been dissolved, the husband or his heirs will restore her property to the woman in the state in which they are, within thirty days if they were real estate or non-expendable furniture that have in their power; and the one hundred and eighty days when it comes to money, consumables, or value of the woman's own property that is not in the possession of the husband or his succession.

Article 216.- When creditors have deducted execution on community property for debts to charge of only one of the spouses, half of the value of the good will correspond to the other as their own good alienated.

CHAPTER X

OF THE UNION IN FACT

Art.217.- The extramarital, public and stable union, between people with the capacity to contract marriage, will produce the legal effects provided for in this Chapter.

Article 218.- The obligation contracted by the partner to pass food to his abandoned partner is valid, for as long as she needs them. If there was seduction, or abuse of authority on his part, he may be compelled to provide you with adequate compensation, whatever the duration of the extramarital union.

Article 219.- The stipulations of economic advantages agreed by the concubines among themselves will be valid, or

contained in testamentary provisions, except as provided by this Code on the legitimate of the forced heirs.

Article 220.- The concubinary union, whatever the time of its duration, may give rise to the existence of a de facto society, provided that the requirements set forth in this Code for the existence of this kind of society. Unless proven otherwise, it will be presumed that a society exists whenever the relationships concubines have lasted more than five years.

Art.221.- The de facto partnership formed between common-law partners will be governed, as appropriate, by the provisions that regulate the community of matrimonial property. The common character of the goods that appear registered as belonging to only one of the concubines, it may not be opposed to the detriment third party creditors.

Art.222.- The common-law partner is liable to third parties for the purchases for the home made by the common-law partner with tacit mandate of the former.

Article 223.- The survivor in de facto unions, will enjoy the same rights to retirements, pensions and compensation due to the deceased that would correspond to the spouse.

Article 224.- The de facto union that meets the requirements of this Chapter will give rights to the liquidation of the common goods.

SECTION I

OF THE MARRIAGE CHILDREN

Article 225.- They are married children:

- a) those born after one hundred and eighty days of the celebration of the marriage, and within three hundred following its dissolution or annulment, if it is not proven that it has been impossible for the husband to have access with his wife in the first twenty days of the three hundred that have preceded the birth;
- b) those born to parents who at the time of conception could marry and who have been recognized before, at the time of the celebration of the marriage of their parents, or up to sixty days after is. The possession of state supplies this recognition;
- c) those born after one hundred and eighty days of the valid or putative marriage of the mother and the who are born within three hundred days from when the valid or putative marriage was dissolved due to the death of the husband or because it was annulled; Y
- d) those born within one hundred and eighty days of the celebration of the marriage, if the husband, before to marry, he had knowledge of his wife's pregnancy, or if he consented to have it listed as his children in the Civil Status Registry, or if it has otherwise expressly or tacitly recognized them.

Page 22

Article 226.- Children born after the reconciliation and cohabitation of the spouses separated by judicial sentence are matrimonial, unless proven otherwise.

Children conceived during the putative marriage will be considered matrimonial. Those conceived before this, but born after, they are also matrimonial.

Art.227.- If the marriage is dissolved or annulled, the woman contracts another before three hundred days, the child who is born before one hundred and eighty days have elapsed from the celebration of the second marriage, presume conceived in the first provided that it is born within three hundred days of dissolved or annulled the first marriage.

Article 228.- The child born after the hundreds will be presumed conceived in the second marriage. eighty days of its celebration, even if it is within three hundred days after the dissolution or cancellation of the first. The presumption established in this article and the preceding one does not admit evidence in contrary.

Article 229.- The child born within three hundred days after the dissolution of the mother's marriage, it is presumed conceived in it, although the mother or someone who invokes paternity, recognizes it as a child extramarital.

SECTION II

OF THE EXTRA-MARRIAGE CHILDREN AND THEIR RECOGNITION

Article 230.- Extramarital children are those conceived out of wedlock, whether their parents had been able to marry at the time of conception, regardless of whether there were impediments to the celebration of the marriage.

Article 231.- The recognition of extramarital children can be made before the official of the Registry of the Civil Status, by public deed, before the judge or by will.

It is irrevocable and does not admit conditions or deadlines. If it is made by will, it will have its effects even if it is revoked.

Art.232.- Extramarital children can be recognized jointly or separately by their father and his mother. In the latter case, whoever recognizes the child may not declare the name of the person with whom he / she He had.

Article 233.- The extramarital child voluntarily recognized by his parents, or judicially, will carry the surname of these.

SECTION III

OF THE ACTION OF FILIATION

Art.234.- Children have action to be recognized by their parents. This action is imprescriptible and inalienable. In the investigation of paternity or maternity, all suitable tests will be admitted to prove the facts.

Not having possession of the state, this right can only be exercised during the life of their parents.

The maternity investigation will not be admitted when it is intended to attribute the child to a woman married, unless he was born before the marriage.

Article 235.- Possession of the status of a child is established by the existence of facts that indicate the relationships of filiation or kinship, such as:

- a) that the surname of the person whose child is intended has been used;
- b) that the former has treated him as a child, and the latter in turn has treated him as a father or mother; Y
- c) that has been considered as such by the family or society.

Article 236.- The husband may ignore the child conceived during the marriage in the following cases:

- a) if during the time elapsed between the maximum and minimum period of the duration of pregnancy, he was affected by impotence or sterility;
- b) if during said period he lived legally separated from his wife, even as a result of a judicial measure precautionary, unless there has been cohabitation between the spouses, even if temporary; Y

Page 23

c) if during this period the woman has committed adultery and concealed her pregnancy and the birth of her husband from her husband.

child. The husband may also prove any other fact that excludes his paternity.

Article 237.- As long as the husband lives, he alone is responsible for exercising the action of ignorance of the paternity of the child conceived or born during the marriage. If the husband is declared an injunction, the action of ignorance may not be exercised by its curator except with the authorization of the judge, with Hearing of the Prosecutor's Office for Minors.

If the curator has not tried the action and the husband ceases to be interdicted, he may deduct it in the term established in the following article.

Article 238.- Once the husband has died, his presumed heirs who must concur with the child, or be excluded by he, as well as the ancestors of the deceased, may continue the action of ignorance initiated by him.

Article 239.- The action to challenge the paternity of the child conceived during the marriage prescribes the sixty days counted from the husband's knowledge of the delivery. The lawsuit will be promoted against mother and son.

If he dies, the trial will be heard with his heirs.

Article 240.- The filiation, even if it is in accordance with the entries of the Civil Status Registry, or, to the parochial ones, where appropriate, it may be challenged by the father or mother, and by anyone who has a current interest in do so, provided that alleged childbirth, substitution of the child, or not being the mother of the child is alleged passes by yours.

Art.241.- The heirs or descendants of the child who has died may continue the filiation action or initiate it when the child has died as a minor and within two years after the reaching their legal age.

Article 242.- The filiation is proven by the registration of the birth in the Civil Status Registry, and in the case of of married children, the certificate or authentic marriage certificate of their parents is also required.

If the birth of the child is not registered, or if the books have been destroyed or lost in all or in part, the affiliation may be demonstrated by other means of proof.

In the absence of registration and possession of state, or if the registration has been made under a false name, or as a unknown parents, or in the case of assumption or substitution of childbirth, the birth and parentage may

be tested by other means.

Art.243.- When the husband has expressly or tacitly acknowledged his paternity, or allowed the term to expire without ignore it, the action may not be deducted, unless by mistake or fraudulently the husband has been induced to recognize the son as his own.

In this case, the action must be promoted by the husband, his descendants or heirs, within the sixty days of known fraud or error.

Art.244.- The ascendants of the husband and his presumptive heirs, who should concur with the child or be excluded by him, may also promote the action of ignorance:

a) When the husband has disappeared or his existence is uncertain. The term established in the previous article, it must be computed after one year has elapsed since the disappearance or absence, if the actors were the ascendants; and if they are the heirs, after the declaration of death

presumptive; Y

b) if the husband was deprived of discernment during the legal period in which he could have been unaware his paternity, or if he died before the expiration of said term. In the first case, the demand within sixty days of having known the birth and in the second, the term will be counted from the date of death.

Article 245.- The judicial sentence prior to the marriage, which recognizes the extramarital affiliation of the child, followed by the marriage of his parents, he confers on him the quality of matrimonial child.

Art.246.- The legal effects provided for in the previous article extend to the descendants of the child who assumes the quality of marriage, and reaches the deceased at the time of the marriage, when leave descendants, and it will also benefit them.

Art.247.- The recognition made by the parents of their children may be challenged by them, or by the forced heirs of whoever makes the recognition, within a period of one hundred and eighty days, since would have had knowledge of the act.

Page 24

Art.248.- Parental authority, adoption and guardianship are governed by the provisions of Law No. 903/81 of the Minor Code.

CHAPTER XII

RELATIONSHIP AND THE OBLIGATION TO PROVIDE FOOD

SECTION I

OF THE RELATIONSHIP

Art.249.- The relationship can be by consanguinity, affinity, or adoption.

Art.250.- Kinship by consanguinity is the relationship that exists between the people united by the bond of the blood. The proximity of the kinship is determined by the number of generations. Every generation form a degree. The series of degrees forms the line.

Art.251.- A straight line is the series of degrees between people who descend from one another.

Collateral line is the series of degrees between people who have a common ancestor, without descending one of other.

The straight line is descending and ascending. The descendant links the ascendant with those who descend from he. The ascendant unites a person with those from whom he descends.

Art.252.- In both lines there are as many degrees as a person, minus one. In the straight line you go up to the ascendancy. In the collateral one goes up from one of the people to the common ascendant, and then goes down to the other person with whom you want to establish the degree of kinship.

Art.253.- Affinity is the bond between a spouse and the blood relatives of the other. The grade and Line of affinity are determined according to the degree and line of consanguinity.

Art.254.- The kinship by affinity in a straight line is not extinguished by the dissolution of the marriage that originated.

Kinship by affinity does not create kinship between the blood relatives of one of the spouses and those of the spouse. other.

Art.255.- Adoption establishes kinship between the adoptee and the adopter and with the latter's family, in the cases established in the Juvenile Code.

SECTION II

OF THE OBLIGATION TO PROVIDE FOOD

Art.256.- The obligation to provide maintenance that arises from the kinship includes what is necessary for the

subsistence, room and clothing, as well as the essentials for assistance in illnesses.

In the case of people of educational age, it will include what is necessary for these expenses.

Art.257.- Anyone who requests maintenance must prove, unless otherwise provided by law, that it is found in the inability to provide them.

Art.258.- They are reciprocally obliged to provide food, in the following order:

- a) the spouses;
- b) parents and children;
- c) siblings;
- d) grandparents, and failing that, the closest ascendants; Y
- e) in-laws, son-in-law and daughter-in-law.

Descendants will owe it before ascendants. The obligation will be established according to the order of successions, proportionally to the hereditary quotas.

Among ancestors, the closest are bound before the most distant, and those of the same degree, by equal parts.

Art.259.- When there are several jointly obliged to provide maintenance, the proportion in which they must Contributing will be regulated by the hereditary quota.

Page 25

If there are several obligated parties, the one who owes the maintenance in the first place is not in a situation of lend them, the obligation will pass in whole or in part to the other relatives, according to the order established in the previous article.

Art.260.- If after the allocation of the alimony is made, the economic situation of the person who supplies or the one who receives them, the judge may decide the increase, decrease or cessation of food, depending on the circumstances.

Art.261.- He who lends or has lent food, voluntarily or by court ruling, may not repeat them in whole or in part of the other relatives, although they are in the same degree and condition that he.

Art.262.- The maintenance obligation cannot be the object of compensation or transaction. The right to claiming them is inalienable and incessant and alimony cannot be taxed or seized.

Art.263.- The obligation to provide maintenance shall cease:

- a) in the case of children, when they reach the age of majority, or being minors, when they abandon without authorization the house of their parents;
- b) If the person who receives the maintenance commits an act that renders him unworthy of inheriting the one who lends it;
- c) by the death of the obligee or the obligee; Y
- a) when the causes that determined it have disappeared.

Art.264.- The person who must supply food can do so through alimony or receiving and maintaining in their own home who is entitled to food. The judge will decide when consider it convenient to admit or not this last form of lending them.

Art.265.- Food will be paid in advance monthly payments.

CHAPTER XIII

OF LA CURATELA

SECTION I

OF THE CURATELA OF THE PEOPLE

Art.266.- The banned or disabled persons will be judicially appointed curator.

The provisions of the Juvenile Code relating to guardianship are applicable to guardianship, with the modifications established in this Chapter.

Art.267.- The incapacitated persons subject to guardianship will only be confined or housed, by judicial resolution, in appropriate establishments, when necessary for your safety, that of third parties, or your reinstatement.

Article 268.- The father or the mother may designate their children as curator, in the same cases and under the same forms set for guardianship.

Art.269.- The following will be legitimate curators:

- a) the husband, his wife, and reciprocally, if they are not separated;
- b) children of legal age, of the widowed father or mother. When there is more than one, the judge will choose the more suitable.

c) the father, or the mother, with respect to their unmarried children, or widowers who do not have children in conditions of exercise conservatorship; Y

d) siblings and uncles who could be guardians.

Art.270.- Whenever the incapable person has minor children, the guardian of that person will also be their guardian. Yes
The curatorship of a pregnant woman shall extend to the conceived child.

Art.271.- The guardianship will cease by the judicial resolution that lifts the interdiction or disqualification, and in the cases in which guardianship ceases.

Page 26

SECTION II

OF THE CURATELA OF GOODS

Art.272.- In addition to the cases provided for by this Code, the assets will be judicially appointed as curator of a person, when he is absent or disappears from his home, his whereabouts being ignored, without leave agent to manage their assets.

Article 273.- The appointment of curator to the assets of an absent person will also proceed, even if it is known his whereabouts, if he is unable to provide for the care of his property, whenever there is urgency.

Art.274.- When a deceased leaves heirs not domiciled in the Republic, the curator will be appointed in accordance with the adjusted treaties with the countries of their respective domiciles.

Article 275- The curators of property, without prejudice to the limitations set on the guardians, may only exercise acts of mere custody and conservation, and those necessary for the collection of credits and payment of debts.

It is also their responsibility to initiate actions and assert the legal defenses of their client.

The creditors, with reference to the assets submitted to the guardianship, will direct their claims against said representatives.

Art.276.- The curatorship of assets ends due to their extinction, because the cause that motivated it has ceased, or for the delivery of the same to their owner.

Second Book

OF THE FACTS AND LEGAL ACTS AND OF THE OBLIGATIONS

TITLE I

OF THE FACTS AND LEGAL ACTS

CHAPTER I

OF THE FACTS IN GENERAL

SECTION I

OF THE GENERAL PROVISIONS

Art.277.- The voluntary acts provided for in this Code are those executed with discernment, intention and freedom determine an acquisition, modification or termination of rights. Those who did not meet Such requirements will not by themselves produce any effect.

Art.278.- The acts will be judged executed without discernment:

a) when its agents have not reached the age of fourteen;

b) when their authors, for whatever reason, were deprived of reason; Y

c) if they come from persons subject to interdiction or disqualification, except in the cases provided for by this Code;

They will be taken as unintentional compliments, those flawed by mistake or fraud; and without freedom, when mediate strength or fear.

Art.279.- No act will have the character of voluntary, without an external fact by which the will is manifest.

Art.280.- The will may be manifested, already in a consummated material fact, or simply in its positive or unspoken expression.

Art.281.- It will be taken as a positive declaration of the will, that which is manifested verbally, or by written, or by unequivocal signs, with reference to certain objects. However, the one that does not review the prescribed solemnities, when the law requires a specific form for certain acts

legal.

Art.282.- The tacit manifestation will result from those acts by which it can be known with the existence of the will is certain, provided that a positive statement is not required or there is no other expressed in the opposite direction.

Silence will be judged as assent to an act or a question, when there is a legal duty to be explained, or because of the relationship between the current silence and the agent's previous behavior. The Expression of will is only presumed in cases expressly provided by law.

Art.283.- No one can force another to do something, or restrict their freedom, without being legally authorized to do so. Who by law has the power to direct the actions of another may prevent it, even by force, that he harms himself. This will also be allowed to anyone who has news of a illegal act, when it is not possible for the public authority to intervene in a timely manner.

Art.284.- When, due to involuntary acts, some damage is caused to another person or property, only will respond with the corresponding compensation, if the perpetrator of the act was enriched with the damage, in the extent to which it has been enriched.

SECTION II OF ERROR

Art.285.- Ignorance of the laws or the error of law will not prevent the effect of lawful acts, nor excuse the responsibility for the illicit.

Art.286.- The declaration of will will not be valid when the error falls on some of the points following:

- a) the nature of the act;
- b) the person with whom the legal relationship was formed, or to whom it refers;
- c) the main cause of the act, or the quality that was probably regarded as essential, according to the business practice;
- d) the object, in the case of having indicated a different good or of a different kind, or a different quantity, extension or sum, or any other fact that is not the one intended to designate; Y
- e) Any other circumstance that, in good faith, the agent could consider as a necessary element of the event held.

These same rules will be applicable in the case of inaccurately transmitted the declaration of Will

Art.287.- The act does not invalidate the error on qualities of the thing not included in subsection d) of the article precedent, even if it had been a determining reason for the act, unless there is an express guarantee, or that the agent had decided by fraud, or that such estates had the character of a condition.

Art.288.- The party that has suffered an error cannot take advantage of it against the rules of good faith. Will be obliged to execute the provision to which he understood to commit himself provided that the other party acquiesces at the compliance.

Art.289.- The error does not harm when there has been reason to err, but it cannot be alleged when proceed from attributable negligence. In this case, whoever based on his own error will invoke the nullity of the act to evade its effects, must compensate the other party for the damage suffered, provided that she would not have known him or should have known him.

This compensation will not be admitted in the last will provisions.

SECTION III OF THE DOLO

Art.290.- Willful action to obtain the execution of an act, is any false assertion or concealment of what true, any cunning, artifice or scheme used for that purpose. Rules will apply equally to malicious omissions.

Art.291.- For the fraud to cause the nullity of the act, it is required that the declaration of will and cause harm.

Incidental fraud will only force compensation for the damage.

Art.292.- Fraud will affect the validity of the acts, whether it comes from the parties or from a third party.

SECTION IV

OF FORCE AND FEAR

Art.293.- There will be a lack of freedom in the agent, when irresistible force is used against him. It will be judged that there was intimidation when by unjust threats someone causes the agent well-founded fear to suffer any imminent and serious harm to your person, liberty, honor or property, or that of your spouse, descendant, ascendants, or collateral relatives. If it is other people, it will be up to the judge decide whether bullying has occurred, depending on the circumstances.

Art.294.- The normal exercise of rights may not determine unjust threats. However, when Excessive advantages would have been wrested from the other party by this means, moral violence may be considered sufficient to nullify the act.

Art.295.- Force or intimidation vitiates the act, even if it has been used by a third party. When a of the parties had knowledge of it, the latter will be jointly and severally liable with the author for the damage. In all other cases, compensation will be the sole responsibility of the deceased.

CHAPTER II

OF THE LEGAL ACTS IN GENERAL

SECTION I

OF THE GENERAL PROVISIONS

Art.296.- Legal acts are lawful voluntary acts whose immediate purpose is to create, modify, transfer, retain or terminate rights.

Omissions that have the same characters are subject to the rules of this title.

Art.297.- Without prejudice to the provisions of this Code on the capacity or disability of people, and on the form of the acts, these will be exclusively governed, whatever the place of their celebration, regarding its formation, proof, validity and effects, by the laws of the Republic, when they have to be executed in its territory, or actions are exercised in it for lack of compliance.

Acts relating to inheritance due to death shall be governed by the special provisions of this Code.

Art.298.- The incapacity of one of the parties cannot be invoked for their own benefit by the capable party. But, if a capable person and an incapable person are simultaneously bound by one party, only the latter can demand the partial annulment of the act and take advantage of the effects of its annulment, unless the object is indivisible, in which case the declared nullity will also benefit the capable party.

Art.299.- The following may not be the subject of legal acts:

- a) that which is not within the trade;
- b) what is included in a prohibition of the law; Y
- c) the impossible, illegal, contrary to morals and good customs, or that damage the rights of third parties.

The non-observance of these rules causes the nullity of the act and in the same way, the accessory clauses that, under the appearance of conditions, contravene the provisions of this article.

Art.300.- The erroneous legal qualification that the parties make of the act does not prejudice its effectiveness, which is will judge according to the actual content of it. When there are words in an instrument that do not harmonize with the intention reflected in the act, this will prevail.

Art.301.- Legal acts produce the effect declared by the parties, the one virtually included in them and the one assigned by law.

SECTION II

OF THE FORM OF LEGAL ACTS

Page 29

Art.302.- In the celebration of legal acts, the solemnities prescribed by law must be observed.

In the absence of a special rule, the parties may use the forms they deem appropriate.

Art.303.- When a certain instrumental form is exclusively prescribed by law, it is not may substitute for another, even if the parties have committed in writing to granting it in a determined time, and imposed any penalty. This clause and the act itself will be void.

Art.304.- The expression in writing can take place by public instrument or private instrument, except cases in which the form of a public instrument is exclusively provided.

SECTION III

OF SIMULATION IN LEGAL ACTS

Art.305.- Simulation is not condemned by law when it harms no one or has an illicit purpose.

Art.306.- The legal act may be annulled, when the simulation harms a third party or is pursued an illicit purpose. In such a case, the authors of the same may only exercise the action among themselves to obtain the nullity, in accordance with the provisions of this Code on enrichment without cause.

Art.307.- If there is a counter document signed by any of the parties, to leave the simulated act, when it has been illegal; or when it is lawful, explaining or restricting the preceding act, the Judges can learn about it and about the simulation, if the counterdocument does not contain something against the prohibition of the laws, or against the rights of a third party.

Art.308.- Third parties harmed by a simulated act have an action to demand its annulment, but The effects of the sentence will not affect the validity of the acts of administration or disposal carried out at onerous title with other people of good faith. This provision shall also apply to cancellation judicially declared or carried out by agreement of the parties that granted the simulated act.

Art.309.- The simulation may not be opposed by the contracting parties to the creditors of the apparent owner who in good faith they have carried out acts of execution on goods that were the object of the simulated contract. The creditors of the one who simulated the sale may challenge the simulated act that harms their rights and, in the conflict with the unsecured creditors of the simulated acquirer, will be preferred to these if your credit was prior to the simulated act.

Article 310.- The simulation test will be admissible without limitation if the claim is promoted by third parties and when it is destined to invoke the illegality of the simulated act, even if it is promoted by the parts.

SECTION IV

OF ACTS HELD IN FRAUD OF CREDITORS

Art.311.- The acts of disposition free of charge practiced by the insolvent debtor, or reduced to the insolvency due to such acts, can be revoked at the request of the creditors.

Art.312.- The onerous acts practiced by the insolvent debtor will be likewise revocable, when the insolvency was notorious, or had founded a reason to be known by the other contractor, and the credit in by virtue of which the action is attempted is prior to the fraudulent act.

If by virtue of the act it is tried to evade the responsibility derived from the commission of a criminal offense, no the credit will need to be prior to said act.

Art.313.- If the debtor renounces rights, even if they are not irrevocably acquired, with what he could improve the state of his fortune or prevent its decrease, the creditor may obtain the revocation of said waiver and exercise the waived rights or actions.

Article 314.- The revocation will also proceed when the debtor constitutes real security rights over your assets to the detriment of your creditors.

Art.315.- The revocation will be pronounced exclusively in the interest of the creditor who requested it, and until the amount of your credit.

The creditor's action will cease if the third party makes the payment or constitutes a guarantee in the case of being the debtor's assets are insufficient.

Page 30

Art.316.- Once the revocation has been obtained, the creditor can promote against the third party the executive actions or conservatories regarding the assets that constitute the object of the revoked act. The accomplice in the fraud you must return them with all their fruits as a possessor in bad faith.

Art.317.- He who has acquired in bad faith the things alienated in fraud of the creditors, must indemnify them for damages, when the thing has passed to a sub-purchaser of good faith, or when it has been lost.

SECTION V

OF THE MODALITIES OF THE LEGAL ACTS

PARAGRAPH I

OF THE CONDITION

Art.318.- In legal acts, the parties may subordinate to a future and uncertain event the existence or the resolution of its effects.

Art.319.- The condition of an impossible fact, contrary to morals or good customs, or prohibited by law, renders the legal act void. The following conditions are especially prohibited:

- a) always inhabit a specific place or subject the choice of domicile to the will of a third party;
- b) to change or not to change religion;

c) marry a certain person, with the approval of a third party, or in a certain place or at a certain time; but the one to contract marriage will be valid; Y

d) living perpetually or temporarily celibate, or not marrying a specific person, or divorcing.

Art.320.- The condition must be fulfilled in the way it was stipulated. The fulfillment of the condition is indivisible even if the benefit consists of divisible facts. Only partially accomplished, the effects of the act legal do not exist or are resolved in part.

Art.321.- The condition will be deemed fulfilled, when the parties whose fulfillment takes advantage of, voluntarily resign it; or when, depending on the voluntary act of a third party, it will refuse to act, or refuse your assent.

Art.322.- If the relationship of law is subordinate to a resolutive condition, its effects cease by the fulfillment of it. From this moment on, the state prior to the celebration of the act is restored.

What he has received under the obligation must be restored.

Art.323.- Pending the suspensive condition, the fulfillment of the obligation to it cannot be demanded subordinate.

If by mistake the debtor has delivered goods in execution of the conditioned obligation, he may repeat them.

If the condition is not fulfilled, it will be judged that the act did not exist.

Art.324.- Whoever has a right subordinate to a suspensive condition may demand, in the event of the condition, damages and losses to the other party, if the latter, during the intermediate time of the suspension, has destroyed or limited the right depending on the condition. In case of a low act resolutive condition, will have the same right in the same circumstances, the one in whose benefit is restores the previous legal situation.

Art.325.- If someone has disposed of an object under suspensive condition, any subsequent act carried out on said object, pending the condition, it will be ineffective if the condition is fulfilled, to the extent that the dependent effect would be impaired.

It will be equated to this act that is carried out, pending the condition, by means of a forced execution, a However, or by the trustee of a contest.

The same will happen, being the resolutive condition, with the disposition acts carried out by the one whose right to cease for the fulfillment of the condition.

The declared cancellation will not affect the rights of third parties in good faith.

Art.326.- Once the condition has been fulfilled, the administration acts carried out by the owner during the intervening time.

Page 31

Art.327.- Pending the condition, the interested parties may use all the conservative measures of the rights that would correspond to them in the event that it is fulfilled.

PARAGRAPH II

OF THE POSITION

Art.328.- The charge imposed will only prevent the effect of the legal act when a condition is imported suspensive. In case of doubt, it will be understood that such a condition has not existed.

Art.329.- If there is a decisive condition due to lack of compliance with the imposed charge, the Judgment of the judge so that the beneficiary loses the acquired right.

Art.330.- If there is no resolutive condition, the lack of fulfillment of the position will not incur in the loss of the assets acquired and the interested parties will be exempt from the right to judicially restrict to the taxed to fulfill the imposed charge.

Art.331.- In the absence of a specified term, the charge must be fulfilled within the time indicated by the judge.

Art.332.- The obligation to fulfill the charge imposed for the acquisition of a right passes to the heirs which was taxed with him, unless it could only be fulfilled by the debtor, as inherent in his person. In this case, if the taxpayer dies without fulfilling the position, the acquisition of the right remains without any effect, returning the goods to the imposing of the position, or to his heirs.

As for third parties, the provisions for the resolutive condition will be applicable.

Art.333.- If the fact is not absolutely impossible, but it will become so later through no fault of the acquirer, the acquisition will subsist and the goods will be acquired free of charge.

PARAGRAPH III

OF THE TERM

Art.334.- It may be established that the legal effect of an act is not enforceable before the term expires, or that will be extinguished at the end of this. Said term may refer to a given date or to an event future that will necessarily occur.

Art.335.- The term in legal acts is presumed established in favor of all interested parties, unless that the opposite of the object of those or other circumstances results. Payment cannot be made before of the term but by mutual agreement. In wills, the term is in favor of the beneficiary.

Art.336.- The debtor submitted to bankruptcy cannot claim the term for the fulfillment of the obligation. Although the term has been established in favor of the debtor, the creditor can immediately demand the provision if the debtor had decreased, by his own act, the promised guarantees.

If the obligation is joint and several or secured, the term will not wane with respect to the other co-debtors or surety.

Art.337.- If the term is fixed by months or by years, the month of thirty days will be counted, and the year of three hundred sixty-five days, by the Gregorian calendar.

Art.338.- The terms of days will be counted from the day following the celebration of the act.

If the term is indicated by days counting from a certain one, this will be excluded from the calculation.

The term includes the expiration date. If it is a Sunday or a holiday, the fulfillment will take place the first next day that is not.

Art.339.- The period established for months or years will end at the end of the day of the last month that has the same number as the one in which the term began to run.

Art.340.- When the term begins to run from the last day of a month with more days than the one on which I will finish the term, it will expire on the last day of this month.

Art.341.- All terms will be continuous and complete, and must always end at midnight on the last day.

Sundays and holidays will be counted, unless expressly provided otherwise.

Article 342.- The provisions of the previous articles will be applicable to all the periods indicated by the laws, by judges, or by parties to legal acts, provided that the laws or those acts do not arrange otherwise.

Page 32

SECTION VI

OF REPRESENTATION IN LEGAL ACTS

PARAGRAPH I

OF REPRESENTATION BY POWER OF ATTORNEY

Art.343.- Legal acts between living may be celebrated through representatives. Those who will on family rights, they only admit representation in cases expressly authorized by this Code.

The consequences of a legal act will be considered with respect to the person of the representative, as concerning the vices of his will or the knowledge that he had or should have of certain circumstances.

Even if the representative is incapable, the act that he performs on behalf of his client will be valid.

Art.344.- The acts of the represented party shall be deemed to have been celebrated by the representative, provided that the I will execute within the limits of his powers. When it exceeds them, but the third parties are good faith, it will be considered that he acted within his faculties, obliging his principal if the act is understood within its enabling title. In the case of doubt, it will be understood that he proceeded on his own.

The error of the agent about the existence and scope of his faculties, will be judged according to the rules of the mandate.

Art.345.- The third parties with whom the representatives enter into a business have the right to demand that present them with the instrument that accredits the representation and the letters, orders or instructions that refer to it.

Article 346.- If the representative lacks powers, or has exceeded them and the represented, or the authority competent in his case, will not ratify the act carried out in his name, this will not bind the represented.

Art.347.- Ratification is equivalent to representation. It has retroactive effect to the day of the act, but would remain safeguarding the rights of third parties.

Art.348.- The representative must:

a) abide by their powers, the representative not being bound by what they do without powers or out of them, except for ratification;

- b) Refrain from formalizing a legal act with himself, whether on his own account or that of a third party, if the represented would not have authorized it, unless it is a matter of fulfilling an obligation;
- c) When the commission is to place funds at yields, refrain from applying them to their own businesses or to those of others also represented by him, if there is no express agreement of the represented party; but, when he has been entrusted to borrow money, he may facilitate it at interest in course; Y
- d) not to use their powers for their own benefit.

The acts celebrated with those who knew or should know the circumstances mentioned in the paragraphs above, will not bind the represented.

Art.349.- The represented party must abide by the date of the instruments that his representative has subscribed, unless it proves that they were backdated.

PARAGRAPH II

AUTHORIZATION AND RATIFICATION OF LEGAL ACTS

Art.350.- When the effectiveness of a contract, or of a unilateral legal act that interests another person, depends on the will of a third party, the consent or refusal of the third party may be made to anyone of the interested parties.

Art.351.- The assent will be revocable until the moment of the execution of the act, unless the contrary to the legal relationship by virtue of which said consent was granted. The revocation may communicate to any of the interested parties.

Page 33

Art.352.- The effects of the consent given later will be rolled back, unless agreed upon in contrary, at the time of the conclusion of the legal act.

The power to approve is passed on to the heirs.

Art.353.- The disposition act carried out by those who cannot legally do so is revalidated;

- a) when authorized by the owner, or through approval;
- b) when a prior authorization is required for the celebration of the act, it is granted later;
- c) if he later acquires the object; Y
- d) whenever he inherits the owner, provided that the acceptance of the inheritance is not for the benefit of Inventory.

When several acts of disposition have been carried out on the same thing and they cannot coexist,

The rules of obligations to give will apply.

SECTION VII

NULLITY OF LEGAL ACTS

Art.355.- The only nullities that the judges can declare are those that are expressly or implicitly established in this Code.

Article 356.- The null acts do not produce effects, although their nullity has not been judged, unless the cause of the nullity does not appear in the act, in which case it must be judicially verified.

The voidable acts will be considered valid as long as they are not annulled, and they will only be considered as such once. pronounced the sentence.

Article 357.- The legal act is null:

- a) when it has been carried out by an incapable person due to lack of discernment;
- b) if the act or its object are illegal or impossible;
- c) in case of not taking the form prescribed by law;
- d) if, depending on its validity on the instrumental form, the respective instrument is null; Y
- e) when the agent proceeds with simulation or fraud presumed by law.

Art.358.- The legal act is voidable:

- a) When the agent acts with accidental incapacity, as if for any reason he was deprived of your reason;
- b) when, executed by a person incapable of fact, he had discernment;
- c) if it is vitiated by error, fraud, violence or simulation;
- d) when, depending on its validity on the instrumental form, the respective instrument is voidable; Y
- e) if it was practiced against the general or special prohibition to dispose, issued by a competent judge.

Article 359.- When the act is null, its nullity must be declared ex officio by the judge, if it appears manifest

in the act or has been proven in court. The Public Ministry and all interested parties will have the right to plead it.

When the act is voidable, it may not proceed except at the request of the persons designated by law.

The Public Ministry may do so when it affects incapacitated or emancipated minors.

Art.360.- When an incapacitated person has proceeded with fraud to induce the other party to consent, neither he, nor his representatives or successors shall have the right to annul the act. If it is minor, the simple affirmation of his Older age will not disqualify you from obtaining the declaration of nullity.

In the case of a minor, the mere affirmation of his majority will not be taken as a sufficient deception.

If there are vices of the will, it will be the responsibility of alleging them exclusively to the injured party.

Page 34

Art.361.- The nullity pronounced by the judges return things to the same or the same state in which they were found before the act annulled, and imposes on the parties the obligation to mutually return all that have received by virtue of it, as if it had never existed, except for the exceptions established in this Code.

Article 362.- If the act is null or voidable due to de facto incapacity, the capable party may not demand the restitution of what was delivered, nor the reimbursement of expenses, unless it proves that it still exists in the possession of the incapable of what he had been given, or that the act resulted in its manifest benefit.

Art.363.- All real or personal rights transmitted to third parties over a property by a person that has become the owner by virtue of the annulled act, they remain without any value and can be claimed directly from the current holder.

Third parties may always rely on the rules that protect good faith in transmissions.

Article 364.- The null and void acts that were annulled, even if they do not produce the effects of the legal acts, may produce the effects of illegal acts, or of facts in general, whose consequences must be repaired.

Art.365.- The nullity of a legal act may be total or partial. In wills the ineffectiveness of a A particular provision will not affect the validity of the others, provided they are separable.

In relation to the acts between living, the partial nullity will totally invalidate them, unless of its context

It turns out that without that part they would also have been concluded, or that the injured party will choose to keep them.

SECTION VIII

OF THE CONFIRMATION OF ANNULABLE ACTS

Art.366.- A voidable act will be considered confirmed when by another valid one, who has the right to request the cancellation, make the vices disappear, provided that it is done after the disability ceases or defect from which the disability came.

Art.367.- Confirmation can be express or tacit. The instrument of express confirmation must contain, under pain of nullity, the substance of the act to be confirmed, the vice of which he suffered and the manifestation of the intention to repair it.

Art.368.- The form of the confirmation instrument must be the same established for the act that is confirm.

Art.369.- The tacit confirmation is the one that results from the voluntary, total or partial execution of the act voidable.

Art.370.- Confirmation, whether express or tacit, does not require the participation of the party in whose favor it is made.

Art.371.- The confirmation has retroactive effect to the day on which the inter vivos act took place, or to the day of death of the testator in acts of last will.

This retroactive effect will not prejudice the rights of third parties.

CHAPTER III

EXERCISE AND PROOF OF RIGHTS

SECTION I

ON THE EXERCISE OF RIGHTS

Art.372.- The rights must be exercised in good faith. The abusive exercise of rights is not protected by law and undertakes the responsibility of the agent for the damage caused, be it when

It is exercised with the intention of damaging even without its own advantage, or when it contradicts the purposes that the law had in sight by recognizing them. This provision does not apply to rights that by their nature or in Under the law they can be exercised at their discretion.

Art.373.- A fact imposed by legitimate defense is not contrary to the law. This defense takes place

when it is required to divert from oneself or from another an actual attack carried out in violation of the law.

Art.374.- He who deteriorates or destroys another's property to remove from himself or from another the damage with which that threatens, will not charge against the right when the deterioration or destruction is required to remove the danger, and the damage is not disproportionate to it.

Page 35

If the agent was at fault for the risk, he will be obliged to compensate for the damage.

SECTION II

OF THE TEST

PARAGRAPH I

OF PUBLIC INSTRUMENTS

Art.375.- Public instruments are:

- a) public deeds;
- b) any other instrument authorized by notaries or public officials, under the conditions determined by law;
- c) the procedures and measurement plans approved by the judicial authority;
- d) judicial actions carried out in accordance with procedural laws;
- e) bills accepted by the Government, or in its name and representation by a State Bank; the banknotes or any title of credits issued in accordance with the respective law and the entries of the books of Public Administration accounting;
- f) the registration of the public debt;
- g) entries in public records, and
- h) the authorized copies or photocopies of the public instruments and the authentic certificates of their fundamental constancies. If these do not coincide with the original, the latter will prevail.

Art.376.- The validity of the public instrument requires:

- a) that the authorizer acts within the limits of his powers regarding the nature of the act;
- b) that it extends within the territorial jurisdiction assigned to the public official for the exercise of their functions, unless the place is generally considered to be included in it; Y
- c) that once the legal forms are filled out, it contains the signature of the authorizing official, as well as those of all those that appear as parties or necessary witnesses of it. If any of the persons mentioned do not subscribe, it will be worthless to all.

The lack in the public official of the qualities or conditions necessary for the performance of the position, or

Any irregularity in their appointment or reception of employment will not affect the effectiveness of the act.

Article 377.- The following are null instruments:

- a) Those that the public official authorized after being notified of their suspension, replacement or dismissal in office, or after his resignation is accepted;
- b) those in which the authorizer, his spouse or his relatives within the fourth degree of consanguinity or second of affinity, have personal interest regarding the matter to which it refers; but, if the interested parties were only because they have part in corporations or are managers or directors of them, the act will be valid; Y
- c) those that do not fulfill the conditions prescribed for the validity of the public instrument.

Art.378.- The following will be voidable:

- a) If the public official, the parties or the witnesses had authorized or signed them by mistake, fraud or violence; Y
- b) whenever they have amendments, words between the lines, erasures or alterations in capital points, not saved before signatures.

Art.379.- The instrument authorized by an incompetent official, or that does not have the legal forms, will be valid, without However, as a private document, if the parties have signed it.

Art.380.- They cannot be witnesses in public instruments:

- a) minors, even if they were emancipated;
 - b) those subjected to interdiction or disqualification;
-

- c) the blind;
- d) those who do not know or cannot sign;
- e) the dependents of the public official authorizing the act, or of other offices where the same are granted instruments;
- f) the spouse and relatives of the public official and of the parties within the fourth degree of consanguinity and second of affinity; Y
- g) Those who by sentence are disqualified to be witnesses in public instruments.

Art.381.- The error on the capacity of the incapable witnesses who have intervened in the instruments public, but generally considered capable, saves the nullity of the act.

Art.382.- The witnesses of a public instrument and the official who authorized it may not contradict, vary or alter its content, unless it has been subscribed by fraud or violence.

Art.383.- The public instrument will be fully faith as long as it is not argued as false by criminal or civil action, in main trial or in incident, on the reality of the facts that the authorizer will state as compliments of him or passed in his presence.

Art.384.- Judges may declare ex officio the falsity of a public instrument presented in court, if from its context, form and set, it will be manifest to be vitiated by falsehood or alterations in parts essential.

If an authorized copy of the public instrument is alleged to be false, its comparison with the original, diligence that the judge may order ex officio.

Art.385.- Public instruments make full faith between the parties and against third parties:

- a) regarding the circumstance of having executed the act;
- b) regarding the conventions, provisions, payments, acknowledgments and other statements contained in them; Y
- c) about statements of facts directly related to the legal act that forms the main object.

Art.386.- The content of a public instrument may be modified or rendered ineffective by a public or private counter-document that the interested parties grant; but, the private counterdocument does not will have no effect against the successors in a singular title, nor will the public deed, if its content It is not noted in the parent deed and in the copy by virtue of which the third party has acted.

Art.387.- When the original public instruments have been destroyed or disappeared, and they exist authorized copies of them, the judge may order, with summons and hearing of the interested parties and intervention of the Public Ministry, that the copy be filed in the protocol of a registry clerk as original instrument.

Art.388.- If in the case of the preceding article there is no copy that can be used, the legal act may be tested:

- a) by the mentions that exist in other public instruments, of the instruments destroyed or disappeared, as well as in the sentences, breakdown proceedings, or background of the title verified by the official who quotes them, and others like them;
- b) in the case of instruments registered in the public registers, or transcribed in the sentences judicial, by the records of these; Y
- c) by official publications, by newspapers in which they have been transcribed or mentioned circumstantially the instruments, and by the data they contained.

In all cases, the justification that the original instruments disappeared will be necessary. His previous existence cannot be proven by means other than those listed.

PARAGRAPH II

OF PUBLIC SCRIPTURES

Art.389.- Deeds and other public acts may only be authorized by notaries and notaries of the record. In places where there are no public notaries, they will be authorized by the Justices of the Peace. The notaries will personally receive the declarations of the interested parties and will be responsible for their writing and the accuracy of the content, even if they were written by their dependents.

Art.390.- The deeds must be written in Spanish. If the appearing parties do not know how to speak it, proceed as follows:

a) The writing will be done in full accordance with a minute writing in the language in which the appearing parties can express themselves, signed by them in the presence of the notary who will attest to the act and will perform the recognition of the signatures if they have not signed it in their presence. The minute will be poured into Spanish by a registered public translator and signed by him in the presence of the notary, who likewise will attest to it. Both the minute and its translation will be filed in the Registry, as part of the writing; Y

b) If the appearing parties do not know how to write or in their own language, they will dictate their minutes to the translator public that he will put in writing in Spanish, the one signed by him will be filed in the protocol as part of writing. This will be done even when the clerk and witnesses know the language of the appearing.

Art.391.- If any of the grantors is deaf or mute who knows how to make themselves understood in writing in unequivocally, the deed will be done in accordance with a minute, whose signatures must acknowledge before the notary, when they have not signed it in his presence. Grantors should read the writing, and as long as they know how to do it, they will write in their own hand, before signing, that they have read and agree with it. The clerk will attest to the aforementioned circumstances and will file the minutes, as part of writing.

Art.392.- If the notary public does not know the parties, they must prove their identity with a document suitable legal, or failing that, with the testimony of two people known to him, of which he will attest, stating, in addition in the deed, their name and surname, address or residence of them.

Art.393.- If the parties act through representatives, the notary will proceed in accordance with the following standards:

a) If it is necessary to deliver the powers and enabling documents, it will express compliance with this circumstance and will add them to your protocol;

b) If the proxies are general, it will transcribe them in its protocol and will put in them a note of having it effected;

a) c) if the powers and documents have been granted in its registry, it will express this circumstance, with indication of the respective volume and folio; and d) if you have to return instruments granted by notaries or officials authorized as such, will be limited to attesting to having confronted them with the matrix or the original.

The provisions of subsections a) and b) shall apply with respect to the documents that the interested parties present as an integral part of their declarations.

Art.394.- The public deed must state:

a) the names and surnames of the parties, their marital status, if they are of legal age, their nationality and address;

b) the place and date on which they signed, which may be on a holiday; Y

c) the nature and purpose of the act.

Art.395.- If the parties decide, after the deed has been signed by them, but before any made by the clerk, correct it or make it added, these will only be valid if they are extended below by the former, read in the presence of witnesses, if any, signed by all those appearing and authorized by the clerk.

Art.396.- Without prejudice to the provisions on the nullity of public instruments, deeds are null. public if any of the following requirements are missing:

a) the date and place in which they were granted;

Page 38

b) The names of the parties, of the representatives, if applicable, and of the witnesses for the hearing, if applicable. that they are required;

c) the object and nature of the act;

d) the mention, where appropriate, that the powers and enabling documents are in the protocol of the notary who authorizes it;

e) the attestation of the notary to know the parties, or failing that, the evidence that they they justified their identity in the prescribed way;

f) the proof of having personally received the declaration of the grantors and witnessed the

deliveries that, according to the deed, were made on the spot, as well as that the deed has been read to the interested parties and the instrumental witnesses, if any;

g) the signature of the parties, in the prescribed form, indicating the impediment in the case of signature or I beg; Y

h) the signatures of the notary public and of the witnesses, if any.

The deed will also be null if any of the witnesses is incapable, and if it is not found on the page of the corresponding protocol according to chronological order.

Art.397.- The notary public must give an authorized copy of the deed to the parties that request it. Naps They ask for other testimonies, it will deliver them stating in them and in the protocol that circumstance; but If in writing, any of the parties had been obliged to give or do something, the second copy will not It may be given without the express authorization of the judge.

Art.398.- The protocolization of documents required by law, will only be done by virtue of a court order. The Notary public must add the instrument to their protocol, by means of an act that only contains the data necessary to identify it and deliver testimony to the interested parties who request it.

PARAGRAPH III

OF PRIVATE INSTRUMENTS

Art.399.- Private instruments may be granted on any day, and be drawn up in the form and language that the parties deem convenient, but their signature will be essential for its validity, without that it be allowed to replace it with signs, or by the initials of the names or surnames.

Art.400.- Private instruments that contain bilateral conventions must be drawn up in as many copies as parts have different interests, with expression in each of them the number of subscribed copies.

In such a case, it does not matter that a copy lacks the signature of its holder, provided that it appears that of the others obliged.

In the absence of the stated requirements, the instrument may only be used, where appropriate, as a principle of proof. written.

Article 401.- The omission of the requirements mentioned in the previous articles does not affect the validity of the act:

- a) when one of its grantors has fulfilled all the obligations assumed by him in the convention;
- b) provided that other evidence shows that the act was definitively concluded;
- c) if, by mutual agreement, the parties deposited the instrument with a notary public or another person in charge of keeping it;
- d) when the grantors subsequently comply in whole or in part, the obligations contained in the instrument. The execution by one of them without the concurrence or intervention of the other does not prevent the vice subsists with respect to the latter; Y
- e) If whoever alleges the lack of the requirement, will present their respective copy.

Art.402.- Private instruments can be signed blank before being drafted, and in such case, they will be authentic, once the signatures have been filled in and recognized.

Page 39

The signatory may, however, oppose the content of the document, proving that he did not intend to declare what is stated in it, or to contract the obligations that result from it. The saying will not suffice of the witnesses, unless there is a principle of evidence in writing.

The nullity decreed by the judge in such a case will not produce effect against third parties who have hired good faith.

Art.403.- If the document signed in white has been stolen or fraudulently obtained from the signatory, or the person to whom it has been entrusted and filled out by a third party to the detriment of the signatory, all means of proof may be admitted. The conventions made with third parties by the bearer of the The instrument cannot be opposed to the signatory, even if the third parties have acted in good faith.

Article 404.- Any person against whom a private instrument is presented in court whose signature is attributes, you must declare whether or not the signature is yours.

The successors may limit themselves to stating that they do not know whether or not she is the cause.

If the signature is not known, the collation of the same will be ordered, without prejudice to the other means of proof to prove its authenticity.

The judicial recognition of the signature matters that of the body of the instrument.

Article 405.- No person who has signed a private instrument with initials or signs may be obliged to recognize them as his signature, he may, however, voluntarily recognize them, and in such case, the initials or signs will serve as your true signature.

Article 406.- Private instruments whose signers are incapable will not be admitted for recognition. at the time of being summoned to do so, even if at the time of signing them they had been able.

Art.407.- The private instrument judicially recognized by the party to whom it opposes, or declared duly recognized, has the same value as the public instrument among those who have signed it and their successors.

The proof that results from the recognition of private instruments is indivisible and has the same force against those who recognize them, than against those who present them.

Art.408.- The private instruments, although they are recognized, do not prove against third parties or successors in a singular title, the truth of the date expressed in them. Its certain date will be with respect to said people:

- a) that of its exhibition in court, or in a public distribution, if it will be filed there;
- b) that of its authentication or certification by a notary public;
- c) that of its transcription in any public registry; Y
- d) the death or permanent physical inability to write of the party who signed it, or of the who issued it, or who signed as a witness.

Art.409.- The notes written or signed by the creditor in the margin, back or after a private document in the possession of the debtor, they will try to free him, but not to establish a additional obligation.

The same shall be understood with respect to the notes written or signed in the same way by the creditor in existing instruments in your possession.

In both cases, the canceled or disabled notes will lack probative merit.

PARAGRAPH IV

OF THE LETTERS AND OTHER WRITTEN EVIDENCE

Article 410.- The letter that, due to its content, is confidential at the discretion of the judge may not be used by a third party in trial, nor with the consent of the addressee, and will be rejected ex officio.

Art.411.- Letters addressed to a person may be presented by him in court when they constitute a means of demonstration, in dispute in which it is interested, whatever its character.

Page 40

Letters addressed to third parties may also be submitted with your consent, in a judgment that it is not part. The holder does not need this assent when the content of the letter is to be considered, common to him, or when it had to be delivered by the addressee.

It can also be invoked by a litigant, when in another trial it has been presented by the addressee or a third. Outside of these two cases, the recipient's refusal to authorize its use will constitute an impossibility. insurmountable for employment, even if the letter is not confidential.

Art.412.- The probative value of the letters does not depend on the observance in any way. They may be admitted, according to the circumstances, even if they are not signed, if they are handwritten, or if they are only subscribed with signs or initials. Letters addressed to third parties, even if they refer to obligations, will not be considered as private instruments subject to the prescriptions of this Code, and their merit is will judge in accordance with the provisions of these articles.

Art.413.- The books or household records of non-merchants do not constitute evidence in their favor. Evidence against them:

- a) when they expressly state a payment received; Y
- b) when they contain the express mention that the annotation has been made to replace the lack of title in favor of the person indicated as the creditor. Whoever wants to take advantage of them must also accept them in the part that hurts you.

Art.414.- Except for special laws on communication media, telegrams will only have the probative value of private instruments, when the original existing in the office where the dispatched contains the sender's signature. It is presumed that the copy delivered to the recipient is compliant to the original.

Art.415.- Photocopies of private instruments, found in administrative or judicial files, or

in the protocol of a notary, bearing the certification of the competent administrative official, of the
The actuary of the process or the clerk, where appropriate, will be considered as faithful and exact reproduction of the originals.

Art.416.- The recognition or renewal of a legal act makes full proof of the declarations contained in the original act, if it is not demonstrated by the display of the latter that there has been an error in the recognition or renewal.

BOOK TWO

OF THE FACTS AND LEGAL ACTS AND OF THE OBLIGATIONS

TITLE II

OF THE OBLIGATIONS

CHAPTER I

OF THE OBLIGATIONS IN GENERAL

SECTION I

OF THE EFFECTS

PARAGRAPH I

OF THE GENERAL PROVISIONS

Art.417.- Obligations derive from any of the sources established by law.

Art.418.- The provision that constitutes the object of the obligation must be subject to assessment economic and correspond to a personal interest, even when it is not patrimonial of the creditor.

Art.419.- The obligation to deliver a certain thing includes taking care of it up to its tradition.

Article 420.- The creditor, as a consequence of the obligation, is empowered:

- a) to use legal means, so that the debtor complies with the provision;
- b) to procure it for another at the expense of the obligor; Y
- c) to obtain the pertinent compensation.

Page 41

Art.421.- The debtor will be liable for the damages that his fraud or fault incurred to the creditor in the fulfillment of the obligation. There will be guilt when those procedures required by the nature of the obligation and that correspond to the circumstances of the people, time and place. The Liability for fraud cannot be waived in advance.

Article 422.- The debtor will be liable for the fraud or fault of their legal representatives, or of the people who would have used in the fulfillment of the obligation. Waiver of this responsibility may be agreed.

Art.423.- The debtor will be responsible for the damages that his late payment will cause to the creditor in the fulfillment of the obligation.

Art.424.- In term obligations the default occurs by the sole expiration of the former. If the term does not is expressly agreed, but will result from the nature and circumstances of the obligation, the
The creditor must challenge the debtor to establish him in default.

If there is no term, the judge, at the request of the party, will fix it in summary procedure, unless the creditor chooses to accumulate the actions for setting the term and for compliance, in which case the debtor will be constituted in arrears on the date indicated in the judgment for the fulfillment of the obligation.

In order to be exempt from the responsibilities derived from the default, the debtor must prove that it is not chargeable.

If the obligation derives from an illegal act, the delay will occur without question.

Art.425.- If the non-performance of the obligation is malicious, the damages and interests will also include the mediate consequences.

Article 426.- The debtor will not be responsible for the damages and interests that originate the creditor due to lack of fulfillment of the obligation, when these result from unforeseeable circumstances or force majeure, unless the debtor has taken responsibility for the consequences of the fortuitous event, or it has occurred through his fault, or has already incurred in default, which was not motivated by unforeseeable circumstances or force majeure.

Art.427.- Accessory rights and obligations are subordinate to the existence of the main ones,
The nullity or extinction of the former will not be effective with respect to the latter.

Article 428.- The creditor will be in default if he refuses to receive the provision offered, despite meet the payment requirements; or when, intimidated to the effect, I do not carry out the facts that concern him to verify it, or whenever it is not in a position to comply with its consideration. Will not incur

The creditor is in default if the debtor who made the request could not execute the payment in that

chance.

Article 429.- The default of the creditor will produce the following effects:

- a) The debtor will only be liable for his own fraud and fault, which will be appreciated in accordance with the rules established by this Code;
- b) If uncertain things are owed, the risks will be borne by the creditor as long as the intimation to receive the chosen thing;
- c) the obligation of the debtor to return the products of a thing, or pay the amount thereof, it is limited to what it has actually received;
- d) The debtor shall have the right to be compensated for the costs of conservation or storage, as well as the motivated by unsuccessful requests; Y
- e) The debtor will be empowered to pay by consignment in accordance with the rules established by this Code.

PARAGRAPH II

OF THE COMMON GUARANTEE FOR CREDITORS

Art.430.- The debtor is responsible for the fulfillment of his obligations with all his present assets and futures.

Limitations of liability are allowed only in the cases established by law.

Art.431.- The existence of an obligation does not deprive the debtor of the power to dispose and manage their goods, except in the case that restrictive measures have been issued, in accordance with the procedural rules.

Page 42

Art.432.- If the obligation has as its object things that are in the possession of the debtor, the holder may judicially require their delivery, and execute the removal by force.

Article 433.- The creditor may demand the judicial sale of the debtor's assets, but only to the extent necessary to satisfy your credit.

Rights that by their nature or by provision of the law are not transferable are excepted.

PARAGRAPH III

OF THE CAUSES OF PREFERENCE IN THE PAYMENT OF CREDITS

Art.434.- Creditors have the same right to be satisfied in proportion to their credits on the product of the debtor's assets, except for legitimate causes of priority.

Outside of the cases expressly determined by law, no credit will have preference in payment.

Art.435.- Credits with special privilege prevail over credits with general privilege.

The special privilege of the mortgage confers the right to preferential payment of the guaranteed credit. That will be computed from the registration of the real security right, in the public registry correspondent. Registrations on the same day are pro rata.

This same provision will govern in loans with collateral.

Art.436.- Simple or common credits will be paid pro rata on the remainder of the assets, one privileged credits have been covered. Privileges cannot be made effective on movable things to the detriment of the right of retention.

In the case of real estate, the retention may not be opposed to third parties who have acquired rights. real over them, registered before the constitution of the opponent's credit.

As for those registered afterwards, the retention cannot be enforced if it has not been recorded. preventively prior to the credit, and its amount, cash or eventual, in the respective registry.

Art.437.- The following are privileged credits on certain pieces of furniture:

- a) the legal expenses incurred for the realization of the thing and the distribution of the price;
- b) credits the State and the municipalities for all tributes, taxes and fees, which are levied on the existing objects, retained or seized in customs, or establishments of the State or Municipality, or authorized or monitored by them for import, extraction or consumption rights, as long as they remain in creditor power. If he is dispossessed of them against his will, it will proceed as a case of garment;
- c) the credit of the pledgee. The dispossessed against his will may claim the thing encumbered in pledge for three years, under the conditions prescribed for the holder. When several Creditors on the same pledge, the oldest will have priority according to the order of their constitution, and those of the same date will divide the price pro rata. If the garment has been established, through the delivery of the documents that confer the domain or a guarantee right over the things held by

third parties due to special privileges, the pledgee must bear such preferences.

The privilege accorded to the pledge credit extends to judicial matters by the intervention in the execution process, to the interests owed for the current year on the date of the pledge and for those of the last year;

d)

the costs of conservation, repair, manufacture or improvement of movable things, always that these are in the possession of the creditor.

The privilege also has an effect to the detriment of third parties who have rights over things, when the who made the benefits or expenses has proceeded in good faith.

The creditor may retain the thing subject to the privilege as long as his credit is not satisfied and may sell it according to the rules established for the sale of the thing pledged;

e) credits for supplies of seeds, fertilizers, pesticides and water for irrigation, such as also credits for cultivation and harvesting work, has privileges over the fruits whose production have attended.

Page 43

This privilege may be exercised while the fruits are on the farm, on its premises or in public deposits. The provisions of the second and third section of the previous paragraph;

f) State credits for indirect taxes have privileges over the furniture to which the tributes refer;

g) credit for lodging and supplies to people staying in an inn, on movable things taken by them to the inn or hotel and to their dependencies and who continue to meet there.

This privilege also has effect to the detriment of third parties who invoke rights over said things, under the pretext of being stolen or lost, unless the hotelier was aware of such rights at the time things were brought into your hotel. In the absence of persons required by law will concur, however, with the expenses of medical care and funerals, when the illness or the the traveler's death had occurred at the inn;

h) credits depending on the land transport contract and credits for tax expenses anticipated by the carrier, they have privilege over the things transported as long as they remain in its power of attorney, and during the fifteen days that follow the delivery made by the addressee;

i) The credits derived from the execution of the mandate, have privilege over the things of the principal that the agent stops for the execution of the mandate;

j) the credits derived from the deposit in favor of the depositary also have privileges over the things that it holds as a result of the deposit;

k) the credit of the owner of the deposited thing has privilege over the price owed by the buyer, when the depositary or his heir had sold it, even if it proceeded in good faith;

l) Credits for one year of rental housing or commercial premises, as long as the eviction. This privilege includes furniture owned by the tenant and found within the estate. Except money, and credits and titles, as well as movable things that can only be found accidentally and must be removed, when the landlord has been instructed of their destination or knew him by the profession of the tenant, the nature of things or any other circumstance. I dont know extends to things stolen or lost.

When the affected things have left the property, the landlord may seize them, within the term of thirty days, without prejudice to the rights acquired by third parties in good faith;

ll)

In the case of civil liability insurance, the credit of the injured party on the compensation, has privilege over the compensation due to the insured; Y

m) the amount of compensation from work accident has privilege over the value of the Premiums to be returned by the insurance company in the event of its failure.

Art.438.- The following are privileged credits on certain properties:

a) the legal expenses incurred to carry out the property and distribute its price;

b) taxes and fiscal or municipal fees that fall directly on the property, prior to the constitution of the mortgage or credit with which they conflict, if they are manifested by the competent administration in the certificate necessary to achieve the deed.

The unmanifested will not enjoy the privilege.

Post-mortgage charges or taxes, if they are periodic, will only have priority over the last two years, and for the time that elapses during the trial;

Page 44

c) the credit of the neighboring owner who has built the dividing wall, as provided by law relevant, if it has been registered in the Real Estate Registry before the constitution of the mortgage or the credit. If the construction is later, the inscription will be unnecessary; Y

d) mortgage loans on the price of the property. This privilege subsists on the unpaid price of the accessories sold.

Art.439.- The privileged credits that concur on certain movable or immovable property will be exercised in the order of their numbering. Those of the same category will be settled pro rata.

After deduction, in all cases, of the amount of legal expenses made in the interest of all the concurrent and covered credits that are the special credits, the remainder of the product of the movable and immovable will enter the estate.

When it is not possible to pay the amount of the preferred credits, they will remain for the balance converted into unsecured.

Art.440.- The special privilege over certain movable and immovable things will be extended to the compensation owed by the insurer of the thing and any other compensation owed by reason Of the same.

Article 441.- When the thing affected to a special privilege is alienated, the privilege will be exercised over the price that was owed and could be individualized.

Article 442.- Whoever has a special privilege over various pieces of furniture may exercise it for the entirety of his credit on all or some of them.

In the latter case, the privileged in a lower degree with respect to the things done, will have the right to demand that the credit be distributed proportionally over all the affected assets, and it will be recognized the part that would have corresponded to them on the other assets, although in relation to them had no preference.

Article 443.- The holders of the following credits are creditors of the estate or bankruptcy:

- a) those of justice, originated by the bankruptcy or succession procedure;
- b) those of administration, realization and distribution of the goods;
- c) those arising from obligations legally contracted by the bankruptcy trustee or by the administrator of the succession and those derived from his acts;
- d) those resulting from contracts whose fulfillment corresponds to the estate; Y
- e) those arising from undue enrichment of the mass.

The credits listed will be paid in the same range, with preference to the other creditors, but on the thing affected to special privilege will only gravitate proportionally to the benefit received by the creditor.

Art.444.- They are privileged credits on the generality of the debtor's assets and will be exercised in the order of its enumeration;

- a) The funeral expenses of the debtor incurred in moderation, as well as those of his spouse and children who live with him;
- b) the expenses of the debtor's last illness, during the term of six months. This arrangement is applicable to those of his spouse and children living with him;
- c) The expenses of burial of the deceased and the erection of a sepulcher according to the importance of the inheritance; and whose limit is set at ten percent calculated on the updated value at the time of the inventory; Y
- d) those of the State and the Municipality, for taxes, fees and contributions corresponding to the current year and to the immediately preceding one.

Art.445.- The maritime, aeronautical, and other privileges recognized by laws remain subsisting special, insofar as they do not oppose the rules of this law. The privileges of the credits of the workers will be governed by the respective laws.

PARAGRAPH IV

SUBROGATORY AND REVOCATION ACTION

Article 446.- Creditors, even eventual ones, can exercise all the rights and actions of their debtor, relating to the assets of the latter, but only when the obligor ceases to do so and with a summons from him, to take part in the trial.

Art.447.- The following are excluded from what is prescribed in the previous article:

- a) the right of administration and disposition of the goods;
- b) the powers inherent to legal capacity, and also to the state in family relations, even if they have patrimonial effects; Y
- c) the rights and assets that cannot be seized by legal provisions.

Article 448.- The exceptions and extinction causes referring to the right exercised are opposable to the creditor, even in the case of being based on facts of the debtor subsequent to the demand.

Art.449.- The subrogation and revocation actions that are the responsibility of the creditors will be exercised in accordance with the provisions when dealing with legal acts held in fraud of creditors.

SECTION II

OF DAMAGES AND INTEREST

PARAGRAPH I

OF LEGAL COMPENSATION

Art.450.- Damages include the value of the loss suffered and that of the utility not received by the creditor as a result of default or breach of obligation. Its amount will be set at money, unless the law provides otherwise.

Art.451.- When the obligation not fulfilled comes from acts for consideration, and in all other cases in which the law authorizes it, there will be a place for compensation, even if the damage was not patrimonial, the judge estimate its amount according to the circumstances.

Art.452.- When the existence of the damage had been justified, but it was not possible to determine its amount, compensation will be set by the judge.

Art.453.- In the obligations to give sums of money, the compensation will be determined in the form established in the corresponding paragraph.

PARAGRAPH II

OF THE CRIMINAL CLAUSE

Art.454.- A penalty may be stipulated in the case of total or partial non-compliance, or delay in the performance of an obligation, whether in favor of the creditor or a third party.

In each of these cases the penalty replaces the compensation of the respective damages and interests. The creditor will not be entitled to a greater penalty even if he proves that the compensation is not sufficient. To obtain it, he is not obliged to prove that he has suffered damage, nor will the debtor be exempted from satisfying it proving that the creditor has not suffered any damage.

Art.455.- The nullity of the penal clause does not affect the validity of the legal act. But the nullity of this cause that of the penalty, unless the obligation to compensate arises from its invalidity, in which case the penalty fee. Once the legal act is annulled, however, the penalty will subsist, if it has been agreed by a third party with the clause to be incurred if he does not fulfill the main obligation.

Article 456.- Only the debtor in default incurs the penalty. In term obligations, she will be payable from its expiration date.

Art.457.- The debtor may not be exempted from complying with the main obligation for the payment of the penalty, except in the case in which this right has been expressly reserved.

Art.458.- The creditor may not request compliance with the obligation and the penalty, but one of the two things, at their discretion, unless the penalty appears to have been stipulated for the simple delay, or agreed that for the payment of the penalty the main obligation is not understood as extinguished.

Article 459.- The judge will equitably reduce the penalty when it is manifestly excessive, or when the main obligation had been partially or irregularly fulfilled by the debtor.

Art.460.- If the obligation of the penal clause is indivisible, or jointly and severally, each of the co-debtors, or the joint heirs of the debtor, is obliged to pay the entire penalty.

Art.461.- If the main obligation is divisible, and there are several debtors or heirs of the debtor, Only the one who contravenes the obligation on his part therein will incur the penalty.

If the main obligation is indivisible, but the obligation of the penal clause divisible, each of the co-debtors or heirs of the debtor will not incur the penalty except in proportion to their part in it.

Art.462.- The penalty imposed by a third party is valid for the case of breach of the obligation principal by the debtor. As soon as it is appropriate, the stipulation of the penalty will be governed by the rules of the bail. Equally valid is the penalty to which the third party is bound in the event that the debtor alleges the nullity of the credit, provided that he knows the cause of the nullity and this does not come from the fact that the of the act is outside the trade, is prohibited by law, or is impossible, illegal, contrary to good customs that oppose freedom of actions, or conscience, or that harm third parties.

CHAPTER II

OF THE OBLIGATIONS IN RELATION TO THE OBJECT AND THE SUBJECTS

SECTION I

OF THE OBLIGATIONS IN RELATION TO THE OBJECT

PARAGRAPH I

OF THE OBLIGATIONS TO GIVE CERTAIN THINGS

Art.463.- If the provision is intended for individually determined things, it includes all accessories thereof at the time the debt is constituted, even if they had not been mentioned in the title. The fruits received before delivery belong to the debtor and the pending ones to the creditor.

Art.464.- If the provision consists of the delivery of a property, the obligation will be valid only when the property is individually determined or determinable.

Art.465.- If the thing must be transferred for consideration to constitute domain, usufruct, or right of use or habitation, improve or increase after the obligation is constituted, due to a fact other than the debtor, and Even without any disbursement, it may require a proportional supplement to the consideration.

In case of disagreement of the creditor, the obligation will be dissolved.

The increases or improvements due to the debtor after the contract do not give rise to any right.

Art.466.- When several creditors have the right to deliver the same property, it will be preferred the one who first entered his title in the registry. In no case may the knowledge of the creditor on the existence of other credits, even if it is of a previous date. In the absence of registration, the Preference belongs to the oldest title creditor.

Art.467.- Among several creditors with the right to the same movable thing, it will be preferred, if there is no made the tradition, the one to whom it should be restored, if it had a title that proves its dominion. In its By default, the oldest title creditor will be preferred.

Art.468.- If the obligation is to give certain things to transfer only the use of them, the rights are They will be governed by the rules relating to the location of things. If the obligation is to transfer only the tenure, the rights will be governed by the provisions relating to the deposit.

PARAGRAPH II

OF THE OBLIGATIONS TO GIVE UNCERTAIN THINGS

Art.469.- The person obliged to give uncertain things must deliver them of the kind and quality determined in the title constitutive. When only the species is fixed, the debtor will owe things of average quality. If the choice correspond to the creditor, will adhere to the same rule.

Art.470.- Before the individualization of the thing, the debtor may not exempt himself from compliance with the obligation due to loss or deterioration of the same, due to force majeure or fortuitous event, as long as the provision is possible.

Page 47

Art.471.- In case of default, the creditor can choose between the fulfillment of the obligation plus the damages of the delay, or the resolution with compensation for the breach.

Art.472.- After the thing has been individualized, the rules on obligations to give things will be applicable. certain.

Art.473.- When the provision consists of the delivery of an uncertain thing, determined between a number of certain things of the same species, it will be extinguished if all the things included in her, due to a fortuitous event or force majeure.

PARAGRAPH III

OF THE OBLIGATIONS TO GIVE MONEY SUMS

Art.474.- The pecuniary debts are extinguished by the payment made with the monetary sign that is current legal and cancellation force on the date of its expiration and for its nominal value.

Obligations and payment in different currencies are governed by special laws.

Art.475.- In the obligations to give sums of money, no default interest may be stipulated or compensatory or commissions higher than the maximum rates established by the Central Bank of the Paraguay, under pain of nullity of the respective clause, whatever the name assigned to the ancillary benefit payable by the debtor.

The interest owed by the fact of the default, even if the damage is not justified. The creditor cannot demand greater compensation by virtue of having suffered a loss greater than the non-performance of the obligation and in no case the compensatory interest added to the moratorium may exceed the maximum rate.

Interest on bank loans will be governed by its special legislation.

PARAGRAPH IV

OF THE OBLIGATIONS TO DO AND NOT TO DO

Article 476.- The person obliged to do must carry out the act in his own time and in the way that the intention was parties that the fact will be executed. If it does otherwise, it will be considered as not done, or it may be destroyed. that it was badly done.

The act may be executed by another, unless the person of the debtor has been chosen to do so for their industry, art, or personal qualities.

Art.477.- If the fact is impossible without fault of the debtor, the obligation is extinguished, for both part, and the debtor must return to the creditor what he has received by reason of it.

Art.478.- If the debtor does not want or cannot execute the fact, the creditor can demand the execution forced, unless violence against the person of the debtor is necessary. In the latter case, the Creditor may request damages and interests.

Art.479.- If the fact could be executed by another, the creditor may be authorized to execute it by account of the debtor, by himself or by a third party, or to sue the damages and interests for the non-execution of the obligation.

Art.480.- If the obligation is not to do, and the omission of the fact is impossible without fault of the debtor, or if the latter has been forced to execute it, the obligation shall be extinguished.

Art.481.- If the act is executed because of the debtor, the creditor will have the right to demand that destroys what has been done, or is authorized to destroy it at the expense of the debtor.

Art.482.- If it is not possible to destroy what has been done, the creditor will have the right to request the damages and interests caused by the execution of the act.

Art.483.- If the obligation consists in tolerating certain acts of the creditor or the use of property of the debtor, the execution may be legally demanded even if the use of force is necessary.

PARAGRAPH V

OF ALTERNATIVE OBLIGATIONS

Art.484.- The debtor of an alternative obligation is released by fulfilling one of the two benefits disjunctively included in the obligation, but cannot compel the creditor to receive part of the one and part of the other.

Page 48

Art.485.- When the debtor, alternatively sentenced to two benefits, does not execute any of them Within the term that has been set by the judge, the choice corresponds to the creditor.

If the power of choice corresponds to the creditor and he does not exercise it within the established period or the which has been set by the debtor, the choice passes to the latter. If the choice is left to a third party and they do not done within the term that has been set, it will be done by the judge at the request of the parties.

Art.486.- The alternative obligation is considered simple, if one of the two benefits could not constitute object of obligation, or if it has become impossible for reasons not attributable to any of the parties. In such cases the other benefit is due to the creditor.

When the choice corresponds to the debtor, the

alternative obligation becomes simple, if one of the two benefits is made impossible also by cause attributable to him. If one of the two benefits becomes impossible because of the creditor, the debtor

You are released from the obligation, if you do not prefer to perform the other provision and request compensation for the damage.

Art.487.- When the choice corresponds to the creditor, the debtor is released from the obligation, if one of the two benefits become impossible because of the former, unless the creditor prefers to demand the other provision and compensate the damage. If the debtor must answer for the impossibility, the creditor can choose the another benefit, or demand compensation for the damage.

When both benefits have become impossible and one has ceased to be because of the debtor, he must pay the equivalent of that which was made impossible last, if the choice corresponded to him.

If the choice corresponded to the creditor, he may request the equivalent of one or the other benefit.

Art.488.- The preceding rules will be equally applied when the benefits included in the alternative is more than two.

Art.489.- When the alternative obligation consists of annual benefits, the option made for one year does not obliges for others.

Art.490.- If all the benefits included in the alternative have been made impossible through no fault of the debtor before its constitution in default, the obligation is extinguished.

Art.491.- When in any kind of obligations the place, time, amounts, proportions or other Circumstances of the provision have been alternatively established, or dependent on option, The preceding rules on the right to carry them out and their effects will apply.

PARAGRAPH VI

OF OPTIONAL PAYMENT OBLIGATIONS

Art.492.- The creditor of an optional payment obligation, when demanding its fulfillment, may only claim the main benefit.

Art.493.- The optional payment obligation is extinguished when the principal obligation becomes impossible through no fault of the debtor, although the accessory could be made. If the impossibility is attributable to the obligor, the creditor You may request its equivalent or the accessory service.

Art.494.- In case of doubt about whether the obligation is alternative or optional, it will be considered an alternative.

SECTION II

OF THE PLURALITY OF CREDITORS AND DEBTORS

PARAGRAPH I

OF SEVERABLE OBLIGATIONS

Art.495.- Obligations are divisible when their object consists of benefits that allow the partial compliance.

Art.496.- The following are divisible:

- a) the obligations to give sums of money or other amounts and to give uncertain non-fungible things, that comprise a number of the same kind, which is equal to that of creditors or debtors, or their multiple;
- b) the obligations to do, determined only by a certain number of working days, or by measures expressed in the constitutive title; Y

Page 49

c) the obligations not to do, when it results from the nature of each service.

Art.497.- If the divisible obligation had more than one creditor or more than one debtor, it will be divided into so many Equal credits or debts as creditors or debtors, provided that the constitutive title does not determined unequal portions. If there are several creditors and debtors, the debt will be divided by the multiple of creditors and debtors. Each of the parties will be equivalent to a different benefit and Independent.

Creditors will only be entitled to their quota, and debtors will not be liable for the insolvency of the the rest.

Art.498.- When by virtue of the constitutive act, or the testament, or the partition, any of the debtors or his heirs were in charge of the payment of the entire divisible benefit, it will not be understood that there is a joint obligation.

The creditor may in such case demand full compliance from the person in charge of the payment, without prejudice to the rights that both had over the co-debtors or joint heirs. Similarly, it can be attributed to one or more of the creditors, or their heirs, the right to demand the full benefit.

PARAGRAPH II

OF INDIVISIBLE OBLIGATIONS

Art.499.- Obligations whose object consists of benefits that cannot be fulfilled are indivisible. partially.

Article 500.- The obligations to give certain bodies are indivisible, those to do not included in the Article 496 and those whose purpose is to constitute a property easement.

Art.501.- Any of the creditors may demand from each of the debtors, or from their heirs, the full fulfillment of the obligation or claim for common account the consignment of the thing due.

The co-debtor who pays the indivisible debt is subrogated in the right of the creditor in relation to his other co-bound.

Art.502.- The indivisible obligation ceases to be, when it is resolved in damages, or the divisible performance.

Art.503.- The responsibility for the delay, or the breach attributable to one of the debtors, is personal.

Art.504.- If only one of the creditors receives the full benefit, each of the others will be assisted by the The right to demand from him, in money, the part that corresponds to him in the total.

Art.505.- Only by consent of all creditors can dation in payment, novation, transfer of debt, remission of indivisible obligation, transaction, compensation or confusion.

If, in contravention of the provisions of the preceding paragraph, one of the creditors, without the agreement of the others, I will carry out the aforementioned acts, the obligation will not be extinguished with respect to these who may demand it, discounting the creditor's quota that stipulated the dation in payment, made the novation or the debt transfer, remitted the debt, consented to the transaction or admitted the offset or confusion.

Art.506.- Indivisible obligations shall be governed by the rules relating to joint and several obligations, in how much they are applicable.

Art.507.- The suspension of the prescription established for the benefit of a creditor will benefit all the rest.

PARAGRAPH III

OF SOLIDARITY OBLIGATIONS

Article 508.- The obligation is joint and several when all the debtors are, by virtue of the title, obliged to pay the same benefit, so that each one can be constrained to comply with the entirety of the object of it, and the fulfillment on the part of each liberates the others; or when between several Creditors each have the right to demand the fulfillment of the entire benefit and the fulfillment obtained by one of them frees the debtor from all creditors.

Page 50

Art.509.- Solidarity is not excluded by the fact that the individual debtors are each obliged with different modalities, or the common debtor is obliged with different modalities against singular creditors.

Neither does the inability of the debtor who is bound by others who are capable, such as the inability of a Creditor who stipulated with others who are capable, will exclude the solidarity of the obligation. Disability it can only be opposed by the debtor or the incapable creditor.

Article 510.- Solidarity is not presumed. It must be expressly stated in the law, and for legal acts, result from unequivocal terms.

Art.511.- The joint and several obligation will lose its character if the creditor expressly renounces the solidarity, agreeing to divide the debt between each of the debtors. But if I give up solidarity for the benefit of one or some of the debtors, the obligation will continue to be joint for the others, with deduction of the fee corresponding to the debtor exempted from solidarity.

Art.512.- The creditor, or each creditor, or the creditors together, may demand the payment of the debt by whole against all joint debtors together, or against any of them. They can demand the part that a single debtor corresponds. If they claim the whole against one of the debtors, they can claim it against others, as long as the debt is not fully collected. If they had claimed only the part of one, or otherwise they have consented to the division, with respect to a debtor, they may claim the whole against the others, with deduction of the part of the debtor released.

Art.513.- The debtor may pay the debt to any of the creditors, if it has not been previously sued by any of them, and the obligation is extinguished with respect to all. But if it had been sued by one of the creditors, the payment must be made to him.

Art.514.- The dation in payment, the novation, the compensation, confusion or remission of the debt, made by

any of the creditors, and with any of the debtors, extinguishes the obligation.

Art.515.- When the provision becomes impossible due to fault or during the delay of some of the joint co-debtors, the obligation to pay their value will subsist for all; but for damages or interest to If there is place, only the guilty or the defaulter will respond.

Art.516.- If any of the creditors or debtors dies leaving more than one heir, each of the Co-heirs will not have the right to demand or receive, nor will he be obliged to pay, but the quota that he corresponds in the credit or in the debt, according to his hereditary assets.

Art.517.- Any act that interrupts the prescription in favor of one of the creditors or against one of the debtors will take advantage of or harm the others.

Art.518.- The interest claim filed against one of the joint debtors makes the interest run respect to all.

Article 519.- The default of one of the joint creditors also produces its effects with respect to the others and in favor of all debtors.

Article 520.- The creditor who had collected all or part of the debt; or made remission or novation; or accepted the delegation by another debtor or by one of the joint and several with the release of the others; wave has been extinguished by compensation, it is obliged before its co-creditors to deliver to each part that corresponds to the credit, according to the constitutive title. In case of doubt, it is presumed that parts are equal. In case of confusion, the same procedure will be followed.

Article 521.- The sentence handed down in the judgment that the creditor followed against one of the joint and several debtors, does not

it will have an effect on others; but they may invoke it, unless it is based on a cause personnel for the litigating debtor.

The same rule will be observed when the judgment had been promoted by one of the creditors against the only obligated.

Article 522.- Each of the debtors can oppose to the creditor's action all the defenses that are common to all co-debtors and also those that are personal to them, but not those that are common to others debtors.

Article 523.- In internal relations, the joint obligation is divided between the various debtors, and the credit jointly and severally between the different creditors, in equal parts, unless it has been contracted, according to the title, in exclusive interest of some of them in different proportions. The debtor who has disinterested the creditor, or in whom the confusion has been operated, and has the return action against the other co-debtors, but only

Page 51

for his part in the obligation. The share of the insolvent is divided among the other original debtors, including those exonerated from solidarity or obligation, or their part in the debt, by the creditor.

The extinction of the credit by free referral is exempted from the return action.

CHAPTER III

OF THE TRANSMISSION OF OBLIGATIONS

SECTION I

OF THE ASSIGNMENT OF CREDITS

Art.524.- The creditor may transfer his credit for consideration or free, even without the consent of the debtor, provided that the credit is not strictly personal, or that its transfer is not prohibited by law.

The parties may exclude the transfer of the credit, but the agreement is not enforceable against the assignee, if it is not proof that he knew him at the time of the assignment.

Art.525.- When the transfer takes place by virtue of the law or sentence, it is opposable to the third parties without any formality, and even independently of any manifestation of will on the part of the creditor precedent.

Art.526.- The transfer of a credit includes its accessories and privileges, as well as the force executive of the title, if any.

Art.527.- Regarding third parties who have a legitimate interest in objecting to the assignment to preserve rights acquired after it, the credit is only transmitted to the assignee, by notification of the transfer to the assigned debtor, or through acceptance by it.

Article 528.- The notification must be made, under penalty of nullity, by judicial provision, by means of a notary, by collated telegram or other authentic means, and the substantial part of the contract will be transcribed therein.

Art.529.- If the facts and circumstances of the case show a collusion of the debtor with the assignor, or a serious imprudence of the former, the transfer of the credit, even if it is not notified or accepted, will with respect to him all its effects.

This provision is equally applicable to a second transferee guilty of bad faith, or of recklessness.

serious, and the assignment, even if it was not notified or accepted, may be opposed by the mere knowledge that he may have acquired from her.

Art.530.- Once the transferor's bankruptcy occurs, the notification of the transfer or the debtor's acceptance does not It will take effect for the creditors, if it occurs after the declaratory order.

Art.531.- The notification or acceptance of the assignment will not take effect when there is a seizure on the credit; but the notification will have effect with respect to other creditors of the transferor, or other assignees that they had not asked for the embargo.

Art.532.- If the same credit has been the subject of several assignments granted on different days to persons various, the transfer notified by act of a certain date will prevail, even if it is later.

If the notifications had been completed on the same day, without any of the minutes showing the Now, the assignees will be left in the same situation. If the time of the notification were recorded in the Act, the first shall prevail.

Art.533.- The notification and acceptance of the transfer cause the attachment of the credit in favor of the assignee, regardless of the delivery of the title constituting the credit, although an assignee above would have been in possession of the title, but it is not effective with respect to other interested parties if it is not notified by a public act.

Art.534.- The assigned debtor will be free if he pays the assignor before the notification or acceptance of the transfer, except for the provisions on collusion or gross negligence.

Art.535.- The debtor may also oppose the assignee with any other cause of termination of the obligation, and any presumption of release against the assignor, before the fulfillment of one or the other formality, as well as the same exceptions and defenses that the transferor could oppose.

Page 52

Art.536.- Even before notification or acceptance, the assignee may carry out all the acts conservatories related to assigned credit. That same right will correspond to the assignor, while those formalities had not been carried out.

Art.537.- The provisions of this Section will be applicable, as pertinent, to the transfer of other rights that do not have special regulation.

SECTION II

OF THE ASSIGNMENT OF DEBTS

OF THE DELEGATION, THE EXPROMISION AND THE LIABILITY OF THIRD PARTY

Art.538.- If the debtor assigns a new debtor to the creditor, who is obliged to the creditor, the debtor originator is not released from his obligation, unless the creditor expressly declares that he releases it. However, the creditor who has accepted the obligation of the third party cannot go against the delegator, if before it has not required compliance to the delegate.

Art.539.- If the debtor has commissioned a third party to make the payment, the latter may be bound in favor of the creditor, Unless the debtor has prohibited it. The third party delegated to make the payment is not obliged to accept the order, even when it is the debtor of the delegator.

Art.540.- The delegate may revoke the delegation while the delegate has not assumed the obligation regarding the delegation, or has not made the payment in favor of it.

The delegate can assume the obligation or execute the payment in favor of the delegate, even after death or the incapacity of the delegator supervening.

Article 541.- The delegate may oppose the debtor the exceptions related to his relations with him.

If the parties have not agreed otherwise, the delegate cannot oppose the delegatee, even if he has had knowledge of it, the exceptions that the delegator could have made, unless the relationship between the delegator and delegatee.

Neither can the delegate raise the exceptions relating to the relationship between the delegator and the delegate, if the parties have not made express reference to it.

Article 542.- The third party who, without delegation from the debtor, assumes the debt of the latter, is jointly and severally bound with the original debtor, if the creditor does not expressly declare that he is releasing the latter.

If nothing else has been agreed, the third party cannot oppose the creditor with the exceptions based on their

relates to the original debtor.

On the other hand, it can oppose the exceptions that the original debtor could have made against the creditor, if they are not personal to the latter and do not derive from events subsequent to the commitment. You cannot oppose the compensation that could have been deducted by the original debtor, even if it was verified before the expromotion.

Art.543.- If the debtor and a third party agree that the latter assumes the debt of the former, the creditor may adhere to the convention, in which case the stipulation made in your favor will be irrevocable.

The accession of the creditor imports the release of the original debtor only if this constitutes a condition of the stipulation or if the creditor expressly declares that he is releasing it.

If there is no release of the debtor, the debtor remains jointly and severally bound with the third party.

In any case, the third party is obliged to the creditor who has adhered to the stipulation within the limits in which it has assumed the debt, and can oppose the creditor the exceptions based on the contract under which the assumption has been verified.

Article 544.- The creditor who, as a result of the delegation has released the original debtor, does not have a action against him if the delegate becomes insolvent, unless he has expressly reserved it.

However, if the delegate was insolvent at the time he assumed the debt to the creditor, the original debtor is not released.

The same provisions will be observed when the creditor accepted the assumption stipulated in his favor and was express condition of the stipulation the release of the original debtor.

Page 53

Art.545.- In all cases in which the creditor releases the original debtor, the guarantees are extinguished attached to the credit, if the one who has lent them does not expressly consent to maintain them.

Art.546.- If the obligation assumed by the new debtor with respect to the creditor is declared null, and the The creditor had released the original debtor, the obligation of the latter is revived, but the creditor cannot use of the guarantees provided by third parties.

CHAPTER IV

OF THE EXTINCTION OF OBLIGATIONS

SECTION I

OF PAYMENT

PARAGRAPH I

GENERAL DISPOSITION

Art.547.- The obligation is extinguished by the fulfillment of the provision.

Art.548.- They can make the payment:

- a) the debtor capable of managing his assets;
- b) any person interested in the fulfillment of the obligation; Y
- c) the third party not interested, with or without consent of the debtor.

Art.549.- The obligation may be fulfilled by a third party, even against the will of the creditor, if the latter does not has an interest in the debtor personally executing the benefit. However, the creditor can reject the fulfillment that is offered by the third party, if the debtor has expressed his opposition.

Art.550.- The rights of the third party, interested or not, who will pay on their behalf or that of the debtor, are They will regulate in accordance with the existing legal relationships between them. If there are not, the payer may claim what is actually paid to fulfill the benefit. The uninterested third party who paid Against the will of the debtor, he will only be entitled to the extent of the benefit received by him.

Art.551.- Payment must be made:

- a) the creditor who has the free administration of his assets or his authorized representative for this purpose;
- b) to the one who presents the title of the credit, if it is to the bearer or has a receipt from the creditor, unless founded you suspect that the document does not belong to you, or that you are not authorized to collect it;
- c) to the third party indicated to receive the payment, even if the creditor resists it, and even if he has been satisfied a part of the debt; Y
- d) to the one who is in possession of the credit. The payment will be valid, even if afterwards said holder is defeated in judgment on the right he invokes.

Art.552.- The payment made to someone who does not have authorization to receive it is valid if the creditor ratifies it, or in the extent to which it becomes your utility.

In equal measure the payment to a person incapable of managing their assets will produce effects.

Art.553.- The debtor, who, informed of the creditor's supervening incapacity, makes the payment, not extinguish the obligation, unless the debtor proves that the payment was beneficial to the creditor.

Art.554.- If the credit is pledged or seized, the payment made to the creditor will not be valid. The Nullity will only take advantage of the pledge or seizure creditors, to whom the debtor must pay Except for your right of repetition against the creditor.

Article 555.- If instead of compliance a credit is assigned, the obligation is extinguished with the collection of the credit, if it is not a contrary will of the parties.

Art.556.- When for the payment the ownership of the thing must be transferred, it is necessary, for its validity, that the one who It does so is the owner of it and has the capacity to dispose of it. If the payment is for a sum of money or of thing that is consumed by use, cannot be repeated against the creditor who in good faith has it consumed.

Page 54

PARAGRAPH II

OBJECT OF PAYMENT

Art.557.- The debtor must deliver the same thing or fulfill exactly the fact to which he is obliged.

You can not replace them with the damages of the non-performance, or through something else or another fact, even if they are of equal or greater value.

Art.558.- When partial payments are not authorized, the debtor may not demand from the creditor that partially accept the performance of the provision.

Art.559.- If the debt is partly liquid and partly illiquid, the creditor may claim compliance of the liquidation even before the corresponding payment of the other.

Art.560.- If the obligation is to give a sum of money with interest, the payment will only be estimated as complete, after the principal and interest have been satisfied.

PARAGRAPH III

OF THE PLACE AND TIME OF PAYMENT

Art.561.- Payment must be made on the day of expiration of the obligation. If there is no term or result of circumstances, it will be enforceable immediately.

Art.562.- If the constitutive title empowers the debtor to pay when he can or has sufficient means,

The judge, at the request of a party, will set the day on which the benefit must be fulfilled.

If the term has been left to the will of the creditor, the judge may designate it at the request of the debtor who wishes get free.

Art.563.- Payment must be made at the designated place. If it has not been established and it is a certain thing, where it existed when the obligation was constituted; in any other case, at the debtor's domicile.

Art.564.- If the debtor changes his domicile and he is designated for the purposes of payment, the creditor will have option to demand it, either in the current or in the first. Analogous right corresponds to the debtor, when the creditor has changed address and this is the place indicated.

Art.565.- When the payment consists of a sum of money as the price of an alienated thing, and it is not if the place has been fixed, it will be made where the tradition is to be fulfilled, provided that said payment is not I finish it.

Art.566.- The creditor may demand payment before maturity when the debtor falls into insolvency, or if by the fact of this, the stipulated guarantees have diminished or the promised ones are not given. When The obligation is joint and several, it will not be enforceable in such cases for the other co-debtors. It won't be either for the guarantors, who will enjoy the fixed term.

Art.567.- The mortgage or pledgee may also claim payment before the deadline, when the Affected assets were sold at judicial auction and at the request of other creditors.

Art.568.- If the debtor wants to make advance payments, and the creditor receive them, he may not be obligated to make discounts.

PARAGRAPH IV

PROOF OF PAYMENT

Art.569.- When due to the nature of the obligation the payment requires the intervention of the creditor, it will be proven in the form established for contracts.

Art.570.- The creditor who receives the payment must issue a receipt and make a note of said payment on the title, if this is not returned to the debtor. Payment expenses are borne by the debtor.

Art.571.- The receipt will designate the value and type of the debt paid, the name of the debtor, or the name of the

paid by the debtor, the time and place of payment, with the signature of the creditor, or his representative.

Art.572.- If the creditor pretends to have lost his title, the debtor who pays may oblige him to grant him an authentic declaration, in which the cancellation of the title and the extinction of the debt is recorded.

Art.573.- When the payment is of periodic installments, the receipt of the last one establishes, until the test in On the contrary, the presumption that the previous ones have been paid.

Page 55

Art.574.- The receipt of the capital by the creditor, without any reservation on interest, extinguishes the obligation of the debtor with respect to them.

PARAGRAPH V

PAYMENT FOR ASSIGNMENT OF ASSETS TO CREDITORS

Art.575.- For the transfer of assets to creditors, the debtor instructs them, or one of them, the liquidation of all or part of their assets and of dividing the price obtained among themselves, to the satisfaction of their credits.

Art.576.- The transfer of assets must be made in writing, under penalty of nullity. If among the transferred assets credits exist, the provisions relating to credit transfers in general will be observed.

Art.577.- The administration of the assigned assets corresponds to the assignee creditors. These can exercise all actions of a patrimonial nature related to said assets.

Art.578.- The debtor cannot dispose of the transferred assets.

Creditors prior to the assignment who have not participated in it can act executive also on such goods.

The assignee creditors, if the assignment has had as its object only some assets of the debtor, cannot to act executive on the other assets before having liquidated the assigned ones.

Art.579.- The creditors who have concluded the contract or who have adhered to it, must anticipate the expenses necessary for the settlement and have the right to be reimbursed for the proceeds of it.

Art.580.- Creditors must distribute among themselves the sums obtained in proportion to the respective credits, except for priority causes. The balance corresponds to the debtor.

Art.581.- The debtor has the right to verify the management of the assignee creditors and obtain from them the accountability at the end of the liquidation, or at the end of each year, if the management lasts more than one year. If a liquidator has been appointed, he / she must also be accountable to the debtor.

Art.582.- The debtor is released with respect to the assignee creditors only from the day they they receive their share of the liquidation proceeds, and within the limits of what they have received, unless otherwise agreed.

Art.583.- The debtor may separate from the contract by offering to pay the principal and interest that he makes to those creditors with whom it has contracted or who have adhered to the assignment. The separation it will take effect from the day of payment. The debtor is obliged to reimburse the management expenses.

PARAGRAPH VI

OF PAYMENT BY CONSIGNMENT

Art.584.- The payment by consignment must be made judicially and it is only possible in the obligations to give.

It proceeds in the following cases:

- a) a) if the creditor is in default or refuses to receive payment;
- b) b) if you are unable to accept it and lacks a representative;
- b) b) if he is absent;
- c) c) if it is unknown, or its right is doubtful, or other people concur to demand payment;
- d) d) if the debt has been seized, or retained in the possession of the debtor and he wants to exonerate himself from the deposit;
- e) e) if the creditor lost the title of the obligation;
- f) f) if the person who owes the price of an encumbered asset wants to redeem it from the real guarantee; Y
- g) g) if the creditor refuses to present the document or claims not to have it in his possession.

Art.585.- For the consignment to take effect of payment, it is essential that they concur, with respect to the circumstances of persons, object, mode and time, all the requirements of the agreed payment. Lack of any of them authorizes the creditor to reject it.

Art.586.- If the debt consists of the delivery of a certain body, to be fulfilled in the place where it is, the consignment includes a judicial summons from the debtor to the creditor, to receive it. Not receiving it to the creditor, the deposit may be authorized elsewhere.

When the object is in a place other than the one set for delivery, it must be previously transferred to the point of receipt at the expense of the debtor. The request to the creditor will then proceed.

Art.587.- If uncertain things must be delivered, the choice of which corresponds to the creditor, a intimation so that later the receipt is intimated, as if it were true bodies.

Art.588.- If it is a sum of money, the bank deposit must be made at the order of the court, Notifying the creditor. The deposit suspends the course of interest.

Art.589.- The uncontested consignment, or that is declared valid, will have the effects of payment from the day of the deposit. In such cases, the expenses are borne by the creditor. The debtor bears them if they give up the consignment, or it is rejected by the judge.

Art.590.- The deposit may be withdrawn by decision of the debtor, as long as the consignment has not been accepted, or there is no sentence that declares it valid. With the deposit withdrawn, the obligation is reborn with everyone your accessories.

After the consignment is declared valid, the withdrawal of the deposit requires the agreement of the creditor, that it will not harm the co-debtors or guarantors.

PARAGRAPH VII

OF THE IMPUTATION OF THE PAYMENT

Art.591.- Whoever has several debts of the same nature in favor of the same creditor, may declare, at the make the payment, which of the debts you want to satisfy, as long as it is liquid and expired.

In the absence of a declaration, the payment must be attributed to the most onerous debt; between several debts equally expensive, the oldest.

If such criteria do not serve to resolve the case, the imputation will be made proportionally.

Art.592.- The payment on account of capital and interest and expenses, will be charged, firstly, to expenses, then to interest, and finally to capital.

Art.593.- When the debtor has not indicated to which of the debts the imputation should be made, but there were accepted receipt of the creditor imputing the payment to any of them determinedly, you will not be able to claim against that application, unless there is cause that invalidates the act.

PARAGRAPH VIII

OF PAYMENT WITH SUBROGATION

Art.594.- Legal subrogation is operated by full right in favor:

- a) of the creditor who pays the debt of the common debtor to another creditor who is preferential to him;
- b) of the one who pays for having a legitimate interest in fulfilling the obligation; Y
- c) of the third party not interested in the obligation that pays with express or tacit approval of the debtor, or ignoring this one.

Art.595.- Conventional subrogation takes place:

- a) when the creditor receives payment from a third party expressly substituting his rights; Y
- b) when the debtor pays with an amount that he has borrowed and subrogates to the lender in the rights of the original creditor.

The debtor may make the subrogation without the consent of the creditor, provided that he has borrowed money or other fungible things by public deed, stating its purpose in it and expressing, at the same time of making the payment, the origin of the amount paid.

Art.596.- The legal or conventional subrogation, transfers to the new creditor all the rights, actions or guarantees of the former creditor, both against the main debtor and co-debtors, as well as against the guarantors and third party owners of assets assigned to the credit, with the following restrictions:

a) The subrogated person cannot exercise the rights and actions of the creditor, until the concurrence of the amount that he has actually disbursed for the release of the debtor;

b) the effect of conventional subrogation may be limited to certain rights and actions by the creditor, or by the debtor who consents, and the legal subrogation by agreement of the creditor, or the

debtor, with the third party;

c) the legal subrogation established for the benefit of those who have paid a debt to which they were bound with others, does not authorize them to exercise the rights and actions of the creditor against their co-bound, but until the concurrence of the party by which each of the latter was bound to contribute to the payment of the debt;

d) the subrogation in favor of the third party holder of the mortgage assets by the principal debtor does not authorize to pursue the guarantor even if the mortgage has been constituted after the guarantee.

a) The guarantor who pays the debt guaranteed with a mortgage by the debtor, is subrogated against the third holder of the encumbered asset;

e) the subrogation in favor of the third party owner of one of several assets mortgaged as guarantee of the credit paid; does not authorize him to exercise the creditor's rights against the other holders except by the proportional part to the benefit that the payment of each one of them has produced;

f) the subrogation in favor of the third party possessor of a property mortgaged by one of several joint and several debtors, does not authorize you to use the creditor's actions, but to the extent that the constituent debtor could exercise them against their co-obligated parties; Y

g) when one of the heirs to whom a property mortgaged by the deceased has been awarded, is subrogated the creditor, may not use his rights except for the part that corresponds to each of the others in the succession.

Art.597.- The rights transmitted by subrogation cannot be exercised to the detriment of the creditor, in how much it refers to the credit paid.

In case of partial payment, the creditor will be preferred to the subrogated for the collection of the balance.

PARAGRAPH IX

OF THE DATATION IN PAYMENT

Art.598.- The obligation will be extinguished when the creditor accepts in payment a different benefit.

If the delivered were credits against third parties, the rules of the assignment will apply.

Art.599.- If the creditor is due on the right to what he received in payment, the precepts on eviction. It will also govern in your case, what is related to redhibitory vices.

Art.600.- The mere agreement to make a dation in payment does not extinguish the obligation of full right; but authorizes the debtor to oppose it as a defense.

Art.601.- Once the price of the thing given in payment has been determined, the relations between the parties will be regulated by the rules of the sales contract.

SECTION II

OF THE NOVATION

Art.602.- Obligations can be extinguished by novation. The will to novar is not presumed.

Art.603.- The release of a document or its renewal, the addition or elimination of a word and any other accessory modification, such as alterations related to the time, place or manner of Compliance only modifies the obligation, but does not extinguish it.

Art.604.- The novation not only extinguishes the main obligation but also the accessory obligations contracted for ensure compliance. The creditor, however, may, by express reservation, prevent the extinction of the privileges, pledge or mortgage of the old credit, which thus go on to guarantee the new one. If the debtor is the himself, and the encumbered assets belong to him, the reserve does not require his intervention.

Page 58

The creditor cannot reserve the right to pledge or mortgage the extinguished obligation, if the assets mortgaged or pawned belong to third parties who had no part in the novation carried out carried out by change of debtor, unless the third parties consent to it.

Art.605.- If the novation is made between the creditor and one of the joint and several debtors with release effect For all, the privileges and real guarantees of the previous credit can be reserved only on the Assets of the debtor making the novation.

Art.606.- The novation is null if the original obligation were, but it will not be if, knowing the debtor the vice of this, assume the new debt.

Art.607.- If a new debtor replaces the original debtor who is released, the rules will be observed relating to delegation and ex-commitment.

Art.608.- There will be novation by substitution of creditor only if it has been done with

assent of the debtor the contract between the previous creditor and the one who replaces him.

Art.609.- If the agreement between the original creditor and the one that substitutes it is made without the consent of the debtor, there will be no novation but a transfer of rights.

SECTION III

DEBT REMISSION

Art.610.- The obligation is extinguished when the creditor agrees to remit the debt free of charge. The Referral can be express or implied. Acceptance of the debtor makes the remission irrevocable.

Art.611.- The remission of the debt is not subject to any form, except that the credit or its rights accessories will be recorded in public deed. In this case the referral, so that it can be opposed to a third party, It must be done in the same way and registered in the corresponding Public Registry.

Art.612.- The delivery of the original instrument that justifies the credit, carried out voluntarily by the creditor to debtor constitutes proof of release.

Whenever said title is in the possession of the obligor, it is presumed that the creditor delivered it voluntarily.

Article 613.- The resignation of the creditor to the guarantees of the obligation does not presume the remission of the debt.

Article 614.- The referral made to the main debtor releases the guarantors, but the one that has been granted to them does not take advantage of the principal debtor. The referral granted to one of the guarantors does not release the others except in as for the part of the guarantor released. However, if the other guarantors have consented to release, they remain they bound by the whole.

SECTION IV

OF COMPENSATION

Article 615.- The compensation of obligations takes place when two people meet, in their own right and reciprocally, the quality of debtor and creditor of a sum of money or other benefits of the same species, provided that both debts are civilly subsistent, liquid, enforceable, expedited, term expired, and if they were conditional, the condition is met.

Opposed compensation, it will extinguish with payment force the two debts, up to the extent of the lesser, from the time in which both began to coexist, without obstructing the creditor's challenge, if the circumstances required by law concur.

The compensation of a prescribed credit can be invoked, if the credit was not extinguished by the prescription at the time when both debts began to coexist.

Art.616.- If the opposite debt in compensation is not liquid, but is easy and quick to settle, the judge declare compensation for the part of the debt that he recognizes as existing, and may also suspend the sentence for the liquid credit until the fixation of the opposite credit in compensation.

Art.617.- The term of favor granted by the creditor does not prevent compensation.

Art.618.- Compensation will be admitted, with respect to the following debts:

Page 59

a) of those that were payable in different places, provided that the transportation costs or the exchange difference to the place of payment;

b) in case of bankruptcy of the debtor, of those that his creditors had with the debtor's credits, although neither one nor the other were enforceable when the declaratory order was issued;

c) even if they were debts or credits subsequent to the declaration of the bankruptcy, when the debtor obtained the credit after the act, by legal subrogation as co-obligated, guarantor or third holder of mortgaged assets or by virtue of previous acts performed in good faith; Y

d) the obligation derived from the guarantee, with what the creditor owes the guarantor, or with the credit that against the same creditor corresponds to the main debtor.

Article 619.- In the case provided for in subsection b) of the previous article, if the bankrupt's debt is pending term, interest will be deducted for the time not elapsed.

When one of the credits is under suspensive condition, the creditor may demand the necessary guarantees to reimburse what you should pay on your part.

Art.620.- The following cannot be compensated:

a) Unattachable credits, and debts arising from crimes, unless the creditor of the her;

b) in the secured obligations, those of the principal debtor with the debt that the creditor may have with respect to of the guarantor;

- c) The debt of the obligor jointly and severally, with the credit of another co-debtor, or with that of one of the creditors, except if in both cases their agreement is given in writing;
- d) by the debtor of title to the order, what the previous endorsers owed to the holder; Y
- e) Credits and debts subsequent to the date of the contest, nor those resulting from bearer title.

Article 621.- Debts and credits between individuals and the State or municipalities are not compensable in the following cases:

- a) If the debts of the individuals, arise either from the auction of assets belonging to the State or the municipalities either from tax revenues, direct or indirect contributions, fees, or other payments that must be carried out at customs, as storage and deposit duties;
- b) when the debts and credits are not from the same ministry or department; Y
- c) if the loans of individuals were included in the consolidation ordered by law.

Art.622.- When there are several compensable debts in charge of the same person, the provisions on allocation of payment.

SECTION V OF CONFUSION

Art.623.- When the quality of creditor and debtor, or the domain and one of its dismemberments, is meet in the same person, the obligation and its guarantee will be extinguished in the first case; and in the second, real law consolidated. The confusion may occur in whole or in part.

Art.624.- Confusion does not produce effects to the detriment of third parties who have acquired the right to usufruct or pledge on the credit.

Art.625.- The confusion of the creditor's right with the guarantor's obligation does not extinguish the obligation of the principal debtor. If in the same person the qualities of guarantor and principal debtor meet, the surety subsists, provided that the creditor has an interest in it.

Art.626.- Confusion between one of the joint creditors and the debtor, or between one of the co-debtors joint and several and the creditor, extinguishes the main obligation and its accessories with the effect of payment.

Art.627.- Confusion will cease, provided that the qualities are restored by a subsequent event originating from the parties, and will revive the rights that originally corresponded to them. Whether It will deal with rights whose extinction has been registered in the corresponding Public Registry, the reintegration will not occur until after the cancellation of the reasoning, and without prejudice to the rights that in the intervening time have been constituted in favor of third parties.

Page 60

SECTION VI OF THE IMPOSSIBILITY OF PAYMENT

Art.628.- The obligation is extinguished when for a physical or legal cause not attributable to the debtor, prior to its constitution in default, the provision that constitutes the object of it becomes impossible.

If the impossibility is only temporary, the debtor, as long as it exists, is not responsible for the delay of its compliance. However, the obligation is extinguished if the impossibility lasts until, in relation to the title or the nature of its object, the debtor cannot be considered obliged to execute the provision or the creditor no longer has an interest in getting it.

Art.629.- The provision that has as its object a certain thing will also be considered impossible, when the thing disappeared without being able to prove its death.

In the event that the disappeared thing is subsequently found, the provisions of the second section of the previous article.

Article 630.- If the provision has been made impossible only in part, the debtor is released from the obligation executing the provision in terms of the part that follows possible compliance.

Art.631.- If the provision that has as its object a certain thing has become impossible, in whole or in part, On the other hand, the creditor is subrogated in the rights that correspond to the debtor, derived from the fact that caused the impossibility, and can demand from the debtor everything he has received as compensation.

Art.632.- When the obligation is to deliver uncertain non-fungible things, determined only by their kind, payment will never be deemed impossible and the obligation will be resolved in compensation for losses and interests.

CHAPTER V OF THE LIBERATORY PRESCRIPTION SECTION I

OF THE GENERAL PROVISIONS

Article 633.- Anyone who is obliged to comply with a fact or to abstain from it, may exempt themselves from their obligation founded over time, in accordance with the provisions of this Code. The rights derived from family relationships will not be subject to extinction prescription.

Article 634.- The rights that by virtue of the law or the constitutive legal act only exist for time determined or must be exercised within it, are not subject to prescription. Expire by expiration of the term if the action is not deducted or the right is exercised.

Art.635.- The prescription begins to run from the moment the right to demand is born. If this one has for the purpose of a commission, the prescription begins from when an act to the contrary has been carried out. The prescription of the guarantee or reorganization action, that of the conditional rights, and that of the subject to term, they are computed from the day of eviction, from the knowledge of the redhibitory vice, from the fulfillment of the conditions, or of the certain or uncertain term, respectively.

Art.636.- In the obligations with interest, the prescription of the capital begins from the last payment of they.

The time to prescribe the obligation to render accounts, begins from the day the obligated parties ceased. in their positions. That of the prescription against the liquid result of the accounts, runs from the day in which there was agreement of the parties, or judicial execution.

Art.637.- The term to demand the restitution of the thing encumbered with usufruct, use or pledge, begins to run from the extinction of the respective real rights or the payment of the pledge credit.

Article 638.- If the birth of a right depends on an action for annulment, the prescription will begin to run from the moment the action is expedited.

This provision shall not apply to the demand for the annulment of a family relationship.

Page 61

Art.639.- When an injunction is necessary, for an obligation to be enforceable, the prescription will start to run from the time said summons could be made, and if she sets a deadline, after expiration this.

Art.640.- A future prescription cannot be waived, nor a term other than the legal one agreed. Can waive a prescription already fulfilled. The resignation can be express or implied. The creditors of those who resigned can oppose the prescription.

Art.641.- The release prescription runs in favor and against the State, the municipalities, and the other legal persons of public law, in accordance with their respective legislation.

SECTION II

OF THE SUSPENSION OF THE PRESCRIPTION

Article 642.- The prescription is suspended against non-emancipated minors, those subject to interdiction. due to mental illness, absent them, and in general, all incapable of acting for as long as they do not have legal representative and for the six months following the appointment of the same, or from the cessation of the inability.

Art.643.- When due to force majeure or a duly justified fortuitous event, it has been prevented temporarily the exercise of an action, the judges will release the creditor or the owner of the consequences of the prescription fulfilled during the impediment, if after its cessation the creditor or owner has immediately asserted his rights.

Art.644.- The prescription is suspended:

- a) between the spouses, even if they are separated by mutual agreement or judicially, whatever the patrimonial regime for which they have chosen. This rule will also apply when the action of the woman during the conjugal union, shall fall on the husband's assets by guarantee, compensation or other cause;
- b) between the person exercising parental authority or the powers inherent to it and the persons who are submitted to it;
- c) between the guardian and the minor or the injunction subject to guardianship or curatorship, as long as it has not been submitted and approved the final account;
- d) with respect to the heir who has accepted the inheritance for the benefit of inventory, in relation to his credits against the succession;
- e) between legal persons and their administrators, while they are in office, for the actions of responsibility against them;

f) between the debtor who has fraudulently concealed the existence of the debt, and the creditor, while the fraud has not been discovered; Y

g) in favor of those absent from the country in public service and those who are serving the forces armed, for the time indicated by the special provisions issued in the event of war.

Art.645.- The benefit of the suspension of the prescription cannot be invoked except by the people, or against the persons, to the detriment or in favor of whom it is established, and not by their co-interested parties, or against their co-interested parties. This provision does not include indivisible obligations.

Art.646.- The effect of the suspension is to render useless for the prescription the time for which it has lasted.

SECTION III

OF THE INTERRUPTION OF THE PRESCRIPTION

Art.647.- The prescription is interrupted:

- a) by claim notified to the debtor, even if it has been brought before an incompetent judge;
- b) by the presentation of the title of the credit in succession or summoning of creditors;
- c) for any unequivocal, judicial or extrajudicial act, which amounts to recognition of the credit by the debtor; Y
- d) by the commitment in public deed, according to which the parties subject the doubtful question or controversial in the judgment of the arbitrator or arbitrators.

Page 62

Art.648.- The interruption of the prescription caused by demand will be considered not to have happened if the trial terminate by withdrawal of the actor, by termination or by final acquittal of the defendant.

If the process is abandoned, the interruption will conclude with the last procedural act of the parties.

or the court. The prescription starts to run again from the end of the interruption and will run again.

be interrupted, by the prosecution of any of the parties.

Art.649.- If the trial is terminated by a sentence that does not pronounce on the merits of the action, and the actor I will try a new claim within six months of the sentence, the prescription for the deduction of the first claim.

Art.650.- The interruption of the prescription caused by demand, does not benefit but the one who has board, and those who have their right to it.

Art.651.- The interruption made by one of the co-creditors does not benefit the others.

And reciprocally, the interruption caused against one or more of the co-debtors cannot be opposed to the others.

Art.652.- The interruption of the prescription issued by one of the joint creditors, takes advantage of the co-creditors; and reciprocally, the one that has been caused against one of the joint and several debtors may oppose others.

Art.653.- Being indivisible the obligation, or the object of the prescription, the interruption of this, made by only one of the interested parties takes advantage and can oppose the others.

Art.654.- The claim filed against the principal debtor, or the recognition of his obligation, interrupts the prescription of the accessory obligation.

Art.655.- Once the prescription is interrupted, the time elapsed prior to the event will not be taken into account. to determine it. For that to proceed, it will be necessary to pass a new term.

Art.656.- The prescriptions initiated or fulfilled under the rule of previous laws will be subject to them, unless the provisions of this Code are more favorable.

SECTION IV

DEADLINES FOR PRESCRIPTION

Art.657.- The expiry prescription is produced by the inaction of the right holder during the time established by law.

Art.658.- They do not prescribe:

- a) the action to challenge void acts;
- b) the partition of hereditary or condominium assets, while the indivision subsists; Y
- c) the action to sue the heirs for the restitution of the assets of which they were placed in definitive possession by virtue of the declaration of presumed death.

Art.659.- Prescribe for ten years:

- a) the actions of the incapacitated persons against their representatives for the accounts of the respective procedures, and reciprocally. The term runs from the date the principal's disability ceased, or from the day

of his death, and will not be interrupted by the agreement between the parties, produced before said surrender accounts;

b) the derivative of the right recognized by final judgment, even if it is itself subject to a shorter term. This rule will apply to transactions and credits verified in a contest;

c) the inheritance petition action. The term will be computed from when the defendant came into possession of inheritance;

d) the action of collation of inheritance; Y

e) All personal actions that do not have another term set by law.

Art.660.- Prescribe for five years the actions to claim:

a) arrears of alimony;

Page 63

b) the price of the leases or rentals;

c) what is not capital must be paid for years or shorter periodic terms, such as annuities of life annuities; and the interest that must be paid periodically;

d) the rights that derive from the relations of the partners among themselves, and with the company; Y

e) the responsibility of the administrators, which corresponds to the corporate creditors in the cases established by law.

Art.661.- Prescribe for four years, the actions:

a) of the heirs to claim the reduction of the part assigned to one of them, when the latter has received an excess with respect to the available portion, in the division practiced by the ascendant;

b) the reduction conferred on the heirs against third parties, to safeguard their legitimacy; Y

c) that from any endorsable or bearer instrument, except as provided by law specials. The term begins to run, in the securities at sight, from the date of their issuance, and in those to term, from its expiration date.

Art.662.- Prescribe for three years:

a) the actions derived from the current account contract;

b) those of the merchants to claim the price of the goods sold; Y

c) actions of indignity and disinheritance.

The term will run from the death of the deceased.

Art.663.- They are prescribed for two years:

a) Actions to obtain the nullity of legal acts due to error, fraud, violence, or intimidation. The

The term will be computed from when the force or intimidation ceased, or the other vices were known;

b) the revocation action of creditors in case of fraud. The term will run from the time the injured parties they had knowledge of the fact, and in any case, five years after the act was carried out;

c) the action for annulment of obligations contracted by incapacitated persons or minors without the corresponding permission.

The term will run from the day the disability ceased;

d) the action of lawyers and attorneys, notaries public, doctors, engineers, architects, dentists, chemists and pharmacists, teachers, surveyors, experts, and in general, of all those who exercise liberal professions, to demand the payment of their fees;

e) the action of merchants to claim the price of the goods sold to those who do not were;

f) civil liability derived from illegal acts; Y

g) the action of simulation, absolute or relative, attempted by the parties or third parties. The term will run for third parties since they had knowledge of the simulated act, and for the parties, since the apparent owner of the right will try to ignore the simulation.

Art.664.- Prescribes for one year:

a) the action aimed at canceling a donation or legacy due to ingratitude or unworthiness, computed the term from which the act came to the knowledge of the author of the liberality or of his heirs;

b) that of hoteliers, owners of boarding houses, sanatoriums and other similar establishments, by the food and lodging, as well as related expenses;

c) that corresponding to teaching or learning institutes, for the price of instruction, internship and correlative expenses; Y

d) the actions of auctioneers, commission agents and brokers to demand payment of the

remunerations that correspond to them.

Art.665.- The prescription of actions derived from the individual or collective contract of conditions of Work will be governed by the provisions of the Labor Code.

Page 64

Art.666.- The derivative actions prescribe for one year:

a) of the transport contract, calculating the period from the arrival at the destination of the person, or in case of sinister, since this day. When it comes to things, from the day they were delivered or should have been at the destination.

If the transport has had its beginning or end outside the Republic, the prescription will take place for the course of eighteen months; Y

b) of the insurance contract. The term will be computed from the moment the obligation is enforceable. When the premium must be paid in installments, the prescription runs from the expiration of the last installment. If the policy has been delivered without payment of the premium, the prescription runs from the time the insurer signed the payment.

In life insurance, the statute of limitations for the beneficiary runs from when they have known the existence of the benefit, but in no case will it exceed three years from the occurrence of the claim.

Art.667.- Prescribes for six months the action of the buyer to rescind the contract, or be compensated by the non-apparent burden or easement that was omitted to mention.

Art.668.- The redhibitory action is prescribed for three months to render the contract of buy and sell; and action to reduce the price for a redhibitory defect.

Third Book

OF CONTRACTS AND OTHER SOURCES OF OBLIGATIONS

TITLE I

OF THE CONTRACTS IN GENERAL

CHAPTER I

OF THE COMMON PROVISIONS

Art.669.- Interested parties can freely regulate their rights through contracts, observing the rules imperatives of the law, and in particular, those contained in this title and in that relating to legal acts.

Art.670.- The rules of this title will be applicable to all contracts. The unnamed will be governed by the Provisions relating to the nominees with whom they have the most similarity.

Art.671.- If one of the contracting parties obtains a manifestly unjustified advantage, disproportionate to the one that the other receives, exploiting the need, the lightness or the inexperience of this, the injured person may, within two years demand the nullity of the contract or its equitable modification. The remarkable disproportion between the benefits it presumes the exploitation, unless proven otherwise.

The defendant may avoid nullification by offering that modification, which will be judicially established, taking into account the circumstances at the time of the contract and its modification.

Art.672.- In deferred execution contracts, if unforeseeable circumstances arise and extraordinary events that make the provision excessively onerous, the debtor may request the resolution of the effects of the contract pending fulfillment.

The resolution will not proceed when the supervening onerosity is within the normal range of the contract, or if the debtor is guilty.

The defendant may avoid the termination of the contract by offering its fair modification.

If the contract is unilateral, the debtor may demand the reduction of the benefit or modification equitable way of executing it.

Art.673.- They are essential requirements of the contract.

a) the consent or agreement of the parties;

b) the object; Y

c) the form, when prescribed by law under penalty of nullity.

CHAPTER II

THE CONSENT OR AGREEMENT OF THE PARTIES

Page 65

Art.674.- Consent must be manifested by offer and acceptance. It is presumed by the receipt volunteer of the thing offered or requested; or because whoever has to express their acceptance will do what Otherwise, he would not have done, or I will stop doing what he would have done if his intention was to reject the offer.

Art.675.- For there to be consent, the offer made to a person present must be immediately accepted. This rule will apply especially to the offer made by telephone or other means. that allows each of the contracting parties to immediately know the will of the other.

Art.676.- Among absent persons, consent may be manifested through agents, by Epistolary or telegraphic correspondence, or other suitable means.

Art.677.- The contract proposal obliges the proposer, if the opposite does not result from the terms of its offer, the nature of the business, or the circumstances of the case.

Art.678.- The offer made without deadline to an absent person is no longer mandatory if it has elapsed enough time for your response to reach the offerer's knowledge, under normal circumstances, without let him receive it.

Art.679.- The offer made to an absent person will also cease to be mandatory if the offeror set deadline for acceptance, it was issued after the deadline.

Art.680.- The offer is no longer binding if the offeror withdraws it, and the recipient receives the retraction before issuing the acceptance.

The recipient of the offer may withdraw its acceptance as long as the withdrawal reaches the power of the offerer together with the acceptance notice, or before it.

Art.681.- The late acceptance or any modification introduced in the offer when accepting it, will import the proposal for a new contract.

Art.682.- If the offer is alternative or includes separable parts, the acceptance of any of the they will result in a valid contract. If the former cannot be divided, conformity with respect to a single considered as the proposal of a new contract.

Art.683.- In the auction the contract is concluded by the award. If this is not done, the offer it expires, the same as when a larger offer is made.

Art.684.- If due to any circumstance, the acceptance comes late to the knowledge of the offeror, he / she will will notify the acceptor without delay, under penalty of being liable for damages.

Art.685.- The offeror is not bound if he has made an express reservation, or if his intention not to be bound it results from the circumstances or the nature of the business.

The sending of rates or price lists does not constitute an offer. The exhibition of merchandise to the public, with indication of the price, import offer.

Art.686.- He who publicly promises a reward in exchange for a benefit is obliged to comply with the promise.

If you withdraw the promise before the benefit is provided to you, you must reimburse the expenses incurred from good faith until the attendance of the promised ones, unless it proves that the benefit could not have been supplied.

Art.687.- The contract is considered entered into in the place where the offer is made.

Art.688.- Contracts between absentees are perfected as soon as the acceptance is issued, unless has been timely retracted, or did not arrive within the agreed period.

Art.689.- In the development of the negotiations and in the formation of the contract, the parties must behave in accordance with good faith.

Art.690.- The party that knowing, or should know, the existence of a cause of invalidity of the contract, has not given notice of it to the other party, it will be obliged to compensate the latter for the damage suffered by having confident, through no fault of his own, in the validity of the contract.

Art.691.- When adhesion contracts contain restrictive clauses of a leonine nature, the party adherent may be excused from complying with them, or request their modification by the judge.

Consider such especially the following clauses.

Page 66

- a) those that exclude or limit the liability of the person who imposed them;
- b) those that grant the power to dissolve the contract or change its conditions, or in any way deprive the adherent of any right without cause attributable to it;
- c) those that condition the consent of the other party to exercise any contractual right of the

adherent;

d) those that oblige the adherent to resort to the other contracting party or to a specific third party, in case of any need not directly related to the object of the contract, or condition any right contractual agreement of the adherent to such resource, or limit their freedom when stipulating with third parties about any need of nature expressed;

e) those that impose the adherent waiver in advance of any right that could be based on the contract in the absence of such a clause;

f) those that authorize the other party to proceed on behalf of the adherent or in its substitution, to obtain the realization of a right of the former against it;

g) those that impose on the adherent certain means of proof, or the burden of proof;

h) those that subject to a term or condition the right of the adherent to take advantage of legal actions, or limit the enforceability of exceptions, or the use of judicial procedures of which the adherent could make use of; and

i) Those that allow the unilateral election of the competent judge to resolve a controversy between the parts.

CHAPTER III

THE OBJECT OF THE CONTRACT

Art.692.- The things to be the object of the contracts must be determined in terms of their kind.

The indeterminacy of its amount will not be an obstacle as long as it can be fixed without a new agreement. Between the parts.

Art.693.- The amount is deemed determinable when its fixation is left to the discretion of a third party, whose decision will be final. If the latter does not fulfill its mission for any reason within the established period, or the which will reasonably be sufficient to do so, the contract will be void.

When guidelines are indicated to the designated third party to proceed with said determination, their decision will be Actionable before the judge if it deviates from the directives imposed by the contracting parties. If you do not proceed to the determination within the established period, it will be made by the judge, attending to the common intention of those.

Art.694.- The impossibility of the provision will not prevent the validity of the contract if said impossibility could be deleted and the contract has been concluded in the event that the provision is possible.

If an impossible benefit is subject to a suspensive condition or a suspensive period, the

The contract will be valid if the impossibility is eliminated before the fulfillment of the condition or the expiration of the term.

Art.695.- The provision of future things may be the subject of contracts. If the existence of them

Depends on the promisor's industry, the obligation will be considered pure and simple. If the existence of

If they depend in whole or in part on natural forces, the effectiveness of the contract will be considered subordinate. to the fact that they came into being, unless the convention was random.

Art.696.- Contracts whose purpose is to deliver disputed, encumbered or encumbered items are voidable. seized, if their condition had been hidden from the purchaser.

Art.697.- The future inheritance cannot be the object of a contract.

Art.698.- Contracts made simultaneously on assets present and on those included in the previous article, they will be null in the whole, when they have been concluded in exchange for a single benefit, Unless the debtor of the latter accepts that she applies in full the payment of the goods present.

Page 67

CHAPTER IV

OF THE FORM AND TEST

Art.699.- The form of the contracts will be judged:

a) between present, by the laws or customs of the place where they were concluded;

b) between absentees, when they appear in a private instrument signed by one of the parties, by the laws of the place where it was signed; Y

c) if the agreement resulted from correspondence, the intervention of agents or instruments signed in different places, the laws most favorable to the validity of the act will be applied.

Art.700.- They must be made in a public deed:

a) Contracts whose purpose is the constitution, modification, transmission, resignation or termination of real rights over property that must be registered;

- b) extrajudicial partitions of property, unless there is an agreement by private instrument presented to the judge;
- c) partnership contracts, their extensions and modifications, when the contribution of each partner is greater of one hundred minimum wages established for the capital, or when it consists of the transfer of goods real estate, or a property that must be registered;
- d) the assignment, repudiation or waiver of hereditary rights, under the conditions of the preceding paragraph, except that they be made in court;
- e) any act constituting a life annuity;
- f) the general or special powers to represent in voluntary or contentious proceedings, or before the public administration or the Legislative Power; those conferred to administer property, marry, recognize or adopt children and any other whose purpose is an act granted or that must be granted by Public deed;
- g) Real estate transactions and arbitration commitments related to them;
- h) all contracts whose purpose is to modify, transmit or terminate legal relationships born of acts celebrated by public deed, or the rights derived from them;
- i) all necessary acts of contracts drawn up in public deed; Y
- j) the payments of obligations consigned in public deed, with the exception of partial and relating to interest, canon or rentals;

Art.701.- The contracts that, having to fulfill the requirement of the public deed, were granted by private or verbal instrument, they will not be concluded as such, as long as it is not signed that writing. They will be valid, however, as contracts in which the parties have been obliged to fulfill that formality.

These acts, such as those in which the parties undertake to deed, are subject to the rules on obligations to do.

This article will not have effect when the parties have agreed that the act would not be valid without the Public deed.

Art.702.- In the case of the previous article, the party that refuses to comply with the obligation may be sued on the other to grant the public deed.

If the buyer requests the seizure of the property that is the subject of the contract, the judge will order it, after deposit of the price that corresponds to pay in the act of the deed.

When the sentence condemns to notarize, and one of the parties has not attended the granting, Once the conditions of the contract are fulfilled, the judge may sign the instrument.

Art.703.- The contracts will be tested in accordance with the provisions of the procedural laws, if they do not have a form prescribed by this Code.

Page 68

Art.704.- Contracts that have a form determined by law will not be deemed proven if they are not take the prescribed form, unless it had been impossible to obtain the designated test by the law; or that there was a written principle of proof in the contracts that can be made by private instrument, or when one of the parties has received some benefit and refuses to comply with the contract.

In this case, all means of proof are admissible.

Art.705.- It will be judged that it is impossible to obtain or present written proof of the contract, when it had been held in unforeseen circumstances in which it would have been impossible to formulate it in writing.

Any public or private document that emanates from the adversary, its deceased or interested party in the matter, or who would be interested if he lived and did the disputed fact is plausible.

Art.706.- Contracts whose purpose is an amount of more than ten established minimum wages for the capital they must be in writing and cannot be proven by witnesses.

Art.707.- The private instrument that alters what has been agreed in a public instrument, does not It will take effect against a third party.

CHAPTER V

OF THE INTERPRETATION OF THE CONTRACT

Art.708.- When the contract is interpreted, it must be investigated what has been the common intention of the party and not limit yourself to the literal meaning of the words.

To determine the common intention of the parties, their total behavior, even later, must be assessed at the conclusion of the contract.

Art.709.- The clauses of the contract are interpreted one through the other, attributing to the doubtful the meaning that results from the general context.

Art.710.- No matter how general the expressions used in the contract may be, it only includes the objects on which the parties have proposed to contract.

Art.711.- When in a contract a reference has been made to a case in order to explain a pact, no The cases not expressed will be presumed excluded, to which, according to the reason, said covenant.

Art.712.- Clauses subject to two senses, from one of which the validity would result, and from the other the nullity of the act, must be understood in the first. If both give equal validity to the act, they must be taken in the sense that best suits the nature of the contracts and the rules of equity.

Art.713.- The clauses inserted in the general conditions of the contract as well as in the forms provided by one of the contracting parties, will be interpreted, in case of doubt, in favor of the other.

Art.714.- If despite the application of the preceding regulations, the obscurity of the contract subsists, This must be understood in the least burdensome sense for the obligor, if it is gratuitously; and in the meaning that it performs the equitable harmonization of the interests of the parties, if it is for consideration. The contract must be interpreted in good faith.

CHAPTER VI

OF THE EFFECTS OF THE CONTRACT AND ITS TERMINATION

Art.715.- The conventions made in the contracts form a rule for the parties to which they must submit as to the law itself, and must be followed in good faith. They oblige what is expressed, and all the consequences virtually understood.

Art.716.- Unless otherwise stipulated, contracts whose purpose is the creation, modification, transfer or extinction of real rights over certain present things, or any other right belonging to the transferor, these effects will be produced between the parties as soon as the consent has been legitimately manifested.

Page 69

Art.717.- The effects of contracts are actively and passively extended to universal successors, unless be that the obligations that arise from them are inherent to the person, or the opposite results from a express provision of the law, of a clause of the contract, or of its nature itself. The contracts do not They can oppose third parties or be invoked by them, except in the cases provided by law.

Art.718.- The parties may terminate by a new agreement the effects of a previous contract, but the The agreed termination will not prejudice in any case the rights acquired by third parties, as a result of the contract terminated.

Art.719.- In bilateral contracts, one of the parties may not demand its fulfillment, if it does not prove she may have complied with it or offer to comply with it, unless the other party must make its provision beforehand. When this must be done to several people, the delivery of the part that corresponds to them can be refused until full consideration has been received.

If a contractor has made partial services, the consideration may be denied, unless, depending on the circumstances, it must be judged that it is contrary to good faith to resist surrender, due to the limited importance of the part owed.

Art.720.- If after the conclusion of the contract, a decrease in its patrimony occurs on one of the parties capable of compromising or making the performance of the service to which it was bound doubtful, the party may It is up to him to fulfill his in the first place, to refuse it until the other satisfies his compete or guarantee enough.

Art.721.- If due to an event after the conclusion of the bilateral contract, and without fault of any of the parties, the provision becomes impossible, the reciprocal obligations of both contracting parties remain without effect.

If the consideration has been made in whole or in part, it will be restored according to the general rules of this Code.

Art.722.- If the provision in charge of one of the parties becomes impossible due to their fault, the other may comply its obligation, demanding damages and interests, or to terminate the contract by making up for them.

Art.723.- If a signal has been given to ensure the contract or its fulfillment, whoever gave it may

repent of the contract or stop fulfilling it, losing the signal. The one who received, and in that case it must return the signal, with the same amount of its value. If the contract is fulfilled, the signal it must be returned in the state it is. If she were of the same species as the one in the contract should be given, the signal will be taken as part of the benefit.

Art.724.- The termination of the contract will not proceed if the breach of one of the parties is scarce importance and does not compromise the interest of the other.

Art.725.- In bilateral contracts, non-compliance by one of the parties authorizes the one that is not responsible for him, to request the execution of the contract, or its resolution with damages and interests, or both things.

Once the resolution is demanded, compliance can no longer be requested, but after it has been claimed, be required of it.

Art.726.- The parties may agree that the bilateral contract is resolved if an obligation is not fulfilled in the stipulated form. In this case, the contract will be terminated as soon as the interested party informs the defaulter your decision to solve it.

Art.727.- When the term established in the contract for the fulfillment of a service should be considered essential for the interest of the other contracting party, and the latter wants to keep the agreement in force, must notify it to the obligor within three days. Failure to do so, the contract will be fully terminated.

Page 70

Art.728.- Unless otherwise stipulated, the contracting party who wants to opt for the resolution may intimate the other to carry out its obligation within a period of no less than fifteen days, after which, it may demand compliance, or terminate the contract, with the only reliable communication made to the defaulting on having opted for the resolution.

It will not be necessary to grant a term when the defaulter has expressed his decision not to fulfill the contract.

Article 729.- The resolution for non-compliance will have retroactive effect only between the parties, but in the Contracts of successive tract the benefits already fulfilled and the expired installments will remain firm.

CHAPTER VII

CONTRACTS IN FAVOR OR AT THE CHARGE OF THIRD PARTIES

Article 730.- The contract entered into in its own name, by which the provision of a third party is promised, will be mandatory if the promising party has guaranteed ratification or performance by the promising party. In the doubt, it will be understood that only ratification was guaranteed. Given this, the relationships between the stipulator and the third will be judged as if the contract had been adjusted directly between them.

Art.731.- If in the case of the previous article, the promise is not ratified or the service offered is not fulfilled, the stipulator may demand damages and interest from the promisee.

If the latter has not guaranteed ratification or compliance, it will only be liable if it has not dealt with to obtain them or if they were not obtained because of you.

Art.732.- Whoever, acting in his own name, stipulates an obligation in favor of a third party, has the right to demand its execution for the benefit of that third party.

The debtor may oppose the third party the exceptions resulting from the contract.

In the event of revocation of the stipulation, or the refusal of the third party to take advantage of it, the provision It will be for the benefit of the stipulator, unless something else results from the will of the parties or the nature of the contract.

Art.734.- The stipulator may reserve the right to subsist to the third party designated in the contract, regardless of the consent of the other contractor.

Such substitution can be made by acts between living or by disposition of last will.

Art.735.- If the provision should be made to the third party after the death of the stipulator, the latter may revoke the benefit even by testamentary provision and even if the third party has declared that wants to take advantage of it, unless in the latter case the stipulator has renounced his power in writing revocation.

Page 71

The provision must be made in favor of the heirs of the third party if he dies before the stipulator, provided that the benefit has not been revoked, or that the stipulator has not disposed of another way.

Art.736.- The third party who has not accepted the benefit stipulated in their favor can repudiate it. The resignation will be irrevocable and will extinguish your right as if it had never existed.

BOOK THREE

OF CONTRACTS AND OTHER SOURCES OF OBLIGATIONS

TITLE II

OF THE CONTRACTS IN PARTICULAR

CHAPTER I

OF THE PURCHASE

SECTION I

OF THOSE WHO CAN BUY AND SELL

Art.737.- The object of the sale is the transfer of ownership of a thing, or another right patrimonial, for a price in money to be paid by the buyer.

Art.738.- The rules of the sale will be applied subsidiarily:

to)

to expropriation for reasons of public utility or social interest;

b)

to the realization of goods by effect of sentence or contest; Y

c)

to the dation in payment. Whoever carries it out will be bound as a seller. As for the debt,

The provisions relating to payment shall govern. The rules of the enrichment without cause.

Article 739.- The sale is prohibited, even at auction, by itself or through a third party:

to)

spouses from each other, still separated from property;

b)

to the legal or conventional representatives of the assets included in their representation;

c)

to the executors of the assets corresponding to the testamentary in which they carry out their duties;

d)

to the President of the Republic, and to his Ministers, of the property of the State, of the municipalities, or of the decentralized entities of the Public Administration;

and)

to public officials and employees of the property of the State or of the municipalities, or of the decentralized entities whose administration they were in charge of; Y

F)

magistrates, prosecutors, defenders of the incapacitated and absent and other officials, lawyers, solicitors, notaries, experts, regarding the assets in the trials that intervene or have intervened.

Those established in subsection a) do not apply to the adjudication of assets, which by liquidation of the company conjugal, the spouses are made in payments of contributions or the assets of one of them.

Page 72

Art.740.- The sale or assignment of shares is exempted from the provisions of paragraphs c) and f) of the previous article. hereditary, when the aforementioned persons are joint heirs, or the assignment in payment of credit, or guarantees to which your property is affected.

Art.741.- Parents, guardians and curators can acquire the assets of their children and wards or of the incapable, when they have rights as participants in the property or usufruct, or they have them as mortgage creditors by their own title, or by their legal subrogation and the sale has been arranged by competent judge, with the intervention of a special guardian, appointed before ordering it and of the guardianship officials for minors.

SECTION II

THE PURPOSE OF THE SALE

Art.742.- They cannot be the object of sale:

- to) actions based on rights inherent to the person or that include facts of the same nature;
- b) the rights that, if exercised by another, would alter their content to the detriment of the debtor;
- c) the unattachable assets, in their entirety, or in the part that they are;
- d) food fees, accrued or not;
- and) pensions and other allowances declared unattachable by law, except in the part seizable;
- F) the usufruct, although the exercise of it;
- g) The rights of use and room;
- h) those rights whose transfer is prohibited by law, by the constitutive title, or by a subsequent act; and
- i) goods that cannot be the subject of contracts.

Art.743.- The property of others may be the object of the sale. If at the time of the contract the thing sold was not owned by the seller, the latter is obliged to procure its acquisition from the buyer. The buyer will acquire the ownership of the thing when the seller obtains the ratification of the owner, or it becomes its universal or singular successor in the thing sold.

Art.744.- The buyer can demand the termination of the contract if, at the time of concluding it, he was unaware that the thing did not belong to the seller, and if he has not made him acquire his property. The seller is obliged in this case to return to the purchaser the price paid, although the thing is diminished in value or has been impaired; must also reimburse you for expenses legitimately incurred in reason for the contract. If the decrease in value or deterioration is attributable to the fault of the buyer, it will be deducted of the amount indicated the profit that it has obtained.

The seller is also obliged to reimburse the buyer for any necessary and useful expenses. done in the thing, and if it was in bad faith, also the luxury expenses.

Page 73

Art.745.- If the thing that the buyer believed to be owned by the seller was only partially owned third party, the buyer may request the termination of the contract with compensation for the damage, pursuant to article above, when, according to the circumstances, it must be considered that he would not have acquired the thing without that part of which he has not become the owner; and you can still only get a price reduction, in addition to compensation for the damage.

Art.746.- The object of the sale must be determined, in accordance with the rules of this Code. There will be no determination when all present or future assets are sold, or an aliquot part of they.

However, the sale of a type of designated property will be valid, even if the sale includes all that the seller owns.

Art.747.- The sale of real estate can be made:

- to) without designating the extension, and for a single price;
- b) not indicating area, but to both the unit;
- c) with expression of the area, under a certain number of measurements to be determined within a field higher;
- d) with mention of the area, and for a price each unit, fixed or not the total;

and)

with designation of the area, for a single price, and not as much as the measure; Y

F)

of one or more properties, indicating the area but under the clause of not guaranteeing the content, and that the difference, more or less, will not produce any effect.

Art.748.- If the sale of the property is with designation of the area, and the price to both the measure, the seller must deliver said surface. When a higher result is obtained, the acquirer will take the excess by paying it to the fixed price. If the area is smaller, you will be entitled to a proportional refund of the price; but in both cases, if the difference reaches the twentieth, you may rescind the contract. You will be assisted by the same faculty, although the deficit to fill the end to which the property would be allocated.

Art.749.- When the sale of a property is made without determining the price, to both the measure, the expression of the total area will only give rise to a supplement or reduction for excess or default, if the difference between the true one and the one established in the contract will be one twentieth in relation to the area of the land sold.

Art.750.- When the sale is of several properties, indicating the area of each one and for a single price, the surface differences will be computed according to the respective values, and will be compensated in their case, up to the concurrent amount. The actions that may correspond to the parties will be subject to the previous rules, and the twentieth will be calculated on the excess value of the differences, with respect to the total price.

If in the same case there is an indication of the joint area, without including the partial of each property, the twentieth will be established on the first.

This article is applicable to the sale of a single property, when the measures of its component fractions.

Page 74

Art.751.- Whenever the buyer chooses to terminate the contract, the expenses incurred by it and for the measurement will be borne by the seller, as well as the interests of the price paid, if the purchaser does not had perceived the fruits of the thing.

When deciding on the collection or payment of the differences, you will receive or deliver respectively, the legal interests on those, from the payment or the default.

Art.752.- Unless otherwise agreed, the delivery of the movable thing must be made in the place where it is found at the time the contract was concluded, if the parties were aware of it, or in the place where the seller had his domicile.

If the thing sold must be transported from one place to another, the seller is released from the obligation of the delivery by sending it to the carrier or the expeditionist. Transportation costs will be borne by the buyer, Unless otherwise stipulated.

Art.753.- If the seller has guaranteed for a certain time the good functioning of the thing sold, the buyer, unless otherwise agreed, must report the malfunction to the seller within thirty days of the discovery, under penalty of decline.

The judge, depending on the circumstances, may indicate to the seller a term to subsist or repair the thing, of so as to ensure its proper functioning, with compensation for damage.

SECTION III OF THE PRICE

Art.754.- The price will be true, when the parties determine it in a sum that the buyer must pay, or be fixed with reference to a certain thing, or its determination will be entrusted to a third, in accordance with the provisions of this Code.

Art.755.- If the movable thing has been delivered to the buyer without determination of price, or there is doubt on the determined price, it is presumed that the parties were subject to the current price of the day, in the place of the delivery of the thing.

Art.756.- If the price consists, part in money and part in another good, the contract will be a swap, if it is equal or greater the value in kind, and of sale in the opposite case.

SECTION IV OF THE OBLIGATIONS OF THE BUYER AND SELLER

Art.757.- The contracting parties will pay in equal parts the taxes and expenses of the contract, unless otherwise provided. imperative of the law, or stipulation to the contrary.

Art.758.- If there is no agreement to the contrary, the delivery costs are borne by the seller; those of

transportation and receipt correspond to the buyer.

Art.759.- The seller's obligations are:

Page 75

to)

make the buyer acquire the right sold, if its acquisition is not immediate effect of the contract;

b)

deliver to the buyer the thing sold or the title that implements the alienated right, if not the contrary arises from what is stipulated, or from the circumstances of the business;

c)

receive the price at the agreed place and time; Y

d)

guarantee the buyer, in accordance with the rules of this Code, for the eviction and vices of the thing.

Art.760.- The seller must deliver the good sold with all its accessories and the pending fruits, free of all other possession, in the place and days agreed, or failing that, when the buyer demands it.

Art.761.- The benefits and risks of the thing pass to the buyer from the conclusion of the contract, except the cases in which the acquisition of the right does not take place for the exclusive effects of the convention.

If the thing is only determined by its gender, it is necessary, in addition, that it has been individualized; Yes It must be sent to another place, it is required that the seller has detached from it.

Art.762.- The seller of a property, or of a right over a property, is obliged to cancel all the inscriptions and preventive annotations that harm the rights of the buyer.

Art.763.- The buyer must pay the price of the thing at the agreed place and date. In default of stipulation, you must pay it at the place and act of delivery.

Art.764.- Unless otherwise stipulated, the buyer must receive the thing purchased at the end of the contract.

Art.765.- When the resolution of the sale proceeds, the buyer must return the thing, and the seller what he has received on account of the price, with an equitable reduction set by the judge, in concordance with the devaluation and the use that the buyer has made of it.

SECTION V

OF THE SPECIAL CLAUSES

Art.766.- The parties may, by special clause, subordinate to conditions, positions or terms, or modify otherwise the normal effects of the contract.

Art.767.- The clause not to alienate the thing sold to a specific person is allowed, but the prohibition may not be of a general nature.

Art.768.- The sale subject to trial or proof, or to the satisfaction of the buyer, is presumed under condition suspensive that what was sold was to the personal liking of the former.

The term to accept will not exceed ninety days. The contract will be deemed concluded, when the purchaser I will pay the price without reservation, or let the term elapse without communicating your response.

Page 76

The above rules are applicable to the sale of things that it is customary to like or taste before receive them.

Art.769.- When things are sold as of a certain quality, and not to the personal taste of buyer, it will not depend on his discretion to refuse receipt of the thing sold. Testing the seller that the thing is of the contracted quality, you may demand the payment of the price.

Art.770.- The sale with a resale agreement is prohibited, as well as the promise of sale of a thing that has been the object of sale between the same contracting parties.

The resale agreement is also prohibited.

Art.771.- The reference agreement may be stipulated, empowering the seller to recover the good sold with priority to any other acquirer, when the buyer wants to sell it or give it in payment. The

Right of first refusal is very personal.

Art.772.- If a preference agreement was stipulated, the seller may only exercise his right within a third party day, in the case of movable or intangible things, and within ten days, with respect to real estate. Will lose the preference if I don't pay the price; or if it does not satisfy the other advantages that the buyer has obtained.

Art.773.- The buyer must let the seller know the price and the advantages offered, as well as the place and moment in which the auction will have to be verified, if applicable. By not doing so, you will be liable for damages and damages that the new sale will cause the original seller.

Art.774.- The best buyer agreement authorizes the termination of the contract if a third party offers a price most advantageous. It can only be agreed in the case of real estate, and for a period of no more than three months.

Art.775.- The seller must let the buyer know who is the best buyer, and what advantages offers. If the buyer offers the same advantages, he will have the right of first refusal; if not, can the seller dispose of the thing in favor of the new buyer.

There will be no improvement on the part of the new buyer, which gives rise to the best buyer agreement, but when have to buy the thing, or receive it in payment, and not when it is proposed to acquire it by any contract.

Art.776.- The conditional sale will have the following effects, when the condition is suspensive:

to)

While the condition is pending, the seller has no obligation to deliver the thing sold, nor the buyer to pay its price; You will only have the right to request conservative measures;

b)

if before the condition is fulfilled, the seller has delivered the thing sold to the buyer,

This will be considered as administrator of someone else's property; Y

c)

If the buyer has paid the price, and the condition is not met, a refund will be made reciprocal of the thing and the price, compensating the interests of the latter with the fruits of the former if they are would have perceived.

Art.777.- When the condition is decisive, the sale will have the following effects:

Page 77

to)

the seller and the buyer will be bound as if there were no conditions; Y

b)

If the condition is met, the provisions on the obligations to restore things will be observed to their owners. The interests will be compensated with the fruits, as it is arranged in the previous article.

Art.778.- In case of doubt, the conditional sale will be deemed subordinate to a resolutive condition.

Art.779.- In the sale of goods exposed to risks that the buyer will take charge of, the price, although the thing does not exist in whole or in part on the date of the contract.

However, the act will be voidable as fraudulent as long as the seller had known the result of the risk to which the goods were subject.

Art.780.- In the sale by installments with reservation of the property, the buyer acquires it with the payment of the last installment of the price, but assumes the risks from the moment of delivery of the thing.

Art.781.- In the case of goods whose domain must be registered, the reservation of ownership is opposable to third parties. It will be equally enforceable when the agreement was documented by a public or private instrument of certain date. The rights of third party holders in good faith are protected.

Art.782.- When the payment of the price must be made in installments, the resolution of the contract will not proceed, in no case, as long as the buyer has paid twenty-five percent of the price, or has made improvements for a value that reaches said percentage, and that cannot be withdrawn without reduction appreciable of its value.

Nor can it be resolved if the amount paid and the improvements made add up to this percentage.

Art.783.- If the termination of the contract takes place by default of the buyer, the seller must restore the fees collected, except for the right to equitable compensation for the use of the thing, in addition compensation for all damages.

If it has been agreed that the quotas remain in this case acquired by the seller as a compensation, the judge, depending on the circumstances, may reduce the agreed compensation, if he judges it excessive.

The same provision will apply in the event that the contract is configured as a location and it is agreed

that at the end of the same, the property of the thing is acquired by the tenant as a result of the payment of the agreed fees.

Art.784.- The contract by which a person agrees to sell or buy something else a price and within a specified period, will produce the effects of the sale as soon as the co-stimulant declare in your own time your willingness to buy or sell.

Art.785.- The promise to buy or sell must be made effective within the period stipulated by the parts. If it is not set, the term will be the maximum allowed by law for the lease. The same limitation will govern for the conventional term.

Page 78

Art.786.- In the sale on documents, the seller is released from the obligation of delivery by remission to the buyer of the representative title of the merchandise and the other documents established by law, by the contract and, failing that, for the uses.

Art.787.- Unless agreed or otherwise, payment of the price and accessories must be made at the time and place where the delivery of the documents indicated in the previous article is verified. When the documents are regular, the buyer cannot deny payment of the price on the grounds Exceptions relating to the quality and the state of things, unless these are already proven.

Art.788.- If the sale is for travel things and among the documents delivered to the buyer is including the insurance policy for transportation risks, the buyer will be responsible for the risks to that the merchandise is exposed from the moment of delivery to the carrier.

This provision shall not apply if the seller, at the time of the contract, was aware of the loss or breakdown of the merchandise and had concealed it in bad faith from the buyer.

Art.789.- When the payment of the price must be verified through a bank, the seller may not address against the buyer but after the opposite rejection by said bank, verified in the act of the presentation of the documents in the forms established by the uses.

The bank that has confirmed the credit to the seller can only oppose him the exceptions derived from the lack or irregularity of the documents and that related to the credit confirmation relationship.

Art.790.- He who sells an inheritance without specifying the assets included in it, is only obliged to vouch for his status as heir.

Art.791.- When the sale includes only the more or less uncertain claims to an inheritance, The rules on random sales will govern. The seller will not be liable for the eviction, except in the case of intent.

Art.792.- The sale of inheritance will be approved by the succession judge, and must be notified to the co-heirs, legatees and creditors of the estate.

Art.793.- They are not understood in the transfer, and they will be understood in favor of the seller: to)

a) the part of the inheritance deferred to the seller after the sale, by substitution or lack of a co-heir, as well as what is obtained by an improvement or collation waiver clause;

b) the papers, portraits and family memories, as well as the honorific distinctions of the deceased or ancestors, although they represent some value; Y

c) the rights to the tomb occupied by the remains of the deceased or the ancestors of the seller, unless the sale is made to a joint heir

Art.794.- Once the sale has been verified, the seller will be obliged: to)

a) to deliver the assets of the inheritance that exist at the time it is formalized, including the received previously, either by the sale of the securities belonging to the estate, by a legal act related to this, or for compensation by virtue of the loss, deterioration or theft of any object hereditary;

Page 79

b)

to reimburse the buyer for the value of what they have consumed or disposed of free of charge, or in the event of having taxed an asset, the amount of its decrease, unless the acquirer has known the existence of these acts.

No compensation will correspond, if the deterioration, loss or impossibility of reimbursement, respond to another cause; Y

c)

to guarantee that the sold right is not impaired by the existence of another heir, for unknown legacies or positions, due to the duty to collate, or due to the result of the partition.

Art.795.- The seller keeps the fruits and useful products corresponding to the time prior to the conclusion of the contract; but it will bear in proportion to its hereditary share the burdens that during that period will affect the exploitation of the assets, and among them, the interest on the debts of the estate.

The buyer must pay the inheritance taxes, and the contributions or charges to be considered as imposed on the capital of the estate of the succession.

Art.796.- Unless otherwise agreed, the buyer is jointly and severally bound by the seller to the extent that he was obliged.

Art.797.- The buyer must reimburse the seller all that he has paid for debts and charges of the inheritance before the conclusion of the contract; his own claims against her, and the other expenses in what have increased the value of the hereditary assets at the time of the sale, except if there were otherwise agreed.

Art.798.- The free transfer of an inheritance will be governed by the rules of donation.

CHAPTER II

OF THE EXCHANGE

Art.799.- Through the swap contract, the parties reciprocally transfer ownership of things or other patrimonial law.

Art.800.- The permutant, if he has suffered eviction and does not want to receive the thing he gave back, has the right to the value of the thing whose eviction suffered, according to the rules established for sale, except, in any case, the compensation for damage.

Art.801.- The expenses of the exchange and the other accessories are in charge of both contracting parties, in parts the same, unless otherwise agreed.

Art.802.- In everything that has not been specifically determined in this Chapter, the exchange will be governed by the provisions concerning the sale.

CHAPTER III

OF THE LOCATION

Page 80

SECTION I

OF THE GENERAL PROVISIONS

Art.803.- The purpose of the lease is the assignment of the use and enjoyment of a thing or of a patrimonial right, by a certain price in money.

The provisions of the sale will be applied to this contract, as appropriate.

Art.804.- The rules of this chapter do not derogate from the provisions to the contrary of the special legislation.

Art.805.- All non-expendable goods that are in the trade can be leased. Those who are outside of it, or those that should not be alienated by legal or judicial prohibition, may be subject to of the contract, if they are not harmful to the public good, or contrary to morals and good customs.

Art.806.- People who have the administration of their own or others' assets may give them on location; and those who have the capacity to bind themselves may take them from third parties, within the limits indicated by the law to their respective rights, in both cases.

Art.807.- The rental contract may not be entered into for a period greater than five years. The one stipulated by a longer term, it will be reduced to the term indicated, unless the urban property, object of the contract, it had been rented to build constructions in it, or it will be rustic properties leased in order to carry out plantations that require a long time to achieve productive results.

In both cases, the lease may be stipulated for up to twenty years.

Art.808.- If the parties have not determined the term of the lease, it shall be understood as agreed:

to)

when it is a question of an inheritance whose fruits must be harvested annually, for the duration of said period;

b)

if the fruits can only be harvested after a few years, for the entire period necessary to pick them up;

c)

if it concerns houses that are not furnished, or premises for the exercise of a profession, of a industry or a trade, for the duration of one year;

d)

in the case of furnished rooms or apartments, the price of which has been agreed by years, months, weeks or days, for the time indicated at said price;

and)

if the location has a specific object, for the time necessary to achieve it;

F)

in the case of movable things, for the duration corresponding to the unit of time to which they are adjust the stipulated price; Y

g)

When it comes to furniture provided by the landlord to equip an urban estate, by the duration of the location of said farm;

Art.809.- Any clause by which it is intended to exclude from the house, room or rented apartment or sub-leased, to minors who are under the parental authority or guardian of the tenant or sub-tenant.

Art.810.- In case of being alienated the leased asset, the lease will subsist for the agreed time provided that the contract has been registered in the respective Registry.

Page 81

SECTION II

OF THE EFFECTS OF THE LOCATION

Art.811.- The landlord must enable the tenant to use the thing for the right leased in the state own for the agreed use, except agreement to do it as it is. This will show off when they lease dilapidated buildings, or the object is received without requiring repairs.

Art.812.- The landlord's obligations regarding the thing are:

to)

deliver it to the tenant and keep it in good condition, making the necessary repairs to it;

b)

keep the tenant in the peaceful enjoyment of it, carrying out the acts conducive to this end and abstaining from whatever may create pregnancies to the right of the former;

c)

keep it as you leased it, even if the changes you make do not cause any damage to the tenant;

d)

reimburse the necessary fees; Y

and)

Responsible for the vices or serious defects that prevent the use of it.

Art.813.- The obligation referred to in subsection a) of the preceding article, includes the repairs that requires deterioration caused both by unforeseeable circumstances or force majeure as well as by the quality of the thing itself, vice or defect of it, whatever it may be, or that derived from normal use or enjoyment, or that which fault of the landlord, its agents or dependents.

For the purposes of this article, the deterioration of the thing originated by the fact of third, even for reasons of enmity or hatred of the tenant.

Art.814.- The improvements and other works carried out on the thing during the contract will be governed by the principles following:

a) the landlord's permission to carry them out can only be proven in writing;

b) if the tenant is authorized to carry them out, he must be expressly designated.

When it is agreed that the landlord will pay them, the maximum amount that the

tenant will be able to spend and the rents or rents with which the payment will be verified. Not observing these provisions, the authorization will be void;

c) If the tenant does not make the promised improvements, the landlord may choose between demanding compliance of them within a specified period, or order him to terminate the contract, if it does not affect them.

When a sum has been delivered by the landlord, or the price decreased in view of the improvements, may demand, in addition, the reimbursement of those with interest, or the total of the reduced rent, without prejudice of the compensation to which there is place;

d) The tenant may not, without express authorization, make improvements that alter the shape of the thing. Regarding uncultivated lands, the tenant is presumed authorized for any cultivation or rustic improvements;

Page 82

e) If the tenant makes, without authorization of the landlord, improvements prohibited by the contract, or that alter the form of the thing, he may prevent them, and if they are already finished demand their demolition or demand Before the delivery of the object, that the tenant return it to the state in which it was received. If they were harmful, or change the destination of the thing, the landlord may exercise the same rights, or demand the resolution; Y

f) The tenant shall have the right of retention for the improvements or the corresponding expenses to be paid to the landlord. Art.815.- If the leased thing is real property, the landlord is responsible for executive action to collect the price. of the lease.

The tenant will not be sentenced to payment if he has to compensate for improvements or necessary or authorized expenses. as prescribed in the previous article.

Art.816.- The bonds or guarantees of the location or sublocation, oblige those who grant them, both for the payment of the price, as with all other benefits, if there is no express reservation.

Art.817.- Third parties may challenge the advance payments of leases, in accordance with the principles general. However, and despite the convention to the contrary, those carried out will be considered valid. up to a term of six months for urban properties, and one year for rustic properties, in the cases following:

to)

with respect to mortgage creditors, regardless of the date on which the assessment. The term will be counted from the notification of the seizure. Subsequent payments may not be opposed to the creditor, but the facts for a longer term and recorded in the Registry, before the constitution of the mortgage;

b)

in which it concerns the purchasers of the thing, those verified before having knowledge of the enjanación. The term will be counted from when the title was registered and the act was notified to the tenant. The limitation may not be invoked, by whoever knows or should know the previous advance payment, by virtue of your registration;

c)

with respect to married women, those verified to the husband, unless the latter is not authorized;

d)

As for the principals, the facts to the agents not empowered to request advances for longer term; Y

and)

with reference to the incapable, in terms of advances for a broader term, if not mediated judicial permission.

Art.818.- The things introduced in the house or leased property, will be affected by the obligations of the tenant, in accordance with the provisions on the preference of credits over movable things.

Article 819.- The use of the thing in use other than the one agreed, or to which it is intended, or the abusive enjoyment of it that causes damage, authorizes the landlord to prevent it, as well as demand compensation, and according to the circumstances, to request the termination of the contract.

Art.820.- Whenever the landlord modifies the shape of the thing, or wants to make changes or works that involve reparation, or has already done them against the will of the tenant, the tenant may oppose that make them, or request the demolition of them, or return the thing, requesting the payment of damages. The The landlord may, however, modify the accessories of the thing, as long as it does not harm it.

Page 83

Art.821.- The repairs and expenses made by the tenant are considered unnecessary expenses, when Without damage to the thing, they cannot be delayed, and it will not be possible to notify the landlord to do it. or authorize. The payment of taxes on the thing falls into this class, but not those levied on the activities of the tenant, or were determined by the quality of the exploitation. Imprisonments of another gender will only be borne by the landlord, when the management rules so provide. of other people's businesses. The tenant may withdraw these improvements, unless the landlord wants to keep them, paying its amount.

Art.822.- When the landlord, notwithstanding the notice that the tenant has given him about the vices or deterioration that must be repaired, does not do so, or delays in doing so, the second may retain the part of the price corresponding to the cost of repairs or works and if these are urgent, carry them out for account of the first.

Art.823.- If the landlord, when carrying out the repairs at his expense, interrupts the agreed use or enjoyment, at all or in part, or they are very uncomfortable to the tenant, he may demand, according to the circumstances, the cessation of the lease, or a reduction proportional to the time they last. If the landlord does not agree to this, the tenant may return the thing, the contract being dissolved.

The same faculty will assist you whenever the landlord is obliged to tolerate or carry out work on the walls. party walls, disabling part of the leased property for some time.

When the impediment is only partial, it may demand a price reduction.

Art.824.- If the tenant is disturbed in the use and enjoyment of the thing, the rules will be observed, depending on the case. following:

to)

When the disturbance comes from vices or serious defects of it, which prevents the use and enjoyment, the The landlord will respond, even if he had ignored them, or they occurred during the lease. In both assumptions, the tenant may request a reduction in the price, or the contract is terminated, unless there is known such vices or defects;

b)

If the impairment results from an action, or from the de facto means of third parties who seek the property, usufruct or easement, it will be legal for the tenant to claim a proportional decrease in the price provided that such circumstances have been notified to the landlord. The same will be observed when embarrassment or impediment, derived from acts carried out in exercise of the regular powers of public authority;

c)

In the cases of the preceding paragraph, if the tenant has been sued to vacate the property, in in whole or in part, or to suffer the exercise of an easement or other real right, you must cite the eviction to the landlord, and will be excluded from the lawsuit if required, provided that he designates the person to whom the right. The landlord is obliged to defend the tenant;

d)

The landlord may not be obliged to guarantee the tenant against the de facto means of third parties, that do not claim real rights over the thing. In such cases, the lease will only have action against the authors, but even if they are insolvent, it will not be allowed to go against the landlord. When disturbances have the character of force majeure, the provisions of subsection g) shall govern;

e) The tenant must notify the tenant, as soon as possible, of any incursion or supervening event detrimental to your right, as well as any lawsuit filed on the property, use or enjoyment of the thing.

If he does not do so, he will be liable for damages and may not demand any guarantee from the landlord;

Page 84

f) If the landlord is defeated in judgment on a part of the thing, the tenant may claim a reduction of the price, or that the contract is terminated, provided that it is a principal portion of the leased asset, as well as damages.

When the tenant has known when hiring, the danger of eviction, he will not be able to claim that redress; Y

g) If the disturbance is due to unforeseeable circumstances or force majeure, you may request that the contract be terminated, or that payment of the price ceases during the interruption.

Art.825.- They are obligations of the tenant

a) be limited to the use and enjoyment agreed or presumed, depending on the nature of the thing and the circumstances, although the diverse employment will not cause damage to the landlord;

b) pay the price in the agreed terms, and in the absence of adjustment, according to the custom of the place;

c) keep the thing in good condition and be liable for the damage or deterioration caused by its fault, or by the made of the people of his family who live with him, of his guests, subordinates or subtenants. In the latter case, the landlord can demand that the necessary work be done or terminate the contract;

d) repair minor damage regularly caused by the people who inhabit the building;

e) inform the landlord, as soon as possible, if during the contract a defect of the thing appears, that make it necessary to adopt measures to protect it against a previously unforeseen statement, as well as when a third will claim a right over it.

The omission of the notice will oblige you for the damage produced, and if for that reason the landlord did not take the necessary measures, the tenant may not request a reduction or suspension of the rent, nor any compensation, or that the contract is terminated;

f) pay the taxes established by reason of the use or exploitation of the property, even if the authorities charge the owner; Y

g) to restore the thing, once the location is finished.

Art.826.- The use and enjoyment of the contract includes the perception of the fruits and products ordinary operations of existing farms, when they correspond to the landlord.

If the leased property is extended by accession, the tenant will also have the use of the increased land, charged to pay a higher price, provided that the increase is of importance.

Art.827.- If the thing is totally destroyed by fortuitous event, the location will be rescinded. If it is

Only in part, may the tenant request a price reduction, or the termination of the contract, depending on the

Page 85

importance of the damage. If there is simple deterioration, the lease will subsist, but the landlord will be obliged to make necessary repairs.

Art.828.- The tenant will respond for the fire of the thing, if it does not prove fortuitous event or force majeure, vice construction, or that the fire spread from a neighboring building or other similar causes.

If the house houses more than one tenant, everyone will be responsible for the fire, including the landlord if in it I will inhabit. Each one will respond in proportion to the value of the part it occupies, except if it is proved that the fire started in the apartment inhabited by only one of its inhabitants, who will then be the only one responsible.

Art.829.- The changes or deterioration caused in the thing by the agreed or regular use of it, will not responsible to the tenant, as well as if the extraction of their products, the good was destined to to become extinct.

SECTION III

OF THE SUBLOCATION

Art.830.- The tenant, if it is not prohibited by the contract, may sublet in whole or in part the thing, as well as give it on loan or assign the location. In the latter case, the transfer of the rights and obligations of the tenant, applying the principles on the transfer of rights.

The sublease constitutes a new location governed by the rules of this chapter.

Art.831.- The prohibition of subletting matters that of assigning the lease and vice versa.

Art.832.- The sublocation will not modify the relations between the landlord and the tenant. Those of the one with the subtenant, will be governed by the following rules:

to)

the landlord may require the subtenant to comply with the obligations resulting from the sublocation, and the second claim of the first the one that the latter has contracted with the tenant;

b)

the subtenant will be directly obliged to pay the rents or rents that the tenant will stop paying, and whose payment is demanded; but only up to the amount owing you; Y

c)
 The sublocator must compensate the damage caused to the landlord in the use and enjoyment of the thing.
 Art.833.- The sublease will always be judged under the implicit clause that the subtenant will use and will enjoy the thing according to its destination, according to the original contract and the landlord will have the right to demand that the sublocator deliver it in good condition.
 Art.834.- The landlord must accept the payments of overdue installments, made to the tenant by the subtenant. The latter will not be able to oppose the advances made to the landlord, unless authorized by the contract or the law.
 Art.835.- The rights and privileges of the landlord over the things introduced in the property, extend to the that they were by the subtenant, but only to the extent of the obligations incumbent on this.

Page 86

For its part, the sublocator will enjoy, for the price of the sublease, the rights and privileges of the lease on the same things.

Art.836.- If, notwithstanding the prohibition of the contract, the tenant subleases the thing, or does so if he came of the landlord, when this is necessary, the subtenant may not refuse to receive it on the grounds of those circumstances, if hired in knowledge of them. In such a case, the sublocation will produce its effects, if the landlord tolerate it or until it objects.

For its part, the landlord may demand the eviction of the subtenant and that the tenant return to possession of the totally or partially subleased thing. It will also assist you with the right to sue for damages and damages, being limited to them, or that the lease is rescinded, with the appropriate compensation.

SECTION IV

OF THE CONCLUSION OF THE LOCATION

Art.837.- The location concludes:

- to)
 If it is hired for a specific time, that time is over. It will be understood that there is a term determined in the cases contemplated in the general provisions on the location;
- b)
 agreed without term, when any of the parties wants it;
- c)
 for loss of the thing leased;
- d)
 due to the impossibility of obtaining from it the destination for which it was leased;
- and)
 due to the redhibitory vices of the thing, existing at the time of the contract or later, except if in the first case the tenant has known or should have known them. Will be judged within of this subsection, the assumptions of the property that threatens ruin, or that, due to constructions in neighboring properties, it will become dark;
- F)
 by fortuitous event that has made it impossible to begin or continue the effects of the contract; Y
- g)
 due to the fault of the landlord or tenant who authorizes one or the other to terminate the contract; Y
- h)
 for non-payment of two overdue monthly payments, if the landlord demands the termination of the contract.

Art.838.- In the case of subsection a) of the preceding article, if the tenant does not return the thing, the tenant may demand their immediate restitution, with more damages. The eviction will be completed within ten days, from the notification of the sentence that will decree it.

Art.839.- If the location is not within a specified period, the landlord may demand the restitution of the thing, but the tenant, not owing two rental periods, will enjoy the following terms, computed from the summons:

- to)
 if the thing is movable, after three days;
- b)
 if it is a house or property, after forty days. If the price has been fixed by days, then

seven days;

c)

if it is a rustic property where there is an agricultural establishment, after one year; Y

d)

If it is a kind of land in which there is no commercial, industrial or agricultural establishment, after six months.

Page 87

Art.840.- Once the rental contract has concluded, the tenant must return the leased property as received, if a description of its condition has been made, except for what has perished or has been deteriorated by the time or due to unavoidable causes.

If the tenant received the thing without a description of its condition, it is presumed that he received it in good condition, except prove otherwise.

Art.841.- The term lease does not end due to the death of the parties. However, in case of death of the tenant of a property, when sublease is prohibited, the heirs may obtain that it is terminated without paying compensation, if they prove that as a result of the death, they cannot bear the burdens of the lease, or that the farm does not meet your current needs. That request must be formulated within a term of six months from the death of the tenant.

Art.842.- The tenant may retain the leased thing because of what the landlord owes for the payment of authorized improvements, unless the landlord will deposit or guarantee the payment of them as a result of the settlement. The landlord cannot abandon the leased property to exempt himself from paying for the improvements and expenses to which he is obliged.

Art.843.- If the contract is terminated, the tenant remains in the use and enjoyment of the leased thing, it is not will judge that there is tacit redirection, but the continuation of the location concluded, and under their own terms, until the landlord requests the return of the thing; and you can request it at any time, whatever Whatever the lessee has continued in the use of the thing.

The tenant in default regarding the restitution of the thing is obliged to pay the agreed fee until the delivery of it, without prejudice to compensate any other damage.

Art.844.- The rules of this chapter do not prevail over the contrary provisions of the laws specials.

CHAPTER IV

OF THE SERVICE CONTRACT

Art.845.- The rights and obligations of employers and workers derived from the contract of work, will be governed by labor legislation; and those derived from the exercise of the liberal professions, due to their special legislation.

Art.846.- The person obliged to provide a service must perform it personally and this provision is incessant, unless otherwise agreed.

Art.847.- Whoever performs any work, or provides any service to another, may demand the price although not adjustment has been mediated, provided that the activities are related to their profession or way of life. If there is rate or tariff will apply these, and in default of them, the usual remuneration, which will be set by the judge.

Art.848.- The one who provides his service will receive the agreed remuneration at the end of each period of time established in the contract, even if you have not actually fulfilled tasks, through no fault of your own.

Page 88

Art.849.- The provision of services cannot be agreed for a term greater than five years, but this will be renewable in accordance with parts. The agreements made for the life of the landlord, or that exceed that term, They will only be valid for the time set above.

Art.850.- Unless otherwise agreed, the service contract made for a specified period, or whose duration results from the purpose for which the service was promised, ends at the expiration of the foreseen term, without that it is necessary to report it.

If no term has been set, either party may terminate the contract, giving notice to the another at least thirty days in advance.

Art.851.- Even in fixed-term contracts, the parties may terminate them without notice prior, when there are just reasons for it. They are just reasons, among others:

- a) the incompetence or negligence of the person who must provide the services;
- b) failure to comply with the instructions given by the other party;
- c) the permanent inability to perform the services to which it has been obliged; Y
- d) the moral reasons that authorize not to execute the contract.

CHAPTER V OF THE WORK CONTRACT

Art.852.- The purpose of the work contract is to carry out certain work that one of the parties is obliged to carry out, by itself or under its direction, at a price in money.

The one who carries out the work may also supply materials for its execution.

Art.853.- If the person who executes the work must also supply all the necessary materials, the transfer of the domain will be verified by receipt of the finished work. Once the delivery has been completed, the rules will apply of the sale.

Art.854.- The person who carries out the work is obliged to execute it personally or have it executed under his liability for another, unless, by its nature or by express clause, the possibility of execution by another.

If the work must be executed under the form of a company, the employer, unless otherwise agreed, must have the means, machines and tools necessary for its realization and must also supply the materials.

Art.855.- The one who executes the work must carry it out as agreed, observing the specifications and plans, if they exist. You may not change the project of the work without written permission of the other party, but if the compliance with the contract requires modifications and they cannot be foreseen at the time agreed, you must immediately notify the other contractor, expressing the alteration that will cause about the fixed price. It will be up to the judge to determine the modifications to be introduced and the correlative price variation.

Page 89

If the amount of the variations exceeds the sixth part of the agreed price, the one who will execute the work may to separate from the contract, and obtain, according to the circumstances, equitable compensation.

Art.856.- Whoever executes a work must deliver it within the stipulated period, or whatever reasonably necessary, meanwhile running the risks of the thing in your charge.

Art.857.- The price of the work must be paid upon delivery, if there is no stipulated term.

If before delivery, the work perishes due to a fortuitous event, the person who executes it may not claim the price of his work, nor the reimbursement of his expenses, unless the person who commissioned it has incurred in arrears of receive it.

When the work is destroyed, either as a result of a defect in the material supplied, or the earth assigned by the person commissioning the work, whether by effect of the execution mode prescribed by him, the executes, if in due time it warned him of these risks, claim the price of the work done and the reimbursement of expenses not included in that price.-

You can also claim damages, if the person who commissioned the work has incurred at fault.

Art.858.- The one who orders the work may introduce variations in the project, provided that its amount does not exceed one sixth of the total agreed price. The one who executes it has the right in this case to the compensation for the greater work carried out, even if the price of the work had been globally determined.

The provision of the previous paragraph will not apply when the variations, even being contained within of the limits indicated, import notable modifications of the nature of the work or of the quantities in the various unique categories of work, provided for in the contract for the execution of said work.

Art.859.- In the case of works that must be carried out in parts, each of the contracting parties may request that verification is carried out by each party. In this case, the employer may request payment in proportion to the work done and delivered.

The payment presumes the acceptance of the part of the work paid. This effect does not produce the disbursement of amounts paid on account.

Art.860.- In the case of buildings or works in real estate for long-term purposes, the builder is responsible for its total or partial ruin or obvious danger of ruin, if it comes from vices of construction, soil defects or poor quality materials, whoever has them supplied.

For liability to be applicable, the ruin must occur within ten years of receipt of the construction site.

The responsibility that this article imposes will not be contractually dispensable and will extend indistinctly to the director of the work and the designer, according to the circumstances, without prejudice to the actions back that they could reciprocate.

Page 90

Art.861.- The builder, in order to act repeatedly against subcontractors, must, under penalty of expiration of their right, communicate the complaint made by the owner, within sixty days computed from receipt.

Art.862.- The one who entrusts the work may desist from its execution even after it has begun, indemnifying the other party for all his expenses, work and utility that he may have obtained for the contract. However, the judges may equitably reduce the compensation for the utility not perceived, if the strict application of the norm leads to a notorious injustice. For this purpose they will take mainly take into account what the builder gained or was able to gain by releasing his obligation.

Art.863.- If the contract is terminated because the execution of the work has become impossible, as a result of a cause not attributable to any of the parties, the one who entrusted it must pay the part already carried out of the work, within the limits in which it is useful for him, in proportion to the agreed price of the entire work.

Art.864.- The contract is not terminated by the death of the person who executes the work, unless the consideration of his person has been a determining reason for the convention. The other party can withdraw in any case if the heirs of the deceased do not give a guarantee for the proper execution of the work.

Art.865.- Resolving the contract in the case of the previous article, it must be paid to the heirs of the executed the work the value of the work carried out, in relation to the agreed price, and reimbursed the expenses incurred for the execution of the remainder, but only within the limits in which the works made or expenses incurred are useful.

Art.866.- Those who have worked or supplied materials in works adjusted for a determined price, they will only have action against whoever entrusted them up to the amount that he owes to his contractor.

CHAPTER VI

OF THE PUBLISHING CONTRACT

Art.867.- The purpose of the publishing contract is the uniform reproduction of a literary, scientific or artistic, its diffusion and sale to the public. Unless expressly waived, the author or his successor shall have the right to a remuneration.

Art.868.- If there is no stipulation to the contrary, the contract transmits the author's right to the publisher, while the execution of the former lasts and in all that its nature requires.

Art.869.- The author may also be obliged to elaborate a work according to the plan agreed with the publisher, and in this In this case, the author will only have the right to remuneration, with the publisher acquiring the copyright.

Art.870.- There being no stipulated term for the delivery of the work, it is understood that the author may deliver it when it is convenient, except the right of the editor, in case of excessive delay, to ask the judge the setting of the term and, in the absence of compliance, the termination of the contract.

Art.871.- As long as the editions that the publisher has the right to make have not been exhausted, they will not be able to author or his successors dispose of the work in whole or in part.

Page 91

Newspaper articles and isolated articles, of short length, inserted in a magazine may always be reproduced elsewhere by the author or his successors.

Works that are part of a collective work, or magazine articles of a certain length, do not

may be reproduced by the author or his successors before the expiration of the three-month period from the moment the publication has been made.

Art.872.- If the contract does not determine the number of authorized editions, the publisher may not publish more of one. Unless otherwise stipulated, the publisher is free for each edition, to set the number of its copies, but is obliged, if the other party requires it, to print at least a sufficient number to give to the work a suitable publicity.

If the convention authorizes the publisher to publish several editions of a work, and neglects to publish one new when the previous one has been exhausted, the author or his successors may ask the judge to set the deadline for the publication of a new edition, under pain of losing the publisher his right.

Art.873.- The publisher is obliged to reproduce the work in a convenient way, without any modification. Should also pay for necessary advertisements and provide the usual measures aimed at the success of the sale.

The publisher will set the sale price of the work, without being able to raise it to the extreme of limiting its circulation.

Art.874.- The author retains the right to introduce corrections in his work, provided that they do not harm the interests or increase the liability of the publisher. If as a result of them he imposed incidental expenses to the publisher, you must reimburse them.

Art.875.- The editor cannot make a new edition without having previously put the author in conditions to improve his work.

The right to publish different works by the same author separately does not matter to publish them together. in the same volume. Similarly, the right to edit the complete works of an author, or a category of his works, does not imply the separate publication of the different works included in them.

Art.876.- If the contract has not stipulated the remuneration that corresponds to the author, the judge will set its amount, after an expert opinion.

Art.877.- In the absence of express stipulation, the remuneration of the author will be demandable from the moment the editor the entire work or each part, if its execution in parts has been agreed.

If the contracting parties agree to make the remuneration depend on all or part of the result of the sale, the publisher must establish his sales account and provide the author with the respective receipts.

Art.878.- If the work perishes due to a fortuitous event in the power of the publisher, before being edited, the latter must pay to the author or his successors as compensation, the remuneration or participation that they may have reciprocated if edited. If the author owns a copy of the destroyed work, he must put it to editor's provision. If he does not have it, he will have to redo it, if the work is relatively easy.

Page 92

If the loss of the work occurred through the fault or fraud of the publisher or the author, the other contractor will have the right to compensation for all damages suffered.

Art.879.- The contract is extinguished if, before the completion of the work, the author dies, becomes incapable or it will be found without your fault in the impossibility of finishing it.

If an important part of the work has been executed, the publisher will have the right to have the contract fulfilled in that part, unless it has been expressly agreed that the work be published only in its entirety.

In the event of bankruptcy of the publisher, the other party may deliver the work to another publisher, unless guarantees for the fulfillment of obligations not yet due at the time of the declaration of bankruptcy.

CHAPTER VII

OF THE MANDATE

SECTION I

OF THE GENERAL PROVISIONS

Art.880.- By the mandate contract, a person accepts another power of attorney to represent them in the management of their interests or in the execution of certain acts.

The tacit mandate will result from unequivocal facts of the principal, from his inaction or silence, or when in knowledge that someone manages their business or invokes their representation does not prevent it, being able to do it.

Art.881.- The acceptance of the mandate may result from the fulfillment of the acts entrusted to the leader. It will be presumed when the one to whom it is proposed receives the instrument of a power of attorney to fulfill it, or the objects or values that refer to it, without declining the offer.

If the business entrusted to the agent is one of those that, due to his trade or his way of life, I will accept regularly, he must take, even when excused, the urgent conservative measures required by the

deal.

Art.882.- The mandate may be validly conferred on a minor who has completed eighteen years of age. The grantor will be bound by its execution, both with respect to the agent and third parties with whom he has contracted.

The incapable agent may oppose the nullity of the contract when he is sued for his non-compliance, or due to accountability, except for the actions of the principal for which the agent has become to their advantage, or derived from illegal acts.

Art.883.- The mandate conceived in general terms, will only include the acts of administration, even if the agent declares that no power is reserved, or that the agent can do whatever deems appropriate, or there is a general clause and free management.

Page 93

Art.884.- Special powers are necessary for the following acts:

- a) make payments that are not ordinary for the administration;
- b) renew existing obligations at the time of the mandate;
- c) compromise, compromise arbitrators, extend jurisdiction, waive the right to appeal or purchased prescriptions;
- d) make a free resignation, or remission, or debt relief, except in the case of bankruptcy of the debtor;
- e) carry out any act for consideration or free of charge tending to constitute, transmit, renounce or extinguish real rights over real estate. The special power to which this subsection refers does not include the Power to mortgage them or transfer real rights for debts prior to the mandate;
- f) make donations, except for rewards of small sums, to the administration staff. The power of attorney will express the goods to be donated and the name of the beneficiaries;
- g) revoke donations already made, and the donee must be designated;
- h) give or receive money on loan, unless the administration consists in carrying out those acts, or that they were a consequence of the same, or the conservation of the goods entrusted to the leader;
- i) lease for more than five years real estate that was in charge of the attorney;
- j) constitute the principal as depositary, unless the power consists of receiving deposits or consignments, or that they were consequences of the administration;
- k) oblige the principal to provide any service, as a landlord, or free of charge;
- l) form a company, constitute the principal as guarantor;
- m) accept or repudiate inheritances;
- n) recognize or confess obligations prior to the mandate;
- ñ) receive in payment what is owed to the principal, unless the collection can be considered as a means to execute the mandate; Y
- or) execute those acts of family law, which can be carried out by third parties. The Public deed necessary in the case of this subsection, you must specify them and mention the person regarding of which the mandate was conferred.

Art.885.- The special mandate for certain acts of a specific nature must be limited to them, without be extended to other analogues, although these could be considered a natural consequence of which the principal has entrusted.

Art.886.- The mandate is presumed onerous, unless otherwise agreed.

Art.887.- The power to contract an obligation includes that of fulfilling it, provided that the principal has delivered to the agent the money or the thing that must be given in payment.

Art.888.- When two or more agents have been named in the same instrument, it shall be understood that the designation was made to be accepted by one only in the order in which they are indicated, with the following exceptions:

to)

when they are designated so that all or some of them intervene jointly;

b)

if they had been to carry out all or some of them separately, or the principal divide the management between them, or empower them to divide it among themselves; Y

c)

when one of them has been appointed to act in the absence of the other, or others.

Page 94

Art.889.- Accepted the mandate by one of those appointed, his resignation, death or disability supervening, will entitle each of the others to accept it, according to the order of their designation.

Art.890.- Whoever gives another recommendation or advice, will not be liable for the damage resulting from it.

SECTION II

OF THE EFFECTS OF THE MANDATE

Art.891.- The agent must:

to)

faithfully execute the contract in accordance with the nature of the business and within the limits of the power, conforming to the instructions received. It will not be judged that he departed from them, if he had fulfilled it in a more advantageous way than indicated;

b)

refrain from executing the mandate, when it results in manifest damage to the principal;

c)

take the conservative measures required by the circumstances, when found in inability to act in accordance with the instructions, but will not be obliged to become an agent informal;

d)

liable for damages and losses derived from total or partial non-performance, if applicable chargeable;

and)

give an account of its operations, without the prior release of it by the principal releasing it from the charges that he may justify against him;

F)

restitute what he received from the principal and had not provided for his order, as well as what obtained from a third party, even without rights, the profits derived from the business, the titles, documents and papers that have been entrusted to him, except the letters or instructions delivered on the occasion of the execution of the contract;

g)

In the absence of authorization from the principal, refrain from any other benefit or advantage in the performance of the order, except that foreseen when the contract was concluded; Y

h)

postpone your interests in the performance of the contract if there is a conflict between yours and those of the principal.

Art.892.- If the agent, violating the provisions of subsection g) of the previous article, has received, even after completing the order, a secret or illicit profit of the third party with whom he had dealt for account of the principal, may be compelled to deliver it and will lose all right to remuneration.

Art.893.- The agent will owe interest for the amounts that he applied for his own use, from the day he

he does, and for those that he owes from the date on which he became delinquent to deliver them. It will also be responsible for the damages caused by the breach of trust to the principal.

Art.894.- The agent is liable for the money in his possession on behalf of the principal, although is lost due to unforeseeable circumstances, or force majeure. If the money is contained in boxes or closed bags, it will not will respond for the accident, unless he has incurred negligence by not depositing it in the banks local.

Art.895.- If there is solidarity between various agents, it will cease when the damage arises from acting one of them separately, violating the rules of the contract. Whenever they must intervene jointly, Anyone who refuses to cooperate will be solely responsible for the damages derived from the non-execution.

Page 95

Art.896.- When the agent, by special agreement, takes charge of the solvency of the debtors and the collection risks, will therefore become the principal obligated, and the fortuitous event and the overwhelming force.

Art.897.- If the agent performs the acts of his order in his own name, he will not oblige the principal. Regarding third parties, even if they have news of the mandate. The principal may require a judicial subrogation in the rights that arise from the acts executed and be bound by the creditors who exercise the rights of the agent, according to the general rules.

Art.898.- The principal's duties with respect to the agent are:

to)

pay the agreed remuneration, or that resulting from professional legal fees specials. In the absence of conventional or legal norms, the remuneration will be fixed by the judge;

b)

deliver the amounts necessary for the execution of the mandate, if the agent requests them;

c)

reimburse the advances, even though the business had not been favorable. The restitution will include the interests since the sums were advanced. This duty will subsist, even if the expenses seem excessive, as long as they are not disproportionate, and provided that the agent has not incurred in any fault;

d)

release you from the obligations that you have contracted with third parties in compliance with the mandate and provide him with the things or sums necessary to exonerate himself from them; Y

and)

indemnify him when, without attributable fault, he has suffered losses due to the mandate. I know they consider such, those that the agent would not have experienced in case of not accepting the order.

Art.899.- The agent will not be obliged to wait for the presentation of their accounts, or the full compliance of the mandate, to demand the advances or expenses made by him.

Until the payment of these and their remuneration, you may retain the assets or securities of the principal that are found in his power.

Art.900.- The principal is not obliged to pay the expenses made by the agent:

to)

if he did them against his express prohibition, except if he wanted to take advantage of the advantages derived from they;

b)

if they were caused by the fault of the president himself;

c)

when he made them, even if they were ordered, if he knew the bad result that the business, ignoring the agent; Y

d)

If it was agreed that the expenses were the responsibility of the agent, or that he could only demand a determined amount.

Art.901.- The agent cannot claim in his own name the execution of the legal acts carried out to name of the principal, nor be personally sued for the fulfillment of them.

Art.902.- When the mandate concludes or is revoked without fault of the agent, the principal must satisfy the part of the remuneration proportional to the service performed, but if the agent has

received totally or partially, you will not be obliged to return.

Art.903.- When two or more people appointed agent for a common business, they will be bound jointly and severally for all purposes of the contract.

Page 96

Art.904.- The agent may substitute another person for the execution of the mandate. In this case, your Relations with the substitute will be governed by the rules that govern the main contract.

Responsible for the person who has chosen, when that power was not agreed. Yes, but without designation of name, he will be obliged, provided that he has chosen insolvency person or noticeable disability.

If he substitutes the power of attorney in the person indicated, the agent will be exempt from liability.

Art.905.- Whoever substituted his powers may revoke the act when he deems it convenient; but meanwhile He will be obliged to monitor the substitute, unless the appointment comes from the principal.

Art.906.- The principal, in all cases, will have direct action against the substitute, but only for the obligations that it may have contracted for the substitution. Reciprocally, the substitute will have it against the principal for the fulfillment of the contract.

The principal shall retain his direct action against the representative he substituted contrary to his orders, or that by his fault he is responsible for the damages or interests.

Art.907.- The substitution prohibited by the principal, or in a person other than the one designated by him, will not will oblige with respect to third parties for the acts of the substitute, if they should have known the circumstances expressed.

Art.908.- Once the expenses and remuneration of the agent have been satisfied, the principal will not be obliged to pay remuneration or commissions to substitutes, unless the substitution has been indispensable, or arranged by the principal.

SECTION III

OF THE TERMINATION OF THE MANDATE

Art.909.- The mandate expires:

to)

for the fulfillment of the business for which it was constituted;

b)

due to expiration of the determined or indeterminate term imposed on its duration;

c)

by revocation of the principal;

d)

by resignation of the agent;

and)

due to the death of either party;

F)

by incapacity supervening to one of the contracting parties. The power granted by the woman before

Your marriage will subsist as long as the acts that you are allowed to perform; Y

g)

In the case of a substituted mandate, due to the cessation of the substituent's powers, although this is a necessary representative.

Art.910.- The mandate with respect to the agent and the third parties with whom he may have hired, when they know or may have known the cessation of the former.

Page 97

The acts that the agent has carried out before knowing the expiration of the mandate are valid with respect to the principal or his heirs.

Art.911.- It will be optional for third parties, whether or not to oblige the principal by the contracts they have made. with the attorney-in-fact, ignoring the cessation of the latter, but the former may not prevail over such circumstance, to bind them for what was done after the expiration of the mandate.

Art.912.- Notwithstanding the termination of the mandate, it is the obligation of the agent, his heirs or representatives of their incapable heirs, continue by themselves, or by others the businesses started that do not admit delay, until the principal, his heirs or representatives dispose of them, under penalty to be liable for the damage resulting from its omission.

Art.913.- The principal may revoke the mandate.

The appointment of a new attorney-in-fact for the same business will mean revoking the previous mandate, to from the day the first representative is notified. The revocation will take place, even if the second power does not produce effect due to the death or incapacity of the new president, or because he does not accept it, or if the instrument was void due to lack or defect of form.

Once the mandate is revoked for any reason, the instrument on which it appears must be returned.

Art.914.- The principal intervening directly in the business entrusted to the agent, and putting in relation to third parties, the mandate is revoked, if he expressly does not state that his It is not the intention to revoke it.

Art.915.- When the mandate is general, the special proxy given to another agent, repeals, in what the previous general attorney's office concerns this specialty.

The special attorney is not repealed by the subsequent general attorney, given to another person, except when it understood in its generality the business commissioned in the previous procurement.

Art.916.- The principal can revoke the mandate, but if the irrevocability has been agreed, he will respond of damages, unless there is a just cause.

The mandate conferred in the common interest of the principal and agent or of the latter exclusively, or of a third, it is not extinguished by the death or disability of the agent, or by revocation of part of the principal, unless otherwise stipulated, or for just cause.

Art.917.- The mandate is also irrevocable, unless there is just cause:
to)

in cases where it was a condition of a bilateral contract, or the means of fulfilling an obligation contracted, such as the mandate to pay bills or orders; Y

b)

when it was conferred on the partner, as administrator or liquidator of the company, by provision of the social contract, except clause to the contrary, or special provision of the law.

Art.918.- The agent who resigns without just cause the mandate must compensate the principal for the damages. If he mandate is for an indefinite period of time, the agent who resigns without just cause is obliged to compensation, if you have not given timely notice.

Page 98

The president, even if he resigns with just cause, must continue his efforts, if it is not completely impossible, until the principal can make the arrangements to occur at this fault.

Art.919.- Any mandate destined to be executed after the death of the principal, will only be valid if it covers the form of a testamentary disposition.

Art.920.- The supervening incapacity of the principal or agent will only extinguish the mandate to the extent in which any of them lose the exercise of their rights.

Art.921.- The mandate conferred on several persons designated to operate jointly expires even though the cause of termination concerns only one of the agents, unless otherwise agreed.

CHAPTER VIII

OF THE CONTRACT OF TRANSPORTATION

SECTION I

OF THE GENERAL PROVISIONS

Art.922.- By the transport contract the carrier undertakes, by means of a remuneration in money, to moving people or things from one place to another.

Art.923.- Those who operate services for the transport of people or things, are obliged to accept transport orders that are compatible with the ordinary means of the company.

The transports must be carried out according to the order of the orders. If they were simultaneously formulated several orders, the one with a longer route will always be preferred.

If the general conditions admit special concessions, the carrier is obliged to apply them in equal conditions to anyone who makes a request.

SECTION II

OF THE TRANSPORTATION OF PEOPLE

Art.924.- In the transport of people, the carrier is responsible for the delay and non-execution of the transport, as well as for accidents that cause damage to the traveler during the trip, and for the loss or breakdown of the things that he carries with him, if he does not prove that he has taken all necessary measures to avoid the damage. The clauses that limit the responsibility of the carrier for accidents that affect the traveler are null and void. The rules of this article are also observed in free transport contracts.

Art.925.- In cumulative transports, each carrier responds in the extension of the route itself.

Page 99

However, the damage for delay or interruption of the trip is determined by reason of the trip whole.

SECTION III

OF THE TRANSPORTATION OF THINGS

Art.926.- In the transport of things, the sender must indicate exactly to the carrier the name of the consignee and place of destination, nature, weight, quantity and number of things to be transported and the other data necessary to carry out the transport.

If special documents are necessary for the execution of the transport, the sender must deliver them to the carrier together with the things that have to be transported.

The sender is responsible for the damages arising from the omission or inaccuracy of the indications or the non-delivery or irregularity of the documents.

Art.927.- The sender must deliver to the carrier a consignment note with his signature, in which he must record the indications set forth in the previous article and the agreed conditions for transport.

At the request of the sender, the carrier must deliver a duplicate of the consignment note with his signature or, in his default, a cargo receipt, with the same indications. Except as otherwise provided by law, the Duplicate of said documents can be issued with the clause "to order".

Art.928.- The sender can suspend the transport and request the restitution of the things, or order their delivery to a recipient other than the one originally indicated, or also arrange something else, except their Obligation to reimburse the expenses and compensate the damages derived from the counter-order.

When the carrier has issued a duplicate consignment note or cargo receipt to the sender, no the sender may dispose of the things delivered for transport, if he does not show the carrier the duplicate or the receipt to write down the new indications, which must be signed by the carrier.

The sender cannot dispose of the transported things from the moment they have been made available to the recipient.

Art.929.- If the beginning or the continuation of the transport is impeded or excessively delayed by causes not attributable to the carrier, the carrier must immediately request instructions from the sender, and provide meanwhile to the custody of the things that have been delivered. If circumstances make it impossible to request for instructions to the sender or if they are not enforceable, the carrier may terminate the contract.

You can also judicially deposit things in the place where they are, applying the rules of the consignment payment. The carrier must inform the sender of the deposit immediately.

Art.930.- The carrier has the right to reimbursement of expenses. If the transport has started, you have it also to the payment of the price in proportion to the route, unless the interruption of the transport is due to the total loss of things derived from a fortuitous event.

Page 100

Art.931.- The carrier must put the transported things at the disposal of the addressee in the place, in the term and with the modalities indicated by the contract.

If delivery is not to be made to the recipient's address, the carrier must immediately give notice of the arrival of the transported things.

If a power of attorney has been issued by the sender, the carrier must show it to the addressee.

Art.932.- The delivery period, when several partial deadlines have been set for the execution of the transport, It will be determined by the sum of these.

Art.933.- The rights that arise from the transport contract in relation to the carrier correspond to the recipient from the moment things arrive at their destination, or if the term in which they would have due to arrive, the addressee requests its delivery to the carrier.

The recipient cannot exercise the rights arising from the contract except against payment to the carrier of the Credits derived from transport, which are taxed on the things transported. In the event that the amount of the sums owed are contraverted, the addressee must record the disputed difference.

Art.934.- If the addressee cannot be found, or refuses to receive the transported things, or delay in receive them, the provisions provided for the case of impossibility or difficulty will be applied in the pertinent in the execution of the transport for reasons not attributable to the carrier. If controversy arises between several recipients about the right to receive the things, or the execution of the delivery, the carrier may deposit them judicially, having in all cases immediately inform the sender.

Art.935.- If the carrier has delivered to the sender a duplicate of the consignment note to order, or the receipt of load in the same way, the rights arising from the contract against the carrier are transferred by endorsement of title.

In this case, the carrier is exonerated from the obligation to give notice of the arrival of the things transported, unless an address has been indicated in the place of destination, and this is the result of the letter of postage or cargo receipt.

The holder of the duplicate consignment note to order or cargo receipt to order, must return the title to the carrier in the act of delivery of the transported things.

Art.936.- The carrier who delivers the things to the recipient without collecting the credit from the transport, or without demanding the deposit of the corresponding sum in case of controversy, you cannot claim said credit to the sender, but retains its action against the recipient.

Art.937.- The carrier is responsible for the loss and damage of the things that have been delivered for transportation, from the moment you receive them until you deliver them to the recipient, if you do not prove that the loss or damage has derived from a fortuitous event, of the nature or of the vices of the same things or its packaging, or the fact of the sender or the recipient.

If the carrier accepts without reservation the things to be transported, it is presumed that they do not have apparent packaging defects.

Page 101

Art.938.- As for things, given their particular nature, they are subject during transport to decrease in weight or measure, the carrier is responsible only for decreases that exceed the natural loss, unless the sender or recipient proves that the decrease did not occur as consequence of the nature of things, or that due to the circumstances of the case it could not reach the measure verified.

The decrease must be taken into account separately for each package.

Art.939.- Damage derived from loss or breakdown is calculated according to the current price of things transported at the place and at the time of delivery to the recipient.

Art.940.- The addressee has the right to have the identity and the state of things transported.

If there is loss or damage, the carrier must reimburse the expenses.

Art.941.- The unreserved reception of the transported things and the payment of what is owed to the carrier It extinguishes the actions derived from the contract, except in the case of fraud or fault of the carrier. The actions for partial loss or failure not apparent at the time of delivery, provided that, in this In the last case, the damage is reported within eight days from receipt.

Art.942.- Successive carriers have the right to declare, in the consignment note or document Separately, the state of the things to be transported, at the time they are delivered. On declaration defect, it is presumed that they have received them in good condition and in accordance with the consignment note.

Art.943.- The last of the carriers represents the previous ones for the collection of the respective credits that arise from the transport contract and for the exercise of privilege over the things transported.

If you omit such collection or the exercise of the privilege, you are responsible to the previous carriers for the sums that are owed to them, except for their action against the recipient.

CHAPTER IX

OF THE COMMISSION CONTRACT

Art.944.- By the commission contract, the commission agent undertakes to acquire or sell goods on behalf of the

principal and in his own name, without being in a dependent relationship with the principal.

Between the principal and the commission agent there is the same relationship of rights and obligations as between the principal and the agent, with the limitations and extensions established in this Chapter.

Art.945.- The commission agent is presumed authorized to grant payment extensions appropriate to the circumstances and in the interest of the best result of the business, if the principal has not provided otherwise.

If against the prohibition of the principal, or concurring circumstances manifestly adverse to the security of the collection, the commission agent grants payment extensions, the client may demand it

Page 102

immediately, except for the right of the commission agent to make the benefits derived from the extension his own granted.

The commission agent who has granted payment extensions must indicate to the principal the person of the contractor and the term granted. If it does not do so, the business will be considered done without any term and the provided in the previous paragraph.

Art.946.- The commission agent will have the right to be paid in accordance with the provisions for remuneration of the agent.

Art.947.- As long as the commission agent has not completed the business, the principal may revoke the order of conclude it. In this case, a part of the remuneration corresponds to the commission agent, to determine which The expenses incurred and the work carried out will be taken into account.

Art.948.- In the commission for the purchase or sale of securities, currencies or merchandise that has a price publicly established current, the commission agent may, if the principal has not expressed otherwise, provide the price with an indication of what you can buy, or can buy for yourself, the things you owe sell, except, in any case, your right to remuneration.

Although the principal has established the price, the broker who acquires for himself cannot pay a price lower than current on the day the transaction is carried out, if this is higher than the price set by the principal; and the broker who provides the things you must buy cannot set a price higher than current, if this is lower than the price indicated by the client.

Art.949.- The commission agent who takes on himself the collection risks, is obliged in favor of the principal. for the execution of the business, as the main debtor. In this case you have the right, in addition to the commission ordinary, to a higher remuneration, which, in the absence of an agreement, will be determined by the judge.

Art.950.- The commission agent loses all right to remuneration and expenses if he is guilty of acts of bad faith. with respect to its principal, especially if it has set a price higher than the purchase price or lower than the sale price. In these cases, the principal has the right to consider the commission agent as a buyer or seller, and claim damages from you.

CHAPTER X

OF THE BROKERAGE CONTRACT

Art.951.- By the brokerage contract the broker puts in relation to two or more parties for the conclusion of a business, without being linked to any of them by relationships of collaboration, dependency, or representation.

Art.952.- The broker has the right to remuneration from each of the parties, if the business is concluded by effect of your intervention.

The measure of remuneration and the proportion in which it must tax each of the parties, in the absence of Pact, of professional rates or fees, will be determined by the judge, according to the uses, and failing that, for equity.

Page 103

When an excessive remuneration has been agreed for the runner, the judge may reduce it equitably, at the request of the obligor.

Art.953.- The expenses of the runner will not be reimbursable, in the absence of an express agreement; but if there is, it will they will pay even when the business does not take place.

Art.954.- If the contract is subject to suspensive condition, the right to remuneration arises in the moment when the condition takes place.

If it is subject to a resolutive condition, the right to remuneration is not extinguished by the fulfillment of the condition.

The provision of the previous paragraph will also apply when the contract is voidable or rescindable, if the runner did not know the cause of disability.

Art.955.- If the business has been concluded by the intervention of two or more brokers, each of them will be entitled to a share of the remuneration.

Art.956.- The runner must communicate to the parties the circumstances known to him, relating to the business valuation and security, which may influence its conclusion.

Art.957.- The runner may be commissioned by one of the parties to represent it in acts related to the execution of the contract concluded through your intervention.

Art.958.- The broker can provide a guarantee for one of the parties.

CHAPTER XI

OF THE SOCIETY

SECTION I

OF THE GENERAL PROVISIONS

PARAGRAPH I

OF THE EXISTENCE AND VALIDITY OF THE COMPANY AND ITS ADMINISTRATION

Art.959.- By the partnership contract, two or more people, creating a subject of law, are obliged to make contributions to produce goods or services, in an organized way, participating in the benefits and bearing the losses.

Art.960.- The partnership of all present assets and also of all earnings is lawful, when these they come from certain and determined businesses.

Art.961.- The company will be void:

to)

when he understands the universality of the present and future assets of the partners;

Page 104

b)

when one of the contracting parties concurs with only his political or social influence, although undertakes to participate in the losses;

c)

in the case of being attributed to one of the partners all of the benefits, or of being released from all contribution in losses, or in the capital contribution;

d)

when any of the partners do not participate in the benefits;

and)

when any of the partners cannot resign or be excluded, there being just cause for

it;

F)

if at any time any of the partners may withdraw what they have in the company;

g)

when the capitalist partner or partners are promised to return their contribution with a prize designated, or with its fruits, or with an additional amount, whether or not there are profits;

h)

when the capitalist partner is assured of his contribution, or the profits or to be obtained, or a right alternative to a certain annual amount, or a share of eventual earnings;

i)

if the industrial partner is awarded a certain remuneration, whether or not there are profits; or the alternative right to a certain annual sum, or to a share of eventual earnings; Y

j)

when it is agreed that all benefits and even contributions to society belong to the surviving partner or partners.

Art.962.- The nullity of the contract may be alleged by the partners among themselves to exempt themselves from the obligations that he imposes on them; but not against third parties in good faith, who will be allowed to invoke it regarding of the society and the partners. In case of bad faith of the third parties, the partners may claim against them the

nullity.

Art.963.- The company that has illicit purposes will be void. When its dissolution is declared, the partners may withdraw their contributions, but not the profits, which will enter the State's patrimony to be allocated to the promotion of public education.

The partners, administrators and those who act as such in the social management will respond unlimited and jointly and severally for the social notice and the damages caused.

Art.964.- In all cases of nullity, except for that provided by the preceding article, the partners may allege the existence of the contract among themselves to request that the contributions be restored, the operations are liquidated common, divide gains and acquisitions and compensate for losses.

The company will have the right to sue third parties for the obligations contracted in favor of it, without that they be allowed to allege the non-existence of it.

Third parties, in turn, may invoke it against the partners without them being able to oppose its nullity.

Art.965.- The contracts will be formalized in writing. They will be by public deed in the cases provided by this Code.

Art.966.- In the absence of a contract, the existence of the company may be justified by facts of which it may be inferred, even if it is a value higher than that established by law.

The sentence that declares the existence of the company in favor of third parties will not empower the partners to sue each other.

Page 105

Art.967.- Companies acquire legal personality from their registration in the Registry correspondent.

Public limited companies and cooperatives also require prior government authorization.

The lack of registration will not annul the contract, but the company will not acquire the domain or real rights over the registrable assets set aside by the partners. No stipulation will not be enforceable against third parties. registered that deviates from the regime established by this Code, is restricting the rights of Those or the powers conferred on the administrators.

Art.968.- The one who has only lent his name will not be considered as a partner, although the partners will recognize an interest in the company, nor will it be considered as such with respect to third parties, without prejudice to their right to compensation for what they have paid to the creditors of the company.

The non-ostensible partner will have that character in relation to the partners, but not against third parties, although they would have known the social contract.

Art.969.- The heirs or legatees will not be partners if the other members do not consent to the substitution, or if agreed upon with the deceased partner, it will not be accepted by the successor. Nor will they have the quality of partners, dependents or employees who are given a share of the profits in payment of their services.

Art.970.- The people to whom some partners assign their rights in whole or in part, will not be deemed such, if the others do not consent to the substitution.

Art.971.- When the social contract authorizes the partner to transfer his right, the other partners will have preferential right over the part to be assigned, for which purpose the rules that regulate this pact, in the pertinent thing.

Art.972.- If any of the partners has transferred their rights, despite prohibiting it in the contract, will retain its character, but the assignment will produce its effects between the assignee and the assignor, considering this agent of the first.

Art.973.- The assignee admitted as a partner, will be obligated with respect to the company, the members and of the social creditors as was the assignor, whatever the clauses of the transfer.

Art.974.- Except for special provisions to the contrary, any of the partners may administer the company. The power to administer may be conferred on a stranger.

In the absence of express limitation, what any of the partners does on behalf of the company will oblige is; but each partner will have the right to oppose the acts of the rest as long as there are no produced its effects.

Any member can demand that the others contribute to the expenses necessary for the conservation of the social goods.

In the absence of an express clause, the scope of the administrative powers is determined by the nature and end of society. The administration of the company is said to be a general mandate that includes the her ordinary business with all its consequences. Ordinary businesses are those that do not require Special powers.

The administrators are jointly and severally liable to society for compliance with the obligations imposed by law and the social contract. However, the liability shall not extend to those who prove to be blameless.

Art.975.- If two or more partners are in charge of the administration, without determining powers, or without express that they will act jointly, each one may act separately, but any of them He will have the right to oppose the acts of others while they have not taken effect.

Art.976.- Even if it has been established that one of the administrators will not act without the other, the The principle shall not apply in the event of imminent danger of serious and irreparable damage.

Art.977.- In the case of joint administration, one of the administrators may personally assume the representation of society when there is urgency, to avoid serious damage to it. If the other partners don't are in agreement with your intervention, they may hold you responsible for the supervening damage, Except for the rights of third parties who have contracted with it.

Art.978.- The power to administer will be revocable, even if it results from the social contract, when the appointed is not a partner. In this case, the revocation does not give the right to dissolve the company. The administrator appointed by act subsequent to the contract, may resign, whether or not he has just cause to do it.

Art.979.- The conventional clause that prohibits the partners from interfering in the administration, will not prevent any of them examine the business, being able to demand that the books be presented, documents and papers and formulate the claims that I deem appropriate.

Art.980.- Except for special provision referring to each type of company, businesses may turn under the name of one or more of the components, with or without the addition "and company", according to the rules that follow:

to)

It may not contain the name of a person who is not a member; but to the company incorporated outside the territory of the Republic, it will be allowed in it the use of the used abroad, although not corresponds to that of none of the members;

b)

The name of the purely industrial or limited partner may not appear; Y

c)

Those who have happened in the business of a company and the heirs of those, may continue to use the name, provided that the consent of the people included in it mediates, if live.

PARAGRAPH II

OF THE EFFECTS OF THE COMPANY

Art.981.- Each partner owes the company what they promised to contribute and will be responsible for the vices redhibitory and eviction, if applicable. If you owe money, without the need for a court order, will pay the interest from the day it should have been delivered.

Art.982.- According to the nature of the contributions, the rights of the company will be governed by the regulations following:

a) Regarding the goods delivered in domain, the partner will lose them, without the right to claim them from the dissolution occur, even if they are in the same state;

b) with respect to fungible things, or that deteriorate due to use, or that are intended to be sold by account of the company, or of those estimated in the constitutive act or in a relevant document, the company he will have control over them;

c) When the provision of the partner has been of things to be sold on behalf of the company, will have as capital contributed the sale price. If this could not be done, it will be at its value in the time of delivery.

If the object was estimated in the social contract, the established value will be judged as contribution;

d) If the contribution is only for the use or enjoyment of the assets, the partner who owns them will retain the domain, being total or partial loss of your account when it is not attributable to the company or one of the members.

Dissolved the contract, may demand restitution in the state in which they are.

It will be understood, unless otherwise stipulated, that the use or enjoyment constitutes a personal right, subsidiarily governed by the rules of the location;

and)

With respect to the credits, the company will be deemed the assignee of them from their delivery, always that the transfer results from the constitutive act. The value of the contribution will be nominal, with interest overdue until the day of the transfer, when it has not been expressly stipulated that the collection is on behalf of the transferor.

In this case, only what is received will be computed, plus interest; Y

F)

If the benefit consists of work or industry, the right of the company against the partner who promised to be governed by the principles of obligations to do.

The provision of capital will be deemed limited to the use or enjoyment thereof, when the company is

It consists of a capitalist partner and a purely industrial partner.

Art.983.- None of the partners may be obliged to a new benefit if they have not promised it in the contract, although the majority claim it to give more impetus to business; but if it cannot be achieved the end of the company without that increase, the dissident may withdraw, and must do so, when his partners they demand it.

Art.984.- When the managing partner collects a payable amount that was personally owed to him who, in turn, was a debtor of the company for another sum also due, the amount collected must be imputed to the two obligations, in proportion to their respective amount, even if they have received a receipt on behalf of the private credit; but if it was granted for social credit, everything will be attributed to it.

Art.985.- The partner may not use, without the consent of the other partners, the things belonging to the social patrimony for purposes foreign to those of society.

Page 108

Art.986.- The partner who has received in full his part in a social credit without having collected his own other partners, is obliged, if the debtor later falls into insolvency, to bring to the social patrimony what received, even if he had given the receipt only for his part.

Art.987.- When the industrial partner does not provide the promised service for reasons that are not attributable to him, the contract may be dissolved. The service is interrupted through no fault of your own, it will be lawful to impose a decrease proportional in earnings; but if the industrial partner were responsible for the breach, the partners They will have the right to exclude you from the company, or to dissolve it.

The industrial partner will owe to the company how much he will earn with the activity that he was obliged to contribute to it.

Art.988.- Every partner will pay interests to the company, for the sums that they have extracted from the box, from the day you took them, without prejudice to answer for the damages.

PARAGRAPH III

OF THE RIGHTS OF THE PARTNERS

Art.989.- The partners may:

a) demand from the company the reimbursement of the advance with knowledge of it for social obligations, as well as the reimbursement of the losses suffered by them;

The partners will be liable in proportion to their corporate interest, and the part of the insolvent will be divided into same way;

b)

demand that others remain in society, as long as they have no just cause for separation.

It will be understood that there is when the administrator named in the social contract resigns or is removed, or if there is a right to exclude a partner, he is not allowed to use it;

Y

c)

resign at any time when the company is for an indefinite period, unless such resignation is in bad faith or untimely.

Art.990.- The resignation will be in bad faith when it is made with the intention of obtaining some benefit for itself. or advantage that must belong to the company. It will be untimely, the one produced without the business that constitutes its object, in which case the partner must satisfy the damages caused.

Art.991.- The resignation in bad faith is void with respect to the partners. What was gained in the operation that was taken in look at the separation, he belongs to the society, but the renouncer will bear the losses.

Art.992.- No partner can be excluded from the company without just cause. It will be taken as such:

a)

the transfer of rights to third parties, notwithstanding the prohibition of the contract;

b)

the breach of any of the obligations towards society, whether or not the partner;

c)

the supervening disability. The one produced by failure will not cause exclusion, when it is from the industrial partner; Y

d)

when he loses the trust of others, due to insolvency, misconduct, provocation of discord between the partners, or other similar facts.

Page 109

Art.993.- The exclusion or resignation of any of the partners will have the following effects:

a)

Regarding the concluded deals, the outgoing person will only participate in the profits made up to the day of separation;

b)

the excluded or renounced will continue in the company for the sole purpose of participating in the profits or bear losses in pending operations;

c)

With respect to corporate debts, creditors will retain, until that date, their rights against the partner, in the same way as against those who continue in the partnership, even if they take their I charge the total payment, except if in writing they had exonerated the outgoing person;

d)

subsequent corporate debts may only be demanded against the partners who continue, and not regarding the excluded or renounced, unless they have been hired ignoring the said third parties circumstances; Y

and)

the separation will only harm the creditors and third parties in general when it is registered, or if they knew otherwise.

PARAGRAPH IV

OF THE RIGHTS AND OBLIGATIONS OF THE COMPANY WITH REGARD TO THIRD PARTIES

Art.994.- Judge third parties, with respect to the company, the strangers to it, as well as the partners in their relationships with each other that do not derive from the social contract or from the entity's administrators.

Art.995.- Social debts will be those that the administrators have contracted in that capacity, indicating in any way said title, or obligations on behalf of the company, or on behalf of the same.

In case of doubt, it will be presumed that the administrators were bound by a private name, and when the Regarding whether or not they did so within the limits of their mandate, the former shall be understood.

Art.996.- If the debts were contracted in the name of the company, with excess of the mandate, and it will not ratify them, the obligation will be only yours to the extent of the benefit, the creditors being responsible for the proof of this one.

Article 997.- The provisions of the preceding article will not harm creditors in good faith, nor will when the mandate has ceased, or if any of the partners is deprived of exercising them, provided that such circumstances result from stipulations that could not be known by them. Only in this case they will be presumed in good faith, unless it is proven that they had news of them.

Art.998.- The social debtors are not it with respect to the partners, and they will not be able to compensate what they owe to the company with its credits against any of the partners, even if it is the administrator.

Art.999.- The creditors of the company are not the creditors of the partners, except for special provisions referring to each type of society.

Art.1.000.- None of the partners will have the right to collect the credits of the company, or sue the debtors of it, unless it is its administrator, I will represent it in the cases provided for by this Code or has been specially authorized.

Page 110

Art.1001.- The partners, in terms of their obligations towards third parties, must be considered as strangers to society. The quality of partner may not be invoked by them, nor be opposed to them.

Art.1002.- The particular obligations of one of the partners do not confer on the third contracting parties action directly against others, even if they have benefited from them.

PARAGRAPH V

OF THE DISSOLUTION OF THE COMPANY

Art.1003.- The company is extinguished:

a)
due to expiration of the term, or due to the fulfillment of the condition to which its existence was subordinated; on both cases, even if the business that was intended has not been concluded;

b)
for the realization of the social purpose;

c)
due to the physical or legal impossibility of achieving said end, either due to the complete loss of capital, of a part of it that prevents it from being achieved; or bankruptcy;

d)
by the unanimous agreement of the partners;

e)
if it were of two people, by the death of one of them; Y

f)
for the other causes provided for in the social contract.

Art.1004.- The company may be dissolved at the request of any of the partners:

a)
due to death, resignation or removal of the administrator named in the social contract, or of the partner put forth by your industry, or by any participant whose personal benefit is necessary to continue the turn;

b)
for the breach of the provision of one of the partners; Y

c)
when it is of unlimited term.

Art.1005.- In the judicial dissolution of the company, the sentence will have retroactive effect to the day it had place the generating cause.

PARAGRAPH VI

OF LIQUIDATION AND PARTITION

Art.1006.- Once a company has been dissolved, its assets will be liquidated. Society will subsist to the extent that the liquidation requires it, to conclude pending matters, start the new operations that it requires, and to administer, conserve and carry out the social patrimony.

Art.1007.- The obligations and responsibility of the liquidators are regulated by the provisions established with respect to the administrators, provided that nothing else has been provided.

Art.1008.- The administrators must deliver to the liquidators the assets and social documents and present them with the management account for the period following the last rendering of accounts.

Page 111

The liquidators must take charge of the assets and company documents, and draw up and sign together with the administrators, the inventory from which the active and passive state of the social patrimony results. Art.1009.- The liquidators must carry out the necessary acts for the liquidation, and if the partners have not otherwise arranged, they can sell the social assets en bloc and make transactions and commitments. They also represent society in court.

Article 1010.- The liquidators cannot distribute among the partners, even partially, the assets companies, as long as the creditors of the company have not been paid or the sums needed to pay them.

If the available funds are insufficient to pay the corporate debts, the liquidators may ask the partners for the amounts still due on the respective fees, and if necessary, the amounts necessary, within the limits of the respective responsibility and in proportion to the part of each one in the losses. In the same proportion, the debt of the insolvent partner is distributed among the partners.

Article 1011.- To proceed to the partition of the goods, the gains and losses will be divided according to agreed. If only the share of each partner in the profits has been agreed, the corresponding one will be equal in losses. In the absence of any convention, the respective contribution will determine the part of each, The industrial partner must determine equitably by the judge.

Only irrevocably realized and liquid profits may be distributed.

Article 1012.- In the division of the assets of the company, it will be observed, as far as possible, the provided in this Code on the division of inheritances, not having in this Chapter provisions to the contrary.

SECTION II

OF THE SIMPLE SOCIETY

Article 1013.- The company that does not have the characteristics of any of the other regulated ones will be considered simple. by this Code or in special laws and that is not intended to carry out a commercial activity.

It will be considered commercial:

a)

industrial activity aimed at the production of goods or services;

b)

intermediary activity in the circulation of goods or services;

c)

transportation in any of its forms;

d)

the insurance banking activity, or stock exchanges; Y

and)

any other activity qualified as such by the Merchant's Law.

Any company whose purpose is to carry out commercial acts must register in the Public Registry of Commerce.

Article 1014.- The simple partnership contract is not subject to any special form, except those required by the nature of the assets contributed.

Page 112

Article 1015.- The social contract can be modified only with the express consent of all the partners, if nothing else has been agreed.

Art.1016.- The creditors of the company can assert their rights over the social patrimony. By social obligations are also personally and severally liable by the partners who have acted in the name and on behalf of the company, but the other partners will only be responsible up to the limit of their contribution, except that has expressly been jointly and severally bound.

The social contract must be made known to third parties by suitable means; failing that, the limitation of liability or exclusion of solidarity is not opposable to those who have not had knowledge of it.

Article 1017.- The partner required to pay for corporate debts may demand, even when the company is in liquidation, the prior exclusion of the social patrimony, indicating the assets on which the creditor can satisfy easily.

Article 1018.- The one who becomes part of an already constituted society responds with the other partners for the social obligations prior to acquiring its quality of partner.

Article 1019.- The private creditor of the partner, while the partnership lasts, can assert their rights over the profits corresponding to the debtor, and carry out acts of conservation on the quota corresponding to the latter in the settlement.

Article 1020.- The company is tacitly extended for an indefinite period, when after the term for which it was constituted, the partners continue to carry out the social operations and may prove its existence by notorious facts.

Article 1021.- If the contract does not foresee the way to liquidate the social patrimony and the partners do not agree if this is done, the liquidation will be made by one or more liquidators, appointed with the consent of all the partners, in case of disagreement, by the competent judge.

The liquidators can be removed by the will of all the partners and in any case by the judge, mediating just cause, at the request of one or more partners.

Article 1022.- The exclusion of a partner may take place due to serious breach of the obligations that derive from the law or the social contract, such as by the interdiction, or disqualification of the partner or by his sentence to a penalty that amounts to his disqualification even if it is temporary for the performance of public functions. The partner who has contributed to the company his own work or the enjoyment of something, can also be excluded by supervening ineptitude to carry out the work or the death of the thing due to causes not attributable to the administrators.

Likewise, the partner who has obliged with his contribution to transfer the ownership of one thing, if it has perished before the domain of it has been acquired by society.

The partner declared bankrupt is legally excluded.

Page 113

Article 1023.- The exclusion must be decided by the majority of the partners, not counting in the number of these the partner to be excluded, and takes effect thirty days from the date of the communication to said partner.

Within that term, the partner can file an opposition before the judge, who can suspend the exclusion.

If the company is made up of two partners, the exclusion of one of them will be pronounced by the judge, at request of the other.

Art.1024.- In the cases in which the social relationship concludes with respect to a partner, he or his heirs have entitled only to a sum of money that represents the value of the fee.

The payment of the installment will be made based on the equity situation of the company on the day on which dissolution is verified.

If there are operations in progress, the partner or his heirs participate in the profits and losses inherent to such operations.

Payment of the membership fee must be made within six months from the date of day the social relationship has been dissolved.

SECTION III

OF THE COLLECTIVE SOCIETY

Article 1025.- In the collective society the partners contract subsidiary, unlimited and joint liability, for social obligations.

The agreement to the contrary will have no effect with respect to third parties.

Article 1026.- The collective society acts under a company name constituted with the name of one or more of the partners, including the words "partnership", or its abbreviation.

It must contain the words "and company", when it does not include the name of all the partners.

Article 1027.- Collective partnerships are governed by the rules of this section and, additionally, by those in the previous section.

Article 1028.- The constitutive act of the company must indicate:

a)

the name and address of the partners;

b)

the social reason;

c)

the partners who have the administration and representation of the company;

d)

the domicile of the company and its branches;

and)

The object of the society;

F)

the contributions to which the industrial partners are obliged;

Page 114

g)

the rules according to which the profits and the share of each partner in them must be distributed and in losses; and

h)

The duration of the company.

Article 1029.- The instrument of the constitutive act of the company and its modifications, with the authenticated signature of the contracting parties, or an authentic copy thereof, if the stipulation has taken place in a public deed, must be presented by the administrators within thirty days of its granting for its registration in the respective Public Registry.

Article 1030.- As long as the company has not registered, its relations with third parties will be regulated by the provisions relating to the simple company, without prejudice to the unlimited and joint liability of the partners.

However, it is presumed that any partner acting for the company invests the social representation, even in court.

The agreements that confer representation to only one of the partners or that limit the powers of representation cannot be opposed to third parties, unless it is proven that they were in knowledge of it.

Article 1031.- The administrator who has the representation of the company can carry out all the acts that fall within the corporate purpose, except for the limitations resulting from the constitutive act or power of attorney. The limitations are not enforceable against third parties, if they are not registered, or if it is not proven that the third parties have had knowledge of them.

Article 1032.- A partner, without the consent of the other partners, cannot exercise on his own behalf a activity in competition with that of the company, nor participate as an unlimitedly responsible partner in another society that competes with it.

Consent is presumed, if the exercise of the activity or participation in another company pre-existed at the social contract, and the other partners knew about it.

Article 1033.- The private creditor of the partner, while the partnership lasts, cannot request the liquidation of the share of the debtor partner.

Article 1034.- The extension of the company may not be opposed to the private creditors of the partners, whose credit is prior to its registration. Said creditors may request the liquidation of the participation of your debtor.

Article 1035.- The appointment or change of the liquidators must be registered, corresponding to them from that moment the representation of the company in liquidation.

Article 1036.- Once the liquidation has been carried out, the liquidators must write the final balance and propose to the partners the distribution project.

Page 115

The balance subscribed by the liquidators, and the distribution plan must be communicated to the partners in irrefutably, and shall be deemed approved if they are not challenged within a period of two months computed from communication.

In the event of a challenge to the balance sheet and the distribution plan, the liquidator may request that the issues relating to liquidation, are examined separately from those relating to division, which may be the liquidator stay strange.

Article 1037.- Once the final liquidation balance has been approved, the liquidators must ask the judge to cancel the society in the respective registry. However, social creditors that have not been satisfied may enforce their credits with the partners and, if the lack of payment is attributable to the fault of the liquidators,

also with regard to these.

The accounting books and other documents must be kept for five years from the date of cancellation of the company in the registry.

In the absence of the agreement of the partners, the judge who ordered the cancellation will decide who will keep said books and documents.

SECTION IV

OF THE SOCIETY IN SIMPLE COMMAND

Article 1038.- In a simple limited partnership, the general partners are jointly and severally liable for social obligations, and limited partners are liable for them up to the limit of their contributions.

The participation fees of the partners cannot be represented by shares.

Article 1039.- The company acts under a company name constituted by the name of at least one of the general partners, with the indication of being a simple limited partnership, or with its abbreviation. Should contain the word "and company", when it does not include the names of all the general partners.

The limited partner who consents that his name be included in the business name, responds with respect to third parties unlimited and jointly, with the collective partners, for the social obligations.

Article 1040.- The provisions relating to partnerships apply to a limited partnership collective, insofar as they are compatible with the norms established in this section.

Article 1041.- The constitutive act of the company must indicate who are collective partners and who limited partners. However, if the limited partners have integrated their contribution, their name may be omitted, indicating only the nature and amount of the contribution.

Art.1042.- The company must register. As long as it is not, its relations with third parties are They will be regulated by the provisions relating to the simple company. However, limited partners will be liable for social obligations up to the limits of their quotas, unless they have participated in said operations, in which case your liability will be unlimited.

Art.1043.- Collective partners have the rights and obligations of the partners of the collective partnership.

Page 116

The administration of the company must be conferred on the general partners.

Article 1044.- If the constitutive act does not provide otherwise, for the appointment of administrators, and for its removal, for just cause, the consent of the collective partners and the approval of limited partners representing the majority of the capital subscribed by them.

Article 1045.- Limited partners may not perform acts of administration, or deal or conclude business on behalf of the company, but by virtue of special power of attorney for singular businesses. The limited partner that violates this prohibition will assume unlimited and joint liability with respect to third parties for all social obligations and may be excluded from society.

The limited partners may, however, provide their work under the direction of the administrators and, If the constitutive act allows it, give authorizations and opinions for certain operations and carry carry out inspection and surveillance acts.

In any case, they have the right to obtain annual communication of the balance and the benefits account and losses, and to verify their accuracy, consulting the books and other documents of the company.

Article 1046.- Limited partners are not obliged to return the profits collected in good standing. faith, according to the regularly approved balance sheet.

Article 1047.- The limited partner participation fee is transferable due to death. Except contrary provision of the constitutive act, it can be transferred with the consent of the partners who represent the majority of the capital.

SECTION V

OF THE PUBLIC LIMITED COMPANIES

PARAGRAPH I

OF THE GENERAL PROVISIONS

Art.1048.- The corporation is liable for social obligations only with its assets.

The participation fees of the partners are represented by shares.

Article 1049.- The company name, in whatever way it is formed, must contain the indication of being anonymous society.

Article 1050.- The company must be constituted by public deed. The constitutive act will indicate:

to)

the name, nationality, state, profession and domicile of the partners, and the number of shares subscribed by each of them;

b)

the name, address, and that of its eventual branches, inside or outside the Republic;

c)

the corporate purpose;

d)

the amount of the authorized, subscribed or paid capital;

Page 117

and)

the nominal value and number of the shares and if they are not registered or bearer;

F)

the value of the goods contributed in kind;

g)

the rules according to which profits must be distributed;

h)

the participation in the profits eventually granted to the promoters or the partners founders;

i)

the number of administrators and their powers, indicating which of them have the representation of society; Y

j)

The duration of the company.

Article 1051.- To proceed with the constitution of a company it is necessary:

to)

that the capital stock has been fully subscribed; Y

b)

that has been deposited in the Central Bank of Paraguay at least a quarter of the contributions in money.

The sums deposited in the Bank must be returned to the company after registration.

Article 1052.- The operations carried out on behalf of the company before their registration are unlimited and jointly and severally liable with respect to third parties who have authorized them.

PARAGRAPH II

OF THE CONSTITUTION BY PUBLIC SUBSCRIPTION

Article 1053.- The company can also be constituted by means of public subscription, on the basis of a program that indicates its object and capital, the main provisions of the constitutive act, the eventual participation that the promoters reserve in the profits and the term in which the act must be granted constitutive.

The program consigned in a public deed must be registered and published three times in a newspaper of great circulation.

The subscription of the shares must be the result of a public act or an authenticated private deed. The act must indicate the name, nationality, state, profession and domicile of the subscriber, the number of shares to that is subscribed and the date of subscription.

Article 1054.- Once the subscriptions have been gathered, the promoters must indicate the subscribers in the manner provided in the program or another that is reliable, a period of no more than one month to make the deposit previously planned.

After this period, the promoters may take action against the delinquent subscribers or release them from the obligation they assumed. When the promoters exercise this power, the incorporation of the company before the shares that they had subscribed have been placed.

Unless the program establishes a different term, the promoters, in the twenty days following the term set for deposit must convene the assembly of subscribers through communications

Reliable that they will reach each of them at least ten days before the one set by the assembly, with an indication of the object and subjects of the call.

Page 118

Article 1055.- The assembly of the subscribers will decide if the company is constituted, and if so, on the following items that should be part of the agenda:

- a) management of promoters;
- b) social position;
- c) provisional valuation of contributions in kind, if any. The contributors do not have right to vote in this decision;
- d) advantages reserved for promoters; Y
- e) appointment of administrators and trustees.

The decisions of the assemblies must be recorded in a public deed.

Each subscriber is entitled to as many votes as the shares he has subscribed and paid in the amount set. Decisions will be made by the majority of the subscribers present representing no less than the third part of the subscribed capital, without being able to stipulate differently.

To modify the conditions established in the program, the unanimous consent of the subscribers.

Article 1056.- The promoters are jointly and severally liable to third parties for the obligations assumed to establish the company.

The company is obliged to relieve the promoters of the obligations assumed by them and reimburse them for the expenses they have made, provided that they have been necessary for their constitution and approved by the assembly.

If for any reason the company is not constituted, the promoters will not be able to address themselves against the subscribers of the shares.

Art.1057.- The promoters are jointly and severally liable to society and third parties:

- a) for the integral subscription of the capital stock and for the disbursements required for the constitution of the society;
- b) for the existence of contributions in kind, in accordance with the sworn statement; Y
- c) for the veracity of the communications made by them to the public for the constitution of the society.

Article 1058.- The promoters and the founders cannot receive any benefit that undermines the capital social, in the act of constitution or later. Any agreement to the contrary will be void.

The remuneration may consist of the participation of up to ten percent of the profits and for the term maximum of ten fiscal years in which profits are distributed. If there are liquid profits and made and it is resolved not to distribute them, the promoter or founder may claim their payment.

Article 1059.- If nothing else has been established in the constitutive act, the contribution must be made in money. On in this case the integration may not be less than twenty-five percent of the subscription.

Page 119

Article 1060.- Contributions that are not in money must be fully integrated into the constitutive act, consigning the value attributed to the assets contributed and the information that justifies this estimate.

The administrators and trustees, within a term of six months computed from the constitution of the society, they must verify the valuations contained in the relationship indicated in the previous paragraph and, if there are well-founded reasons, they should proceed to the revision of the estimate. As long as the valuations have not

been verified, the actions corresponding to contributions in kind are inalienable and must be deposited in society.

If it turns out that the value of the assets contributed was lower by more than a fifth than that for which it had placed the contribution, the company can proportionally reduce the share capital, and cancel the shares that are discovered. However, the partner who contributed them can deliver the difference in money or separate from society.

Article 1061.- Unless otherwise provided in the statutes, the delinquent subscriber will be prompted to comply with his obligation within thirty days. The expiration of the term will automatically cause the expiration of the rights of the subscriber with loss of the amount paid.

PARAGRAPH III OF ACTIONS

Article 1062.- Shares may not be issued for a sum less than their nominal value.

Article 1063.- The shares are indivisible. In the case of joint ownership of a share, the rights of the partners must be exercised by a common representative. If it has not been named, the Communications made by the company to one of the co-owners are effective in relation to all. The co-owners of the share are jointly and severally liable for the obligations derived from it.

Article 1064.- The shares must be of equal value and grant their holders equal rights. The Bylaws may provide for various classes of shares with different rights; within each class they will confer the same rights.

Article 1065.- Every action grants the right to a proportional part of the net profits and equity resulting from the liquidation, except for the rights established in favor of special categories of shares, to tenor of the previous articles.

Article 1066.- Each ordinary share gives the right to one vote. Bylaws can create classes that recognize up to five votes per ordinary share. Voting privilege is incompatible with preferences patrimonial.

Article 1067.- The quality of partner corresponds to the owner of the share. The usufructuary has the right to receive the profits obtained during the usufruct. This right does not include transfers to reserves or capitalized, but includes the new shares made up of the capitalization.

Page 120

The dividend will be received by the holder of the title at the time of payment; if there are different Usufructuaries will be distributed pro rata for the duration of their rights.

The exercise of the other rights derived from the quality of partner, including participation in the Results of the liquidation, corresponds to the owner, unless otherwise agreed and the legal usufruct.

When the shares are not fully integrated, the usufructuary, in order to preserve their rights, must make the corresponding payments, without prejudice to repeating them from the bare owner.

Article 1068.- In case of constitution of pledge or judicial seizure, the rights correspond to the owner of the shares. In such situations, the owner of the real right or the seizure is obliged to facilitate the exercise of the rights of the owner by depositing the shares in a bank or another procedure that guarantees your rights. The owner will bear the consequent expenses.

Article 1069.- The bylaws will establish the formalities of the shares and provisional certificates. The following mentions are essential:

a)

company name, address, date and place of constitution, duration and registration;

b)

the social capital;

c)

the number, nominal value and class of shares represented by the title and rights it contains; Y

d)

in the provisional certificates, the annotation of the integrations that are made.

The variations of the preceding mentions must be recorded in the titles.

Article 1070.- Shares can be registered or bearer, as established by the constitutive act.

Bearer shares will not be delivered to their owners until they are fully paid.

The constitutive act may subordinate the alienation of registered shares to particular conditions.

Art.1071.- The transferor who has not completed the integration of the shares, is liable for unlimited and

jointly and severally for the payments owed by the assignees.

The transferor who makes a payment will be the co-owner of the transferred shares in proportion to the amount paid.

Article 1072.- The company can only acquire its own shares when authorized by the assembly, if it is done with sums from liquid and realized profits, and provided that the shares are paid.

The administrators cannot dispose of the shares acquired, and the right to vote inherent to them it is suspended while they remain in property of the company.

The limitations provided in the first paragraph of this article do not apply when the acquisition of own shares takes place by virtue of a deliberation of the assembly that establishes a re

Page 121

Article 1073.- The company cannot make advances on its own shares, nor loans to third parties to acquire them.

Article 1074.- Neither can it invest its capital in shares of companies controlled by it.

Controlled companies are those in which another company owns such a number of shares. that ensures the majority of the votes in the assemblies, or those that, by virtue of contractual ties individuals are under the dominant influence of another society.

Article 1075.- Public limited companies may issue participation bonds for the following concepts: to)

a) in favor of the holders of fully paid shares;

b) in return for contributions that are not obligations to give; Y

c) in favor of the company's personnel, on a non-transferable basis and for the duration of the relationship of job.

Article 1076.- Participation bonds give the right to profits payable at the same time as the dividends; when they have been issued in favor of the staff, they will be considered exercise expenses. The Holders of bonds of this class will also have the right to the proceeds of the liquidation, after repaid the par value of the unamortized shares.

Article 1077.- The bylaws may establish the conditions for issuing participation bonds, percentage in profits and other modalities, provided they do not contradict the provisions of the Articles 1074 and 1075.

PARAGRAPH IV OF THE ASSEMBLIES

Article 1078.- The assembly must meet at the registered office. It has exclusive competence to process matters mentioned in the next two articles. Its resolutions in accordance with the law and the statutes are mandatory for all shareholders, without prejudice to the provisions of article 1092.

Article 1079.- It is the responsibility of the ordinary meeting to consider and resolve the following matters: to)

a) Annual report of the Board of Directors, balance sheet and profit and loss account, distribution of profits, trustee's report and any other measure related to the management of the company that corresponds to it resolve in accordance with the competence recognized by law and statute, or subject to its decision the board of directors and the trustees;

b) appointment of directors and trustees, and determination of their remuneration;

c) responsibilities of directors and trustees and their removal; Y

d) issuance of shares within the authorized capital.

To consider points a) and b) the meeting will be called within four months of the closing of the exercise.

Art.1080.- The extraordinary assembly is responsible for all matters that are not within the competence of the ordinary assembly, the modification of the statute and especially:

- to)
capital increase, reduction and reintegration;
- b)
redemption, redemption and redemption of shares;
- c)
merger, transformation and dissolution of the company; appointment, removal and remuneration of liquidators; consideration of the accounts and other matters related to the management of the liquidators;
- d)
issuance of debentures and their conversion into shares; Y
- and)
issuance of participation bonds.

Article 1081.- The ordinary meeting is annual, and must be called by the board of directors, and failing that, by the receiver. Extraordinary assemblies will be called by the Board of Directors, or the trustee when judged. convenient or necessary, or when required by shareholders representing at least five percent of the capital stock, if the statutes have not established a different representation. In the request it is They will indicate the topics to be discussed.

The board of directors or the trustee will call the meeting to be held within thirty days of receiving the request.

If the board of directors or the trustee fails to do so, the summons may be made judicially.

Article 1082.- The assembly will be summoned by means of publications made in a newspaper for five days, ten in advance, at least and no more than thirty. The character of the assembly must be mentioned, date, time and place of meeting, agenda and the special requirements demanded by the statutes for the shareholder participation.

The second call, due to the fact that the assembly has not been held, will be made within thirty days following, and the publications will be made for three days at least eight in advance.

Article 1083.- The statute can authorize both calls simultaneously. In this case, the Assembly on second call may be held on the same day, one hour after the time set for the first.

Article 1084.- To attend the meetings, shareholders must deposit their shares in the company, or a bank certificate of deposit issued for this purpose, for registration in the assembly attendance book, with no less than three business days in advance of the fixed date. In that period they may not have of them. The company will deliver the necessary proof of receipt, which will be used for admission to the assembly.

The shareholders or their representatives who attend the meeting will sign the attendance book in which their address and the number of votes that correspond to them will be recorded.

The certificates of deposit must specify the class of the shares, their numbering and that of the titles. The depositary responds unlimitedly and jointly with the owner for the existence of the shares.

Article 1085.- Shareholders can be represented at the meetings. The directors, trustees, managers and other employees of the company. To grant representation it will be A power of attorney with a signature authenticated or registered with the company is sufficient, unless otherwise provided of the statute.

Article 1086.- Directors, trustees and general managers have the right and obligation to assist with voice all to the assemblies. They will only have a vote to the extent that corresponds to them as shareholders, with the limitations set forth in this section. Any clause to the contrary is null and void.

Art.1087.- Directors and managers cannot vote on the approval of balance sheets and other accounts and acts related to its administrative management, nor in the resolutions regarding its liability and removal.

Article 1088.- The assembly will be chaired by the president of the board of directors or his replacement, unless otherwise provided.

contrary to the statutes, and failing that, by the person designated by the majority attendees. On similarly, the secretary shall be appointed.

When the assembly is called by the judge, it will be presided over by him or by the official who designate.

Article 1089.- The constitution of the ordinary assembly in first call requires the presence of shareholders representing the majority of the shares with voting rights.

In the second call, the meeting is considered constituted regardless of the capital represented. The Resolutions in both cases will be taken by an absolute majority of the votes present, unless the statutes require a greater number.

Article 1090.- The extraordinary meeting meets on first call with the presence of shareholders who represent sixty percent of the shares with voting rights, if the statutes do not require a quorum highest.

At the second call, the attendance of shareholders who represent at least the thirty percent of the shares with voting rights, unless the bylaws require more proportion.

Article 1091.- In the case of transformation, merger or early dissolution of the company; of the transfer of domicile abroad; of the fundamental change of the object; o full reintegration o partial capital, both on first and second call, resolutions will be adopted by the favorable vote of the majority of shares with voting rights, without applying the plurality of votes.

Article 1092.- Members who do not agree with the resolutions provided for in the previous article, may separate of the company, with reimbursement of the value of its shares. This right can only be used by those present in the assemblies that have immediately registered their opposition, within the fifth day, and those absent, within fifteen days of their termination.

The shares will be reimbursed for the value resulting from the last approved balance sheet, unless the dissidents At the time of exercising their right, they will request for this purpose its readjustment according to real values. The The readjusted balance must be approved by the assembly within three months after the expiration of the term maximum to exercise the right of withdrawal.

Any provision that excludes the right of withdrawal or aggravates the conditions of its exercise is null and void.

Page 124

Article 1093.- Any decision on matters foreign to those included in the agenda is null, except those exceptions that are expressly authorized in this paragraph.

Article 1094.- The assembly can go to the interim room for once, in order to continue on another date within thirty days. In this case, only the shares that were entitled to participate in the first. Minutes of each meeting will be taken.

Article 1095.- The shareholder or his representative, who in a specific operation has on his own account or outside an interest contrary to that of the company, has the obligation to abstain from voting on the resolutions related to To that.

If you contravene this provision, you will be responsible for damages, when without your vote no he would have achieved the majority necessary for a valid decision.

Article 1096.- The deliberations of the assemblies must be recorded in minutes that will be signed within the five days from the date of its completion, in the respective book. The minutes will be signed by the President of the meeting, the shareholders designated by it and the secretary.

The minutes must summarize the statements made in the deliberation, the form of the voting and its results, with full expression of the decisions.

Any shareholder may request a signed copy of the minutes at their own expense.

Article 1097.- When the assembly must adopt resolutions that affect the rights of a class of shares, the consent or ratification of the holders of them will be required. For this purpose it will be governed by the norms of the ordinary assembly.

Article 1098.- Any resolution of the assembly that violates the law, the statute or the regulation may be challenged by directors, trustees, comptroller officers, and dissenting shareholders, those who have abstained and those who are absent. Those who voted favorably may also challenge it, if their vote is voidable due to vices of the will, or the violated norm is of public order.

The action will be brought against the company, before the competent judge of its domicile, within six months of deliberation, or if subject to publication, within six months of the last publication.

This period does not apply in cases of violation of public order rules.

Article 1099.- The judge may suspend, at the request of the party, if there are serious reasons, the execution of the contested resolution, with sufficient guarantee to respond for the damages that said measure could cause to society, and to the detriment of third parties.

Art.1100.- When the action is attempted by the majority of the directors, the shareholders who voted They will favorably designate by majority an ad-hoc representative, in an assembly called especially to the effect.

If that majority is not reached, the representative will be appointed from among them by the judge.

Page 125

Article 1101.- The shareholders who, knowing the defect, have voted favorably on the resolutions that are declare void, they respond unlimitedly and jointly and severally for the consequences thereof, without prejudice to the responsibility that correspond to the directors and trustees.

The assembly may revoke the contested agreement. This resolution will take effect immediately and will not the initiation or continuation of the challenge process will proceed. The responsibility for the effects produced, or that are its direct consequence.

PARAGRAPH V

OF THE ADMINISTRATION AND REPRESENTATION OF THE COMPANY

Art.1102.- The administration of the company will be in charge of one or more directors appointed by the ordinary assembly, when they have not been in the constitutive act.

If the assembly is empowered to determine their number, the statutes will specify the minimum number and maximum allowed.

Art.1103.- The directors may not be shareholders; They are re-eligible and their designation is revocable. The The statutes cannot suppress or restrict the revocability of the appointment, but the administrator designated in the constitutive act, he will have the right to compensation when he is excluded without just cause.

Art.1104.- Directors or managers cannot be appointed:

a)

the incapable;

b)

those who act in competing companies with opposing interests;

c)

guilty or fraudulent bankrupt, accidental bankruptcy, up to five years later of his rehabilitation; those sentenced to disqualification from holding public office; the condemned by crimes against property and against the public faith; those convicted of crimes committed in the constitution, operation and liquidation of companies; Y

d)

those who by reason of their position cannot exercise commerce, nor the officials of the public administration whose performance is related to the purpose of the company.

Article 1105.- The appointment of administrators will be made for the duration of an exercise, unless otherwise provided. contrary to the statutes.

Article 1106.- The resignation of the director must be presented to the board of directors, which may accept it if it does not affect the

regular operation of society. Otherwise, the renouncer must continue in his functions until the next assembly.

Art.1107.- If the statutes do not establish the election of alternates to correct the lack of directors due to For whatever reason, the election of their replacements corresponds to the trustees, and they must carry out their functions until the next ordinary meeting.

Art.1108.- When the board of directors is collegiate, its decisions will be adopted by majority. The vote by correspondence.

The statutes must regulate the constitution and operation of the board of directors.

Page 126

Article 1109.- The administrator who has an interest in a certain operation, on his own account or on behalf of a third party, that is in conflict with that of the company, must notify the other administrators and the trustees, and refrain from participating in the deliberations related to said operation.

In the event of non-observance of this rule, the administrator will be liable for the losses that have resulted in the society of the fulfillment of the operation.

Art.1110.- The director may only celebrate with the company the acts and contracts that are related to the activity normal of it, under the same conditions that the company has contracted with third parties, making known their participation in the board of directors and the trustee, and refraining from intervening in the deliberation.

The acts or contracts celebrated in violation of these norms are voidable.

Article 1111.- The directors are liable unlimitedly and jointly before the company, the shareholders and third parties. for non-execution or poor performance of the mandate, as well as for violation of the law or the statutes, and any other damage caused by fraud, abuse of powers, or gross negligence.

The director who has not participated in the deliberation or resolution, who has left a written record of his disagreement and notified the trustees, before being charged responsibility.

Art.1112.- The directors will not be liable to the company, when they have proceeded in compliance with resolutions of the assembly, which are not contrary to the law or the statutes. Either They will respond when their actions are approved by the assembly, or it decides to renounce the action, or compromise, provided that the responsibility does not derive from the violation of the law or the statutes, and that mediated opposition by shareholders representing at least one fifth of the capital.

Art.1113.- The liability action against the administrators must be promoted by virtue of a decision of the assembly, even if the company is in liquidation.

The decision regarding the responsibility of the administrators may be adopted on the occasion of discussing the balance, even if it is not on the agenda, if it is a direct consequence of the resolution of a matter included in this one. The resolution declaring responsibility will produce the removal of the director or directors affected and will force their replacement.

Art.1114.- If the action is not initiated within a period of three months, counted from the date of the agreement, any shareholder may promote it, without prejudice to the liability resulting from the breach of the ordered measure. Social action may also be exercised by shareholders who have opposed to resignation or transaction.

Art.1115.- The administrators are liable to the corporate creditors for the non-observance of the Obligations inherent to the preservation of the integrity of the corporate heritage.

The action can be promoted by the creditors when the social patrimony is insufficient for the satisfaction of your credits.

Page 127

In the event of bankruptcy, the action corresponds to her trustee. The resignation of the action on the part of the company it does not prevent its exercise by the corporate creditors. They may only contest the transaction for the exercise of the revocation action, if the extremes of this concur.

Art.1116.- The provisions of the previous articles do not prejudice the right to compensation for damage. partner or third party who have been directly harmed by culpable or fraudulent acts of the administrators.

PARAGRAPH VI

OF THE AUDIT OF THE COMPANY

Art.1117.- Without prejudice to the control established by administrative laws or by special laws, the Supervision of the direction and administration of the company is in charge of one or more regular trustees and as many alternates, appointed on a personal and non-delegable nature.

Article 1118.- The trustees must be suitable so that the control that corresponds to them to exercise is efficient, taking into account the importance and complexity of the activities of the company.

They must be domiciled in the Republic and be capable of the position, as established in article following.

Art.1119.- The following cannot be trustees:

t)

those who by this Code cannot be directors;

b)

the directors, managers, and employees of the same company or of another that controls it; Y

c)

the spouses and relatives of the directors by consanguinity in a straight line, the collaterals up to and including the fourth grade, and the like within the second.

Article 1120.- The statutes will establish the term for which the trustees will be appointed, up to a maximum of three years, without prejudice to their obligation to perform the position until they are replaced. The shareholders' meeting may annul their appointment, without this power being susceptible to limitation.

Article 1121.- The regular trustees will be replaced by alternates in case of temporary vacancy or permanent. Not being possible the substitution, the board of directors will immediately summon the assembly so that make appointments in order to complete the term.

The trustee prevented from performing his functions will cease to intervene and will notify the board of directors within the ten days.

Art.1122.- The liquidator who has an interest in a certain operation must abstain from participating in all regarding it, under penalty of losing office and liable for damages caused to society.

Art.1123.- The trustee's function will be remunerated. If the remuneration is not determined by the statutes, it will be by the assembly.

Art.1124.- The powers of the trustees are:

Page 128

to)

oversee the management and administration of the company, for which purpose they must assist with voice, but without vote, to the meetings of the board of directors, and of the assemblies, to all of which they must be summoned.

to)

This supervision will be carried out in an unlimited and permanent way on the social operations, but without intervening in administrative management.

b)

examine the books and documentation whenever they deem it convenient and, at least, one once every three months;

c)

verify in the same way the availabilities and securities, as well as the obligations and the form in which they are fulfilled; They can also request the preparation of trial balances;

d)

control the constitution and subsistence of the directors' guarantee and request measures necessary to correct any irregularities;

and)

present to the ordinary assembly a written and well-founded report on the economic situation and financial statement of the company, ruled on the memory, inventory, balance sheet and income statement and losses;

F)

provide shareholders who represent at least ten percent of the capital integrated and that require it, complete information on the matters that are within its competence;

g)

summon an extraordinary assembly, when they deem it necessary; already ordinary assembly, when the directory omitted to do so;

h)

have the items they consider appropriate included in the meeting's agenda;

i)

oversee that the corporate bodies duly comply with the laws, statutes, regulations and decisions of the assemblies;

j)

supervise the liquidation operations of the company; Y

k)

investigate complaints made by shareholders in writing, mention them in their reports to the assembly and express about them the considerations and proposals that correspond, having to

immediately call an assembly to resolve in this regard, when the situation investigated does not receive from the directory the treatment they deem appropriate and urgently necessary.

Art.1125.- The trustees are unlimited and jointly and severally liable for the fulfillment of the obligations. that the laws and the statute impose on them.

Their responsibility will be made effective by decision of the assembly. The decision of the assembly, which declares the responsibility, the removal of the trustee matters.

Art.1126.- They are also jointly and severally liable with the directors for their acts or omissions, when the damage would not have occurred if they had acted in accordance with the obligations of their position.

PARAGRAPH VII

OF THE NEGOTIABLE OBLIGATIONS OR DEBENTURES

Art.1127.- Public limited companies may, if their statutes authorize it, contract loans, in the form public or private, through the issuance of negotiable obligations or debentures.

Art.1128.- The debentures can be omitted with a floating, common, or special guarantee. The emission whose privilege is not limited to certain real estate will be considered made with floating guarantee.

Page 129

Art.1129.- The issuance of debentures with floating guarantee affects the payment of all rights, assets Present and future movable or immovable property, or a part of them, of the issuing company, and grants the privileges that correspond to the pledge, to the mortgage as the case may be. It is not subject to the provisions so that these real rights govern. The guarantee is constituted by the manifestation that is inserted in the issuance contract and the observance of the procedure and inscriptions of this law.

Art.1130.- The floating guarantee is required:

a)

when the interest or amortization of the loan has not been paid in the terms agreed;

b)

when the debtor company had lost a quarter or more of the assets existing on the date of the bond issuance contract;

c)

in cases of voluntary, forced dissolution, or bankruptcy of the company; Y

d)

when the turn of the social businesses ceases.

The company will conserve the disposition and administration of its assets as if they had no lien, as long as one of the cases foreseen in the previous article does not occur.

This power may be excluded or limited with respect to certain assets in the issuance contract. In this Of course, the limitation or exclusion must be registered in the corresponding registry.

Art.1131.- The company that has constituted a floating guarantee may not sell or assign the entirety of its assets, nor a part of its assets that makes it impossible to continue the course of its business, or merge with another company without authorization from the assembly of debenture holders.

Art.1132.- Debt bonds issued with floating collateral, others that have priority or must be paid at the same time with the former, without the consent of the assembly of debenturists.

Art.1133.- The debentures with common guarantee will collect their credits at the same time as the creditors. unsecured, without prejudice to the provisions of the other provisions of this Code.

Art.1134.- The issuance of debentures with a special guarantee affects your payment of real estate determined by society. The special guarantee must be specified in the certificate of issuance with all requirements for the constitution of a mortgage, and a reason for it will be taken in the Mortgage Registry. All the provisions that refer to the mortgage will be applicable, with the exception that this Guarantee can be constituted for a term of forty years and the inscription made in the Registry provides its effects for the same term.

Art.1135.- Debenture titles must be of equal value, but a title can represent more than one obligation. They can be bearer or registered; in the latter case, endorsable or not. Transmission of The registered titles and the real rights that enforce them must be communicated to the company in writing and register in a registry book to be kept by the debtor company.

Art.1136.- The transfer may not be opposed to the company or to third parties except from its registration in

said record. In the case of endorsable titles, the last endorsement will be recorded.

Page 130

Art.1137.- The titles of debentures must contain:

- to)
the name and address of the company and the data of the registration of the statute in the Registry Public of Commerce;
- b)
the subscribed and paid capital;
- c)
the serial and serial number of each security and its nominal value;
- d)
the total sum of debentures issued;
- and)
the nature of the guarantee;
- F)
the name of the fiduciary institutions, if they exist;
- g)
the date of the issuance certificate and its registration in the Public Registry of Commerce; Y
- h)
the established interest rate, the date and place of payment, and the form and time of its amortization.

Coupons may be attached to collect interest or exercise other rights related to the same. Coupons will be bearer.

Art.1138.- The issue can be divided into series. The rights will be the same within each series. New series cannot be issued as long as the previous ones are not fully subscribed and integrated. Any debenture holder may request the nullity of the issuance made contrary to the provisions of this Article. The provisions relating to the share regime are applied subsidiarily insofar as there is no are incompatible with their nature.

Art.1139.- The company that decides to issue debentures, must celebrate with a financial institution a trust by which it takes charge:

- to)
the management of subscriptions;
- b)
control of integrations and their deposit, when appropriate;
- c)
the necessary representation of future debenturists; Y
- d)
the joint defense of their rights and interests during the term of the loan until its total cancellation, in accordance with the provisions of this Code.

Art.1140.- The contract will be granted by public deed, it will be registered in the corresponding records, and will contain:

- to)
the name and address of the issuing company and the details of the registration of the statute in the Public Registry of Commerce;
 - b)
the amount of the subscribed and paid capital on the date of the contract;
 - c)
the amount of the issue, nature of the guarantee, interest rate, place of payment and others general conditions of the loan, as well as the rights and obligations of the subscribers;
 - d)
the designation of the fiduciary institution, its acceptance and its declaration:
-

- 1) having verified the accuracy of the latest exercise balances, debts with privilege that society recognizes; of the amount of previously issued debentures, their characteristics and amortizations fulfilled;
- two) to take charge of the subscription, where appropriate, in the manner provided; Y
- 3) the remuneration that corresponds to the trustee, which will be in charge of the issuing company.
Art.1141.- In the cases in which the loan is offered for public subscription, the company will draw up a prospectus that will be submitted to the controlling administrative authority of the public limited companies, and that must contain:
 - to) the same specifications as the titles of the debentures and the registration of the contract of trust in the Public Registry of Commerce;
 - b) the activity of the company and its financial situation;
 - c) the names of the directors and trustees; Y
 - d) the result of the last two years, unless it has not been of such seniority, and the transcript of the special balance as of the issuance authorization date. Administrators, trustees and trustees they are jointly and severally responsible for the accuracy of the data contained in the prospectus.
Art.1142.- Directors, trustees or employees of the issuing company; nor those who cannot be administrators, directors or trustees of public limited companies. Neither may shareholders of the issuing company who own more than one-twentieth of the social capital.
Art.1143.- When the issue is made to consolidate corporate debts, the trustee will authorize the delivery of the titles after verification of the fulfillment of the operation.
Art.1144.- The trustee has, as a representative of the debenture holders, all the powers and duties of the general agents, and special agents in what is pertinent.
Art.1145.- The trustees, in the case of debentures with a common guarantee or with a floating guarantee, have always the following powers:
 - to) review the documentation and accounting of the debtor company;
 - b) attend board meetings and assemblies with voice, but without vote;
 - c) request suspension of the board:
 - 1) when interest or loan repayments have not been paid after thirty days of expiration of the agreed terms;
 - two) when the debtor company has lost a quarter of the assets existing on the day of the contract broadcast; Y
 - 3) when the forced dissolution or bankruptcy of the company occurs.
In the case of debentures issued with a special guarantee, in the event of late payment of interest or amortization.
Article 1146.- In the cases of subsection c) of the previous article, the judge, at the request of the trustee and without further formality, will order the suspension of the board of directors and will appoint the trustee in his replacement, who will receive the administration and social assets under inventory.

Art.1147.- The trustee, in the cases of the previous article, may continue the business of the debtor company without judicial intervention and with the broadest powers of administration, including that of sale of movable and immovable property, or to liquidate the company, in accordance with what resolves the assembly of debenturists to be convened for this purpose.

The debenture's assembly may, in any of these cases, designate a trustee on behalf of the society, whose functions will end when the trustee terminates the administration or liquidation of the society. The issuance contract may provide for a permanent receivership.

Art.1148.- If the debentures were issued with a floating guarantee, the liquidation resolved, the trustee will proceed to carry out the goods that constitute the guarantee and distribute its product among the debenturists, after the credits with the best privilege have been paid.

Once the debt of capital and interest is satisfied, the remainder of the assets must be delivered to the company debtor, and in the absence of anyone authorized to receive it, the judge will designate, at the request of the trustee, the person who will receive them.

If the continuation of the business is resolved, the available funds will be used to pay the credits pending and the interest and amortization of the debentures. Regularized the services of the debentures, the administration will be restored to those who correspond.

Art.1149.- If the debentures were issued with a common guarantee and there were other creditors, the liquidation, the trustee will proceed to carry it out judicially in the form of bankruptcy, in accordance with provided by the law that bankruptcy, with the following modifications, and except for the provisions of laws specials:

to)

the trustee will be the necessary liquidator of the bankruptcy, may act through a proxy; Y

b)

may alienate movable and immovable property publicly or privately with the same

Powers and limitations governing the trustee in bankruptcy.

Art.1150.- The suspended board of directors can bring a trial within ten days of being notified, to prove the inaccuracy of the grounds alleged by the trustee.

Once the action is promoted, the liquidation cannot be resolved until there is a final judgment; meanwhile, the fiduciary must be limited to the acts of conservation and ordinary administration of the debtor's assets.

Art.1151.- The company that is in charge of the trustee cannot be declared bankrupt due to third-party creditors, who may only request that their credits be paid in the order in which they are appropriate according to your privilege. If the company that had issued debentures with a common guarantee or with floating collateral was declared bankrupt before the trustee has taken over the administration or liquidation, the judge will appoint the trustee as liquidator.

Art.1152.- In all cases in which the dissolution of the debtor company occurs, before the expiration of the agreed deadlines for the payment of the debentures, these will be considered due on the day that resolved the dissolution, and will have the right to immediate reimbursement and payment of interest due.

Art.1153.- The trustee may be removed without cause by resolution of the assembly of debenture holders. It can also be judicially, for serious reasons at the request of a debenturista.

It will be conducted in a summary trial with a hearing by the trustee and receipt of the evidence that the judge deems of the case.

The trustee cannot resign from the position without just cause, which the judge will summarily resolve.

Art.1154.- The assembly of debenture holders will be chaired by a representative of the trustee, and will be governed by regarding its constitution, operation and majority by the norms of the ordinary assembly of the company anonymous.

The meeting is responsible for the designation of the financial institution that should succeed the one designated in the contract referred to in article 1139, and other matters that it is responsible for deciding in accordance with provided in this paragraph.

The judge, at the request of the trustee, or of a number of holders representing at least ten percent hundred of the debentures in circulation, will convene the assembly of debentures to discuss the issues

that are his responsibility.

The assembly can accept the modifications of the loan conditions, provided for in the contract, with the majorities required for the extraordinary meeting in the corporation.

Those not provided for in the contract may be chosen, if they do not alter the fundamental conditions of the issue.

Art.1155.- The resolutions of the assemblies of debenturists are mandatory for those who are absent or dissident.

Any debenture holder, the trustee or the trustee can challenge the agreements that are not made in accordance with the law or the contract, applying the provisions for shareholders in the corporation.

The competent judge of the domicile of the company will hear the challenge.

Art.1156.- The company that has issued debentures may only reduce the share capital in proportion to the debentures refunded, except in cases of forced reduction.

Art.1157.- The issuing company may not receive its own debentures as collateral.

Art.1158.- The administrators of the company are unlimitedly and jointly liable for the damages that the violation of the provisions of this Code produces debenturistas.

Art.1159.- The fiduciary entity is not liable, except for fraud, fault or negligence in the performance of its functions.

SECTION VI

OF THE LIMITED LIABILITY COMPANY

Page 134

Art.1160.- In the limited liability company, the capital is divided into equal shares for the value of one one thousand guaranías or its multiple. The partners will not be more than twenty-five, and will only respond for the value of their contributions.

Art.1161.- The company name must contain the terms "limited liability company", or the abbreviation "SRL". Its omission will make the manager unlimited and jointly responsible for the acts that he celebrates under those conditions.

Art.1162.- The limited liability company will not be able to carry out banking, insurance, or capitalization and savings, nor those for which the law requires another form of society.

Art.1163.- The capital stock must be fully subscribed when the company is constituted. Contributions in kind They must be fully covered, justifying their value in the manner prescribed for public limited companies.

The participation fees of the partners cannot be represented by negotiable securities.

Art.1164.- Contributions in money must be made up of at least fifty percent and completed within two years. Its compliance will be accredited when the registration is requested with the proof of your deposit in an official bank. The funds will not be available until the presentation of the contract enrolled.

Art.1165.- The partners only guarantee unlimited and several to third parties the integration of the contributions in money, as well as the effectiveness and value assigned to the contributions in kind.

In the case of transfer of quota, the guarantee subsists jointly and severally with the purchasers, for the social obligations contracted up to two years after registering the transfer. Any covenant in otherwise, it will not be enforceable against third parties.

Art.1166.- Quotas cannot be transferred to strangers except with the agreement of partners representing three quarters of the capital, when the company has more than five partners. Not being more than five, it will be required unanimity.

The transfer of quotas is free between partners, unless otherwise provided in the constitutive act.

Art.1167.- Whoever intends to assign their quotas, will communicate it to the other partners, who will pronounce within fifteen days.

Consent is presumed if the opposition is not notified.

Art.1168.- Once the authorization is denied, the one who intends to assign his quota may occur before the judge of the domicile social, who, with the hearing of the opponent and summarily, may authorize the transfer, if there is no fair cause it to prevent it.

Page 135

If the opposition is deemed unfounded, the partners may choose to purchase within ten days of being notified of judicial authorization. If more than one person exercises this preference, the fees will be prorated and, not being possible, they will be distributed by lottery.

Art.1169.- In the absence of the partners, the company may acquire the quota offered with liquid profits or reducing the capital, having to exercise the option within ten days after the expiration of the term granted to the partners.

Article 1170.- For the exercise of the right of preference, the partner or the company may challenge the value assigned to the quota on offer, submitting to the result of the judicial expertise. The value thus established will be mandatory, unless it is higher than that intended by the transferor or less than that offered by the challengers.

Art.1171.- The social contract can regulate the assignment of quotas, or set rules to determine the fair transfer price, but not to make the sale impossible or prohibited.

Art.1172.- For the transfer of quotas of the deceased partner, the provisions that govern the transfer apply. conventional, but if the social contract provides for the continuation of the partnership with the heirs, the pact will be obligatory for all, and the incorporation of the successors will be effective proving their quality.

Art.1173.- When the quota belongs to more than one person, the rules established for the co-ownership of shares in public limited companies. The rules prescribed for actions also apply. of these companies in cases of usufruct, pledge or other real rights, embargoes and other measures precautions on fees.

Art.1174.- The direction, administration and representation of the company corresponds to one or more managers, partners or not, those who have the same rights and obligations as the directors of the corporation, without limitation regarding the time during which they will perform their duties.

If there are several, the provisions on the operation of the company's board of directors will apply. anonymous.

Art.1175.- A supervisory body can be established, composed of one or more trustees, partners or not, and It will be governed by the provisions for the receivership of the corporation, with the exception of the maximum term of duration of the position.

Art.1176.- If the social contract does not determine the way of deliberating and making agreements by the partners, The rules on public limited company assemblies will apply, except in relation to the procedure for the call, which will be notified personally to the partners.

Art.1177.- The change of object, transformation, merger and any other modification that imposes greater responsibility to the partners, must be resolved by unanimity of votes.

Any other social deliberation will be decided by a majority of the capital.

Art.1178.- Each quota gives the right to one vote, the personal limitations governing the case. imposed on the shareholders of corporations.

Page 136

SECTION VII

OF THE COMPANY IN COMMAND BY SHARES

Art.1179.- In the limited partnership by shares, the general partners are responsible for the obligations such as the partners of the partnerships. Limited partners limit their liability to capital that they are obliged to contribute; their contributions are represented by shares.

Article 1180.- The company name must contain the indication of being a limited company by shares, or the acronym SCA The omission of said indication will make the administrator unlimited and jointly liable together with society, for the acts that they agree on under these conditions.

Art.1181.- The norms relating to joint ventures are applicable to companies in limited partnership by shares. public limited companies, insofar as they are compatible with these provisions.

Art.1182.- The constitutive act must indicate the name and address of the collective partners.

The general partners are, by right, administrators and are subject to the obligations of the administrators of the corporation, excluding that of the surety. The administration may also be conferred on third parties.

Art.1183.- Unless otherwise provided in the statutes, the managing partner can only be removed with just cause by a competent judge, at the request of the shareholders' meeting, or of a minority that represents at least ten percent of the integrated capital stock. If the assembly does not designate special representative for the action, this will be exercised by the trustee.

Once the removal is registered, the personal responsibility of the managing partner for social obligations ceases that are born from that moment, for which he has to choose between the right to separate or become a limited partner.

Art.1184.- The assembly is made up of partners from both categories. The stakeholders of the partners collectives will be considered divided into fractions of the same value as the shares, for the purposes of the quorum and vote. Smaller amounts will not be computed.

Art.1185.- The managing partner has a voice, but no vote, in the assemblies, without admitting clauses in otherwise, in the following matters:

- t)
election and removal of the trustee;
- b)
approval of the management of administrators and trustees, or deliberation on their responsibility; Y
- c)
removal of the managing partner.

SECTION VIII

OF THE TRANSFORMATION AND MERGER OF THE COMPANIES

Art.1186.- Any company may adopt another of the types provided, without dissolving or affecting the existing rights and obligations.

Page 137

The provisions on transfer of assets are not applicable to the transformation of companies. commercial establishments.

Art.1187.- The transformation of a company does not release the partners from unlimited liability, from their personal responsibility for the social obligations prior to the registration of the transformation act in the registry, if it does not appear that the corporate creditors have given their consent for the transformation. This consent is presumed if the creditors to whom the transformation decision has been communicated in an authentic way, has not expressly denied its agreement, within a term of thirty days of receipt of the communication.

This should warn that silence will be considered as conformity with the transformation.

Art.1188.- If, due to the transformation, there are partners who assume unlimited liability, it shall be extends to pre-existing social obligations.

Art.1189.- For the transformation of society it is required:

- t)
unanimous agreement of the partners, unless otherwise agreed, or the provisions of this Code for certain companies;
- b)
preparation of a special balance approved by the partners, which will be made available to creditors at the corporate headquarters, for thirty days;
- c)
approval by the Executive Power of the modified statutes, when required by law;
- d)
publication of the transformation for five days;
- and)
granting of the act that implements the transformation by the competent organs of the society that is transformed and the concurrence of the grantors, with proof of the partners who withdraw, capital they represent, addition of a signed copy of the special balance sheet and compliance with formalities of the new type of society adopted; Y

F)
inscription of the instrument, in a copy of the signed balance sheet, in the corresponding records the type of company, and by the nature of the assets that make up its patrimony and its encumbrances.

Art.1190.- In the cases in which unanimity is not required, the dissident or absent partners have right of withdrawal, without this affecting your responsibility towards third parties for the obligations contracted until the transformation is registered. The recess cannot be effective while creditors affected have not accepted the transformation. The partners who continue in the company guarantee the

Outgoing for the obligations contracted from the exercise of the recess until their registration.

Art.1191.- The transformation does not affect the preferences in favor of the partners, unless otherwise agreed.

For the acquisition of the parts of the partners who retire, the rules established by this Code apply.

for the right of withdrawal in corporations.

Article 1192.- Through the merger, two or more companies are dissolved without being liquidated, to constitute a new one, or one of them absorbs another or others that dissolve without being liquidated.

Page 138

The new company, or the absorbing company, becomes the owner of the rights and obligations of the dissolved companies, since the merger agreement is formalized, but it is not enforceable against third parties unless it is registered, and prior approval of the change in the statute of the corporation affected by the merger, if applicable.

Art.1193.- For the merger of the company it is required:

to)

the merger commitment granted by the representatives of the companies and approved with the requirements required for early dissolution.

to)

Each company will prepare a balance sheet on the date of the agreement, which will be made available to the partners and social creditors;

b)

the advertising required for the transformation of commercial establishments.

c)

Creditors may file opposition to the merger agreed in accordance with that regime and

This cannot be done if they are not paid or duly guaranteed. In case of discrepancy on the guarantee, will be judicially resolved;

d)

the definitive merger agreement, which will be granted once the above requirements have been met, and that will contain:

to)

the proof of approval by the interested companies;

b)

payroll of the partners who exercise the right of recess and capital they represent;

c)

payroll of opposing creditors and amounts of their credits;

d)

the basis is the execution of the agreement, with observance of the dissolution rules of each company, and including the specification of the shares corresponding to the partners of the companies that are dissolve; Y

e) the balances prescribed by subsection a).

The final instrument must be registered as in the case of the transformation of companies.

Art.1194.- When the merger occurs by dissolution of companies, the new one will be constituted in accordance with the applicable standards.

In the event of absorption, compliance with the rules pertaining to the statutory reform is sufficient.

carried out for the fulfillment of the act.

The representatives of the created or absorbing company will necessarily represent the dissolved companies, with the responsibility of the liquidators and without prejudice to their own. The company's administrative body dissolved will be suspended in its exercise until the moment of the definitive constitution of the company new or the execution of the absorption.

Art.1195.- In case of merger, the rules on right of withdrawal and preference established for transformation cases.

SECTION IX

OF COMPANIES CONSTITUTED ABROAD

Article 1196.- Companies incorporated abroad are governed, in terms of their existence and capacity, by the laws of the country of your domicile.

Their nature fully enables them to exercise in the Republic the actions and rights that are granted to them. corresponds.

Moreover, for the usual exercise of acts included in the special purpose of your institution, they will be adjusted to the prescriptions established in the Republic.

Companies incorporated abroad have their domicile in the place where the main seat is of their business. Establishments, agencies or branches incorporated in the Republic are considered domiciled in it with regard to the acts that they practice here, having to comply with the Obligations and formalities provided for the type of company most similar to that of its constitution.

Art. 1197.- For the purposes of compliance with the aforementioned formalities, every company incorporated in the Foreigner who wishes to carry out his activity in the national territory must:

to)

establish a representation with domicile in the country, in addition to the private addresses that result from other legal causes;

b)

prove that the company has been incorporated in accordance with the laws of your country; Y

c)

justify in the same way, the agreement or decision to create the branch or representation, the capital assigned, where appropriate, and the appointment of representatives.

Art.1198.- The previous articles will apply to companies or corporations incorporated in other States although the type of company is not provided for by our legislation. The competent judge for the Registration will determine the formalities to be fulfilled in each case.

Art.1199.- The company incorporated abroad that has its domicile in the Republic, or whose principal object is intended to fulfill in it, it will be considered as a local company for the purposes of compliance of the formalities of constitution or its reform and inspection, where appropriate.

Art.1200.- The representative of the company incorporated abroad is authorized to carry out all the acts that it can celebrate and to represent it in court.

Any provision to the contrary is void.

Said representatives contract the same responsibilities prescribed by this Code for the administrators, and in the case of companies not regulated in it, those of company administrators anonymous.

Article 1201.- The summons and summons of a company incorporated abroad can be fulfilled in the Republic in the person of its general representative, or of the attorney-in-fact who intervened in the act or contract that originates the litigation.

CHAPTER XII

OF THE DONATION

SECTION I

OF THE GENERAL PROVISIONS

Art.1202.- There will be a donation when a person, by act inter vivos, freely transfers the domain of one thing, or a patrimonial right, in favor of another, which accepts it.

Art.1203.- Before the donation is accepted, the donor can revoke it expressly or tacitly.

It will be important to accept the receipt of what was donated and in general the use of the benefit that the contract represent.

Art.1204.- If the donation is made to several people separately, it must be accepted by each one of the donees, and it will only have effect with respect to those who have accepted it. If it is made to several people jointly and severally, the acceptance of one or one of the donees applies to the donation whole. But, if the acceptance of the ones becomes impossible, by their death or by revocation of the donor Regarding them, the entire donation will be applied to those who have accepted it.

Article 1205.- The death of the donor will not prevent the donee from accepting, and the heirs of the donor

they will be bound to keep the promise. But if the death of the beneficiary occurs before expressing his assent, nothing will be able to demand the successors of the same. This last rule is not applicable to the assumption of disinterested resignation.

Art. 1206.- If someone promised goods free of charge for after his death, the act will only be valid when I fill out the formalities of the will.

You cannot make a donation to a natural person that does not exist, or to entities without legal personality, but it may be done in favor of the latter in order to establish them.

If the necessary authorization is denied, the act will be without effect.

SECTION II

OF THOSE WHO CAN MAKE AND ACCEPT DONATIONS

Art. 1207.- The father or the mother, or both together, may make donations to their children.

When it is charged in an express way to the available part, it will be understood as an advance to the legitimate.

Art. 1208.- They cannot make donations:

- a) the spouses to each other, during the marriage: neither one or the other, to the children that the consort has, or the persons of whom this was the presumed heir at the time of the donation;
 - b) the husband or wife in favor of third parties, except in the limits authorized by this Code;
 - c) the legal representatives, except in the cases expressly established;
 - d) the agents, except for a special power of attorney that designates those goods that they are allowed to donate; Y and)
- adult minors, without parental license, unless they have acquired the goods in the exercise of any profession or industry.

Page 141

Art. 1209.- They cannot accept donations:

- a) the married woman, without the consent of the husband, or the permission of the judge, failing that;
- b) tutors and curators, on behalf of their representatives, without judicial authorization;
- c) the tutors and curators, regarding the assets of the people who have been in their charge, before rendering accounts and paying the balance that will result against them; Y
- d) the agents, if special power for the case, or general to accept donations.

Art. 1210.- The capacity of the donor and the donee will be judged with reference to the date on which the donation was committed or accepted, respectively, or on the day of fulfillment, when the act is subject to suspensive condition.

SECTION III

OF THE GOODS THAT CAN BE DONATED

Art. 1211.- Goods that can be sold can be donated.

Art. 1212.- The donation will be null:

- a) when it includes all the donor's assets, without reserving part or sufficient income for its subsistence;
- b) If it is subject to a suspensive or resolutive condition that will leave the donor the direct power or indirect to revoke or modify it; Y
- c) when it comes to future assets.

SECTION IV

OF THE FORM OF DONATIONS

Art.1213.- Must be granted by public deed, under penalty of nullity:

to)

donations of real estate;

b)

donations with charge; Y

c)

those whose purpose is periodic or lifetime benefits.

These donations, to be valid, must be accepted in the same deed, or by another, notifying to the donor; but the act will be concluded from the moment of acceptance.

Art.1214.- In other cases, if the delivery of the goods is demanded in court, whatever their value, the Contract will only be proven by public or private instrument, or by judicial confession of the donor.

Art.1215.- The provisions of the preceding articles will not apply to the waiver of rights, unless have she adjusted by convention.

The simple delivery will suffice in terms of movable things and bearer titles.

SECTION V

Page 142

OF THE RIGHTS AND OBLIGATIONS OF THE DONOR AND DONOR

Art.1216.- The donor is obliged to deliver the thing to the donee. In case of default, you will not have to compensate fruits or interests.

The donor is only liable for his intent or fault.

Art.1217.- Provided that the donation is free of charge, the donee must provide food to the donor who have no means of subsistence; but you can get rid of it, restoring the goods, or the value of the themselves when they have been alienated.

Art.1218.- Although the donation consists of a certain part of the donor's assets, the donee

He will not be obliged to pay the debts of the former, if he has not committed himself to it.

The donor may, however, before delivering the stipulated quota, retain values to the same extent.

sufficient to respond to the obligations that you had at the time of the contract.

Art.1219.- In periodic benefits, the obligation will be extinguished by the death of any of the parties, unless otherwise provided.

SECTION VI

OF MUTUAL, REMUNERATORY AND CHARGED DONATIONS

Art.1220.- Mutual donations will be judged, those that several people make reciprocally by virtue of of the same act; but the promised or paid benefits will not be.

Art.1221.- In the case of the previous article, the nullity due to a defect in the form or substance of the donation made to one of the parties, will annul or revoke the other, but the ingratitude or the breach of the charges, will only harm the guilty donee.

Art.1222.- They will be remunerative donations, those that are made in reward of services

lent to the donor by the donee, appreciable in money and for which he could have demanded payment.

If the donation instrument does not clearly state what is intended to remunerate, it will be will have as free.

Art.1223.- Remunerative donations must be considered as acts for consideration, while

limit to an equitable remuneration for the services received. For the surplus, there will be a simple donation.

Art.1224.- The donation may impose charges in favor of the donor or a third party, whether related to employment or to the destination of what was donated, or consisting of a benefit.

Art.1225.- When the charges consist of appreciable benefits in money, the rules of the

acts for consideration, regarding the part of goods whose value is represented or absorbed by them,

and with respect to the others, the rules that govern the provisions free of charge.

Page 143

Art.1226.- The donation, whose value exceeds the available part of the donor in the date of your liberality. In this regard, the precepts on the legitimate shall apply.

Art.1227.- If due to the appraisal of the deceased's assets the donations made are unofficial, the necessary heirs existing at the date of them, may demand the reduction until their legitimate.

SECTION VII

OF THE REVERSAL OF THE DONATIONS

Art.1228.- The donor may agree to the reversion of the donated goods, in the event that the donee dies before the donor, or in the event of the death of the donee, his spouse and his descendants.

This clause must be express and only for the benefit of the donor. When it has been agreed jointly in the interest of him and his heirs, or of himself and a stranger, it shall be deemed not necessary with respect to others.

Article 1229.- In the first case of the previous article, the reversion will not hinder the survival of the spouse or the descendants of the beneficiary. In the second, the donor will only have the right when they die all of them. But if the clause has been established for the assumption of the death of the donee without children, the existence of these at that time, will extinguish the right of reversion, which may not be reborn, although The author of liberality survives them.

Art.1230.- The consent of the donor for the sale of the donated goods, import the waiver of the right reversal regarding the buyer and the donee; but your agreement to constitute a mortgage, only the creditor secured by it is exonerated.

Art.1231.- Once the stipulated condition has been fulfilled, the donor may demand that the goods be restored, according to the rules of enrichment without cause.

Art.1232.- The reversion has retroactive effect. It makes of no value the acts of disposition made on the donated thing, whose property returns to the donor, except for the rights of third parties or purchasers of good faith.

SECTION VIII

OF THE REVOCATION OF DONATIONS

Art.1233.- When the donee is in default to execute the charges or conditions imposed, the donor or his heirs may revoke the donation.

The third party beneficiaries of said charges, may only claim their fulfillment. Whenever they go of public interest, the competent authority will have the same right, after the death of the donor.

Page 144

Art.1234.- The donee responds for the fulfillment of the charges only with the donated thing, and is not obliged personally with your other assets. He can evade the execution of the charges by restoring the donated goods or their value. If the thing has perished by fortuitous event, it remains free of all obligations.

Art.1235.- The revocation will affect only the donee and not the third parties for whose benefit the conditions or charges have been stipulated, leaving these as an obligation of the donor.

Art.1236.- Donations can also be revoked due to ingratitude in the following cases:

to)

a) when the donee has attempted against the life of the donor, his spouse, or his descendants or ancestors;

b)

when he has inflicted grave injuries on the same persons, aggravating them in their honor, or did them victims of brutality;

c)

when he has refused food from the donor who asked for it for himself and the people with the right to demand them from him; Y

d)

when he has committed serious crimes against the donor's assets.

It can be considered that there is an attempt on the life of the donor, his spouse, his descendants or ascendants when, although there is no conviction, the donee's conduct reveals a undoubtedly the intention to commit said crimes.

Art.1237.- The provision of food will only be required from the donee, when the donor cannot obtain them from their obligated relatives, or they are not in a condition to give them to them.

In all cases, the contribution of the donee may be set in court, according to the circumstances,

or the total amount in charge of it. However, he will incur ingratitude when he refuses to provide food of urgency, under the pretext of other responsible parties.

Art.1238.- The demand for the revocation of the donation cannot be tried except against the donee, and not against his heirs or successors; but when she has been brought against the donee, she can continue against their heirs or successors.

Art.1239.- Onerous and remunerative donations may be revoked for the same reasons as the free ones, without prejudice to reimbursing the value of the charges paid, or that of the services provided. This provision applies to free referrals.

Art.1240.- The provisions on resolution of the synalagmatic contracts. The assets will be restored in accordance with the principles of enrichment without cause.

Art.1241.- The revocation due to the subsequent birth of the donor's children will not be admitted, if it is not expressly have stipulated it.

CHAPTER XIII

DEPOSIT

SECTION I

OF THE GENERAL DEPOSIT

Page 145

Art.1242.- The deposit contract obliges the depositary to keep and restore the thing that would have been delivered.

Art.1243.- The deposit is presumed free, except that of the professional quality of the depositary, or of other circumstances, it must be inferred that the parties have tacitly agreed to a custody fee.

Art.1244.- If the deposit is remunerated and the contract does not determine the amount of the remuneration, it will be set by the judge.

Art.1245.- In the deposit, the depositary must act in good faith and put in the custody of the thing deposited the same diligence as in the custody of one's own thing.

If the deposit is remunerated, the depositary will be liable for his fraud and fault.

Art.1246.- The depositary shall have the right to change the form of the agreed custody when, according to the circumstances, you may believe that the depositor would have approved the modification had he known the status of things. The depositary must notify the depositor before the change and await his decision, unless let there be danger in delay.

Art.1247.- The capable person who accepts the deposit made by someone who is not, will be subject to all the obligations of the depositary. If the deposit is made by a capable person with another who is not In other words, the incapable depositary may oppose the nullity, and the first demand the restitution of the thing, thus like everything with which the incapable person has enriched himself.

Art.1248.- The deposit made by the owner of the thing, will be valid between the parties.

Whoever received it as his own from the depositor, knowing that it did not belong to him, will not be able to exercise against the owner any action for the contract, or withhold the thing until payment of the disbursements made. It will, however, have the action derived from business management, if it has been useful for the depositor.

Art.1249.- The error about the substance, quality or quantity of the thing deposited, does not invalidate the contract.

If the depositary suffers an error regarding the person of the depositor, or discovers that the custody of the thing offers you some danger, you can immediately return the thing deposited.

Art.1250.- The depositary's obligations are:

a)

keep the thing with the same diligence as yours;

b)

liable for all fault when you offered for the position, or the deposit was made in your interest exclusive, or be remunerated;

c)

notify the depositor of the measures and expenses necessary for the conservation of the thing, and carry them out when there is an emergency on his behalf;

d)

return to the depositor the same thing with its accessories and fruits, when requested, or successors, or whoever has been indicated in the contract.

to)

After the death of the person who should receive the thing deposited, it shall be returned to the heirs, if all were in agreement with it, and not being so, consign it to the order of the succession;

Page 146

and)

return the thing in the place where you made the deposit, or in the place designated by the contract. In this In the last case, the respective expenses will be borne by the depositor; Y

F)

not to use the thing without the express permission of the depositor. Otherwise, it will answer for damages and losses.

If the deposit is in a closed box or package, the obligation to keep it will include not to open it; but i know will presume authorized for it when the key has been entrusted to him or it is not possible to comply otherwise the orders. It will also include the duty to reserve the content of the deposit, unless that the secret, by the nature of the thing deposited, expose it to penalties or fines.

Art.1251.- The heirs of the depositary who have sold in good faith the personal property whose deposit They were unaware, they are only obliged to return the price they have received. If the thing has not been paid still, the depositor is subrogated to the right of the alienators.

Art.1252.- If the thing being deposited under the custody of the depositary, the latter is sued by whom claims ownership of it or invokes rights over it, must he, under penalty of compensation from the damage, report the dispute to the depositor, and will be released from the obligation to respond to the action if declares the name and address of the depositor. He may also release himself from the obligation to restore the thing, if deposited at the order of the judge, or at the expense of the depositor.

Art.1253.- The depositary cannot demand that the depositor prove that the thing deposited is his. Yes I will come to discover that the thing has been stolen or stolen, and who is its owner, he must let him know that he has it in his custody so that he can claim it within ten days, with the warning that if he does not If he does so within this period, the depositary will deliver it to the depositor.

Art.1254.- The depositary has the right to retain the thing deposited, until full payment of what is owe you by reason of deposit; but not for any other cause foreign to it.

Art.1255.- The depositary cannot offset the obligation to return the regular deposit with any credit, or by any other deposit that he may have made to the depositor, even if it is of a greater sum or More value.

Art.1256.- If, as a consequence of a fact not attributable to the depositary, the latter is deprived of the possession of the thing, will be free from the obligation to return it to the depositor, but must, under pain of restitution of the damage, immediately report the fact to him, who will have the right to receive what, as a result of the The same fact has been obtained by the depositary, and it will be subrogated in the rights corresponding to it.

Art.1257.- If the deposit is irregular, of money or other quantity of fungible things, whose use was granted by the depositor to the depositary, the latter is obliged to pay in full, and not in part, or deliver the same amount of things deposited, provided they are of the same kind and quality.

It is presumed that the depositor granted the depositary the use of the deposit, if it is not established that he prohibited it.

Art.1258.- If when making the deposit of money or coins the depositor prohibited the depositary from using it and The latter is in default for restoring it, he will owe the legal interest from the day of the deposit.

Art.1259.- If the deposit is constituted with an expression of the kind of currency that is delivered to the depositary, The increases or decreases that occur in their nominal value will be for the account of the depositor.

Page 147

Art.1260.- Consisting of the deposit of titles, securities, effects or documents that accrue interest, The depositaries are obliged to make their collection at the time of its expiration, as well as to perform all the necessary acts so that the deposited effects retain the value and rights inherent in them, according to the law, are a penalty of damages.

Art.1261.- The depositary may retain the deposit for compensation of a concurrent amount that the The depositor also gave him as a deposit, but if the credit had been assigned, the assignee would not

may seize in possession of the depositary the amount deposited.

Art.1262.- In case of fire, flood, ruin, looting, shipwreck, or other events of force greater, the deposit may be entrusted to adults, even if they are incapable, and they will be responsible for it, without this obstructing the lack of authorization from their representatives to receive it.

SECTION II

DEPOSIT IN HOTELS AND SIMILAR ESTABLISHMENTS

Art.1263.- The hoteliers will respond as depositories for the custody and conservation of the effects that introduced to travelers, even if they had not been delivered to them or their dependents. Shall compensate for any damage or loss suffered by those who suffer through the fault of their employees, or of the people who stay in the house; but not those caused by people who accompany or visit them. Is Responsibility extends to vehicles and objects of all kinds stored with the notice of the hotelier or of your staff, in the premises of the establishment.

Art.1264.- The traveler or the person who stays in a hotel carrying with him / her effects of value or sums of Money must be delivered to the hotelier or deposited in the safe-deposit boxes set up for this purpose. Yes Failure to do so, the responsibility of the latter will cease in the event of loss or theft.

Art.1265.- The liability provided for in the previous article will not apply to restaurant owners, cafes, bars and other similar establishments, nor with respect to passers-by who enter the hotels or guest house without staying in them.

Art.1266.- These rules will also apply to entrepreneurs of ships, airplanes, sanatoriums, spas, boarding schools, teaching establishments for inmates, car-beds occupied by travelers, inns, garages, and other similar establishments.

Art.1267.- In the necessary deposit, all kinds of evidence are admissible.

SECTION III

DEPOSIT IN GENERAL WAREHOUSES

Art.1268.- The owners of general stores are responsible for the conservation of the merchandise deposited unless they prove that the loss, decrease or damage arises from a fortuitous event, from the nature of the goods, or of defects in them or in the packaging.

Art.1269.- The depositor has the right to inspect the deposited merchandise and to withdraw the samples. of use.

Page 148

Art.1270.- The storekeepers, giving notice to the depositor at least fifteen days in advance, may proceed to the sale of the goods, when at the end of the contract they are not withdrawn, or not the deposit is renewed, or in the case of a deposit for an undetermined period, one year has elapsed from the date of deposit. They may do so at all times, if the merchandise is threatened with perish.

The proceeds of the sale, deducting expenses and everything else that corresponds to the warehouses, must be made available to depositors.

Art.1271.- General warehouses must provide the depositary with a receipt for the deposited merchandise, which will indicate:

to)

place and date of deposit;

b)

name and surname, or business name, and domicile of the depositor;

c)

nature and quantity of the deposited things and other data to individualize them; Y

d)

if customs and additional taxes have been paid for the goods, and if they are found insured.

CHAPTER XIV

OF THE COMODATE

Art.1272.- The loan contract will be free, when one of the parties will deliver to the other free of charge, with the power to use it, something non-fungible, as long as it is individualized to the effects of their restitution.

Art.1273.- The loan agreement is not subject to any form, and can be approved by all

means of proof.

Art.1274.- The right to use the thing and the obligation to restore it to the lender, are born for the borrower from the moment you acquire possession of it.

Art.1275.- The borrower is obliged to put the same diligence in the custody and conservation of the thing than in caring for one's own thing. It can only be used for its intended use in the contract or by the nature of the thing. He cannot grant a third party the enjoyment of it without consent of the borrower.

The borrower not fulfilling his obligations, the lender may request the immediate restitution of the thing, with damages for deterioration suffered by the borrower.

Art.1276.- If the thing deteriorates because of the borrower and this impairment is such that the thing is not already to be employed in ordinary use, the lender may leave it, and demand the payment of his previous value.

Art.1277.- The borrower is not liable for the damage caused to the thing by the normal use of it, nor of those that come from their own quality, vice or defect.

Page 149

But if the thing has been valued at the time of the contract, its death is in charge of the borrower, even if it happened for reasons that are not attributable to him.

Art.1278.- The borrower is equally liable if the thing perishes due to a fortuitous event that could subtract it by replacing it with his own thing, or if he can save one of the two things, he has preferred the own.

The borrower who uses the thing for a different use or for a longer time than agreed, is responsible for the loss occurred for reasons that are not attributable to him, when he does not prove that the thing would have perished likewise if he had not used it for a different use, or had returned it in due time.

Art.1279.- The borrower has no right to reimbursement of ordinary expenses incurred to use the thing, but you have the right to be reimbursed for the extraordinary expenses incurred for the conservation of the thing, if said expenses were necessary and urgent.

Art.1280.- The borrower is obliged to return the thing at the expiration of the agreed term, or in default term, when it has been used in accordance with the contract. The thing must be restored to the Comfortable in the state that it is, with all its fruits and accessories, even if it has been valued in the contract.

It is presumed that the borrower received it in good condition, unless proven otherwise.

But if during the agreed time, or before the borrower has allowed to use the thing, an urgent and unforeseen need occurs to the lender, he may demand his immediate restitution

Art.1281.- If the duration of the loan or the use to which the thing should be destined has not been agreed, the borrower is obliged to return it as soon as the borrower claims it.

Article 1282.- If the heirs of the borrower, due to not having knowledge of the loan, have alienated the thing loaned, the lender may, in default or due to ineffectiveness of the claim, demand from the heirs who pay it the fair value of the thing loaned, or who assign the shares that by virtue of the alienation is their responsibility.

If they were aware of the loan, they will compensate for any damage.

Art.1283.- If the borrower does not return the thing because it was lost through his fault, or that of his agents or dependents, will pay the lender the value of it. If you do not restore it because it has been destroyed or dissipated, will be liable for damages and interests.

Art.1284.- If after the borrower has paid the value of the thing, he recovers it, he will not have the right to repeat the price paid and oblige the lender to receive it. But the borrower shall have the right to demand the restitution of the thing and oblige the borrower to receive the price paid.

Art.1285.- If the thing has been loaned by someone unable to contract, who used it with the consent of his legal representative, its restitution to the incapable borrower will be valid.

Page 150

Art.1286.- The borrower will not have the right to suspend the restitution of the thing under the pretext that it

it does not belong to the lender, unless it has been lost or stolen from its owner.

Art.1287.- If a stolen or lost thing has been loaned, the borrower who knows it and does not report it to the owner, giving him a reasonable period to claim it, is responsible for the damages that the restitution to the Comfortable follow the owner. The latter may not demand restitution without the consent of the lender, or without a judge's resolution.

Art.1288.- The borrower cannot retain the thing loaned for what the borrower owes him, even if it is for expense reasons.

Art.1289.- The borrower must leave the borrower or his heirs the use of the thing loaned during the agreed time, or until the service for which it was rendered is done. This obligation ceases with respect to the borrower's heirs, if the loan was made in consideration of the borrower's person, or if only the borrower, due to his profession, could use the thing loaned.

Art.1290.- The borrower who, knowing the hidden vices or defects of the thing loaned, did not prevent them to the borrower, responds to the latter for the damages suffered by that cause.

Art.1291.- The lender must pay the extraordinary expenses caused during the contract for the conservation of the thing loaned, provided that the borrower brings it to his knowledge before do them, unless they are so urgent that they cannot be delayed without serious danger.

CHAPTER XV

OF THE MUTUAL

Art.1292.- For the mutual contract or consumer loan, one party gives property to the other one sum of money or other fungible things that the latter is authorized to consume, with the obligation to restitute them in equal quantity, kind and quality, at the expiration of the stipulated term.

Art.1293.- The mere promise of mutual will be obligatory for both contracting parties when it is by title onerous, and only for the promisee if it is gratuitously.

The author of the offer may revoke it and refuse delivery, if whoever should receive the thing experiences a decrease in your patrimonial liability that puts your reimbursement at risk. If such a situation already It existed when the promise was agreed, it will have the same right, provided that it has then been ignored.

Art.1294.- The mutual can be agreed verbally, but its test will be governed by the general provisions relating to contracts. Unless otherwise agreed, the borrower must pay interest to the borrower.

Art.1295.- The restitution term is presumed stipulated in favor of both parties, and if the mutual is by title free, in favor of the borrower.

If it has not been set for restitution, it must be verified when the borrower claims it, after fifteen days of the conclusion of the contract, and at the domicile of the borrower.

Page 151

Art.1296.- When the borrower cannot fulfill his obligation, he will owe the price of the quantity or thing received, according to the rule in the place and time in which it should have been restored.

Art.1297.- If the borrower does not comply with the obligation to pay interest, the borrower may request the termination of the contract.

CHAPTER XVI

OF THE LETTER OF EXCHANGE

SECTION I

OF THE ISSUE AND FORM OF THE EXCHANGE BILL

Art.1298.- The bill of exchange must contain:

to)

the denomination of "bill of exchange" inserted in the text of the title, expressed in the language in which which one is written;

b)

the unconditional order to pay a specified sum of money;

c)

the name of the person who should make the payment;

d)

the indication of the expiration of the term to carry it out;

and)

the designation of the place of payment;

F)

the name of the one to whom or the order of whom it should be done;

g)

the indication of the date and place where the letter has been issued; Y

h)

the signature of the issuer of the letter.

Art.1299.- The title that lacks any of the requirements listed in the preceding article is not valid as a bill of exchange, except in the cases provided for in the following paragraphs:

to)

the bill of exchange without indication of the term for payment is considered payable on demand;

b)

In the absence of a special designation, the place indicated next to the name of the drawee is considered a place of the payment, and at the same time, domiciled of the drawee;

c)

the letter in which the place of issue is not indicated, is considered signed in the place indicated next to the name of the drawer; Y

d)

If several places of payment are indicated, it is understood that the bearer can present at any of them the letter to require their acceptance and payment.

Art.1300.- The bill of exchange may be payable to the order of the drawer himself and be drawn at his expense, or on behalf of a third party.

Art.1301.- The bill of exchange may be payable at the domicile of a third party, at the domicile of the drawee, or at another place.

If it is not stated that the payment will be made by the drawee at the domicile of the third party, it is understood that it must be made

for this one.

Art.1302.- In the bill of exchange payable at sight or at a certain time, the drawer may have that the sum bears interest. The promise of interest made in another way will have no effect.

Page 152

The interest rate must be indicated in the text of the bill of exchange.

Interest runs from the date of issuance of the bill of exchange, if no other has been indicated.

Art.1303.- The bill of exchange that has written the sum to be paid in letters and figures is valid, in case of difference, by the sum indicated in letters.

If the sum to be paid has been written more than once, in letters or figures, the letter is worth, in case of difference, by the lesser sum.

Art.1304.- If the bill of exchange bears the signatures of people unable to bind exchange rate, signatures false, or imaginary people, or signatures that for any other reason do not bind the people who have signed the letter or with the name of which it has been signed, the obligations of the other subscribers they remain, however, valid.

Art.1305.- In the bills of exchange, the signatures must contain the name and surname, or the business name of the it is obligated. It is valid, however, the usual signature of the person.

Art.1306.- The father, the guardian and the curator may not oblige their represented parties in exchange, without authorization of the judge, under pain of nullity.

Art.1307.- He who issues a bill of exchange as a representative of a person of whom he has no power for this purpose, he is obliged to exchange it as if he had signed it in his own name; and if he has paid, you have the same rights that the person whose representation you invoked would have had.

The same provision applies to a representative who has exceeded his powers.

Article 1308.- The general power to be bound in the name and on behalf of another does not presume the power to be bound exchange rate, unless proven otherwise.

The power to be bound in the name and on behalf of a merchant also includes the power to be bound exchange rate, unless otherwise provided in the instrument of the mandate.

Art.1309.- The drawer is the guarantor of acceptance and payment. You can be released from the warranty acceptance. Any clause by which the payment guarantee is exonerated, will be considered unwritten.

Art.1310.- If a bill of exchange, incomplete at the time of its issuance, has been completed contrary to the agreements that determined it, the non-observance of them cannot be opposed to the bearer, unless the latter

He has acquired it in bad faith or that by acquiring it he has incurred serious fault.
The bearer's right to fill out the blank bill of exchange expires after three years from the date of day of issuance of the title.

Page 153

This expiration is not enforceable against the bearer in good faith to whom the title has already been delivered.
full.

SECTION II

OF THE ENDORSEMENT

Art.1311.- The bill of exchange, even if it is not drawn on the order, is transferable by way of endorsement.
If the drawer has included in the bill of exchange the words: "not to order", or an equivalent expression, the Title is only transferable in the form and with the effects of an ordinary assignment.

The endorsement can also be made in favor of the drawee, whether or not he has accepted, the drawer or any other obliged.

They can endorse the letter again.

Art.1312.- The endorsement must be pure and simple. Any condition to which it is subordinated will be deemed not written. The partial endorsement is null. The bearer endorsement is valid as a blank endorsement.

Art.1313.- The endorsement must be written on the bill of exchange or on a sheet attached to it (sheet of extension). It must be signed by the endorser.

The endorsement is valid even if the beneficiary is not designated in it, or the endorser has been limited to put your signature on the back of the bill of exchange, or on an extension sheet.

Art.1314.- The endorsement transfers all the rights resulting from the bill of exchange.

If the endorsement is blank, the bearer can:

a)

fill it with your own name or someone else's;

b)

endorse the letter again blank, or at the order of a specific person; Y

c)

deliver the bill of exchange to a third party, without filling in the blank and without endorsing it;

Art.1315.- The endorser, unless otherwise provided, is responsible for acceptance and payment.

You can prohibit a new endorsement, in which case you are not liable to those to whom the letter has been subsequently endorsed.

Art.1316.- The holder of a bill of exchange is considered the legitimate bearer of it if justified by a uninterrupted succession of endorsements the right that invokes, even if the last one is blank. Endorsements crossed out are regarded as unwritten.

When a blank endorsement is followed by another endorsement, the signatory of the latter is considered acquired the letter by endorsement in white.

Page 154

If a person has for any reason lost possession of a bill of exchange, the new bearer of it that justifies your right in the manner established in the previous paragraph, you are not obliged to discard the letter but in the case of having acquired it in bad faith, or of having incurred serious negligence when acquiring it.

Art.1317.- The defendants by virtue of a bill of exchange cannot oppose the bearer the exceptions based on their personal relationships with the drawer, or with the previous bearers, unless that the bearer, when acquiring the bill, has knowingly acted to the detriment of the debtor.

Art.1318.- If the endorsement contains the clause "value for collection", "for collection", "in proxy", or any other that implies a simple mandate, the bearer can exercise all the rights inherent to the letter of change, but can only endorse it as a mandate.

The obliged parties can only oppose the bearer in this case the exceptions that they could have made against the endorser.

The mandate contained in a proxy endorsement is not extinguished by the death of the principal, or by his supervening disability.

Art.1319.- If the endorsement leads to the clause "security value", "pledge value", or any other that implies a surety, the bearer can exercise all the rights derived from the bill of exchange, but a endorsement made by him is only valid as an endorsement by way of proxy.

The obligated parties may not oppose the bearer with exceptions based on their personal relationships with him. endorser, unless the bearer, upon receiving the bill, has intentionally acted to the debtor's injury.

Art.1320.- An endorsement after expiration produces the same effects as a previous endorsement. Without However, the endorsement after the protest for non-payment, or made after the expiration of the term set to fill it out, only produces the effects of an ordinary assignment.

The endorsement without a date is presumed made before the expiration of the period set to make the protest, except prove otherwise.

Art.1321.- With the transfer of the bill of exchange, it is derived to an endorsement after the protest for non-payment, or the term set for making the protest, whether it derives from a separate act, even prior to the expiration date, all rights applicable to the transferee are transferred to the transferee.

The assignee has the right to have the assigned letter delivered.

SECTION III

OF ACCEPTANCE

Art.1322.- The bill of exchange can be presented by the bearer or by a simple holder for the acceptance by the drawee at the indicated address, until the expiration date.

Art.1323.- In any bill of exchange, the drawer may order that it be presented for acceptance with fixation of the term, or without it.

Page 155

It can also prohibit the submission for acceptance in the letter, unless it is a letter of change payable at the domicile of a third party or a bill payable within a specified term.

It can also establish that it does not appear to be accepted before a certain term.

Any endorser may provide that the bill must be presented for acceptance with an indication of term or without it, unless it has been declared not acceptable by the drawer.

Art.1324.- Bills of exchange at a specified term must be presented for acceptance within the term one year from its date. The drawer can shorten this term or set a longer one.

These deadlines can also be shortened by the endorsers.

Art.1325.- The drawee may request that a second presentation be made the day after the first. The interested parties cannot take advantage of the non-observance of such request if it has not been made be included in the protest.

The bearer is not obliged to deliver to the drawee the bill presented for acceptance.

Art.1326.- Acceptance must be made in writing in the bill of exchange. It must be expressed with the word "accepted" or another equivalent word and be signed "by the drawee".

The simple signature of the drawee placed on the front of the bill means acceptance.

When the bill is payable within a specified term or when it must be submitted for acceptance within of a certain period, by virtue of a special stipulation, the acceptance must be dated with the day of the presentation. In the absence of the date, the bearer, to preserve his rights of appeal against the endorsers and the drawer, must have this omission verified by a formalized protest in due time.

Art.1327.- Acceptance must be pure and simple and the drawee may limit it to a part of the amount.

Any other modification made in the acceptance to the content of the bill of exchange, is equivalent to a negative acceptance.

However, the acceptor is bound by the terms of its acceptance.

Art.1328.- If the drawer has designated in the letter a place for payment, other than the domicile of the drawee, but Without indicating a third person at whose address the payment should be made, the drawee may indicate it in the moment of acceptance. In the absence of this indication, it is considered that the acceptor is obliged to pay himself at the place of payment.

If the bill is payable at the domicile of the drawee, he may designate another from the same place upon acceptance. in which the payment must be made.

Art.1329.- By acceptance, the drawee undertakes to pay the bill of exchange upon maturity.

In the absence of payment, the bearer, even if he is the drawer, has a direct action against the acceptor, which it results from the bill of exchange, to claim the amount of the bill, with interest and expenses.

Art.1330.- If the drawee who accepted the bill has canceled his acceptance before the restitution of the title, the acceptance is considered refused. The cancellation is deemed to have been made before the restitution, unless proven in contrary. Notwithstanding the cancellation, if the drawee has informed the bearer of his acceptance in writing, or any one of the signatories of the letter, he will be bound with respect to these in the terms of his acceptance.

**SECTION IV
OF THE GUARANTEE**

Art.1331.- The payment of the bill of exchange can be guaranteed by a guarantee. This guarantee can be granted by a third party, or by any of the signatories of the letter.

Art.1332.- The guarantee will be given on the letter, or on an extension sheet. It is constituted with the words: "valid by guarantee", or other equivalent formula, which must be signed by the guarantor.

The guarantee is considered granted with the sole signature of the guarantor placed on the face of the bill of exchange, except that this signature was that of the drawee or the drawer.

The guarantee must indicate on whose behalf it is granted. TO
Lack of this designation will be taken as given in favor of the drawer.

Art.1333.- The guarantor is bound to the same extent as the one for whom the guarantee has been given. Your obligation is valid even if the guaranteed one is void for any reason other than a formal defect.

The guarantor who pays the bill acquires the rights derived from it against the guarantor, and against those that are exchange-bound to it.

**SECTION V
OF EXPIRATION**

Art.1334.- The bill of exchange can be drawn: at sight; at a certain time seen; at a certain time date; or fixed day.

Bills of exchange drawn on maturities other than those indicated, or on successive maturities, are void.

Art.1335.- The sight bill is payable upon presentation. It must be presented for payment within the within one year from its date of issue. The drawer can shorten or extend this period. Also they Endorsers can abbreviate it. The drawer may provide that a bill of exchange payable on demand is not presented for payment before a certain date. In this case, the term of presentation runs from this date.

Art.1336.- The expiration of the bill of exchange at a certain time in view is determined by the date of the acceptance, or the protest.

In the absence of protest, the acceptance that does not indicate the date is deemed to have been granted, with respect to the acceptor, the last day of the deadline for submission or acceptance.

Art.1337.- The bill drawn one or more months from the date or the hearing, expires on the corresponding day of the month in which payment must be made.

In the absence of the corresponding day, the bill expires on the last day of the month.

If the bill has been drawn one or more months and a half from the date or the hearing, the whole months.

If the maturity has been set for the beginning, the middle, or the end of the month, the bill expires, respectively, the first, the fifteenth, or the last day of the month.

The expression "half a month" indicates a term of fifteen days.

Art.1338.- If the bill is payable on a fixed day, in a place where the calendar is different from that of the place of its issuance, the expiration date is understood to be set according to the calendar of the place of payment.

If a bill of exchange between two terms governed by different calendars is payable at a certain time of the date, the maturity is established counting from the day that, according to the calendar of the place of payment, corresponds to the day of issuance of the letter.

The terms of presentation of the bills are calculated in accordance with the preceding provisions. These do not apply if a clause of the letter, or the simple enunciations of the title indicate that the intention

It has been to adopt different standards.

SECTION VI OF PAYMENT

Art.1339.- The bearer of a bill of exchange payable on a fixed day or at a certain time on sight date, must present it to be paid on the day it is payable, or the next business day, if it is a holiday.

The presentation of the bill to a Clearing House is equivalent to its presentation for payment.

Art.1340.- The bill must be presented for payment at the place and address indicated in the title.

Not being designated in it the place, it must be presented for payment:

to)

at the domicile of the drawee, or of the person indicated in the same letter to make the payment for the turned; or

b)

at the address of the acceptor by intervention or of the person designated in the same letter to make the payment for it.

Page 158

Art.1341.- The drawee who paid the bill may demand that it be delivered to him, with proof of payment made put in the same letter. The bearer cannot refuse a partial payment.

In the case of partial payment, the drawee may demand that the payment be entered in the same letter, and also that it be grant receipt. The bearer must protest the letter for the surplus.

Art.1342.- The bearer of the letter is not obliged to receive the payment before its expiration.

The drawee who pays before maturity does so at his own risk.

The one who pays the bill at maturity is validly released unless he has proceeded to do so.

with intent or gross negligence. He is also obliged to verify the regularity of the endorsements, but not to check the authenticity of the signatures of the endorsers.

Art.1343.- If the bill is payable in currency that does not have legal tender at the place of payment, the amount may be paid in the currency of the Republic at the current exchange rate in the free market on the expiration date. Yes the debtor is in default, the bearer may, at his option, demand that the amount be paid in exchange of the due date, or the day of payment.

The value of foreign currency is determined by its course in the free exchange market. However the

The drawer may order that the sum to be paid is calculated according to the exchange rate indicated in the letter. If the amount has been indicated in a currency that has the same denomination but a different value in the country where the bill has been drawn and in the country of payment, it is presumed that the designation refers to the currency of the place of payment.

Art.1344.- Not presenting the bill for payment on the due date, every debtor can consign judicially its amount.

SECTION VII RESOURCES DUE TO LACK OF ACCEPTANCE AND PAYMENT OF THE PROTESTS AND THE REPLACEMENT

Art.1345.- The exchange action is direct or return. Directly against the acceptor and its guarantors; from return, against another obligated.

Art.1346.- The bearer can exercise the exchange actions of return against the endorsers, the drawer and the others obliged:

to)

at the expiration of the bill, if the payment has not been made; Y

b)

before maturity, in the following cases:

1)

if the acceptance has been refused in whole or in part;

two)

in case of bankruptcy of the drawee, whether or not it has been accepted, of cessation of payments even if it is not judicial declaration, or when an order of seizure of their property has been unsuccessful; Y

3)

in case of bankruptcy of the drawer of a letter not accepted.

Page 159

Art. 1347.- The refusal of acceptance or payment must be recorded by means of a protest.

The protest for lack of acceptance must be formalized within the term set for the presentation of the letter for acceptance. If the first presentation has taken place on the last day of the deadline, the protest may be made the next business day.

The protest for non-payment of a bill payable on a fixed day, or at a certain time, date or sight, must be formalized the next business day to the day on which it was to be paid. If it is a bill payable to the view, the protest must be made in accordance with the rules established in the preceding section Relating to the protest for lack of acceptance.

The protest for non-acceptance waives the presentation to pay the protest for non-payment.

In case of cessation of payments of the drawee, whether or not he has accepted, or in case of having been unsuccessful the lien on his goods, the bearer cannot exercise the return action until after having presented the bill to the drawee for payment and having formalized the protest.

In the event of declared bankruptcy of the drawee, whether or not it has been accepted, or of the drawer of an unacceptable bill, the presentation of the declaration declaring the bankruptcy will suffice for the bearer to be able to exercise the return action.

Art. 1348.- The bearer must give notice of the lack of acceptance or payment to the endorser and the drawer within of the four business days following the day of the protest or presentation, if the clause appears: "without expenses".

Every endorser, within two business days following the day they received the notice, must inform the previous endorser of the notice received, indicating the names and addresses of those who gave the notices previous ones, and so on, until reaching the drawer. The indicated deadlines run from the receipt of the previous notice.

If, in accordance with the provisions of the preceding paragraph, the notice is given to a signer of the letter, Similar notice or within the same time limits must be given to its guarantor.

If an endorser has not indicated their address or has indicated it in an illegible way, it is sufficient that the notice is given to the preceding endorser.

The one who must give notice can do so in any way, even by simply sending the letter. Must he prove that it has given the notice within the established term. The term is considered to have been observed if has sent by post within said period, a collated telegram containing the notice. The fact that fails to give notice within the period indicated above, does not lose the return action; however, it is responsible for his negligence if he has caused any damage, without the amount of compensation being able to exceed the value of the letter.

Art. 1349.- The drawer, the endorser, or the guarantor may, through the clause "return without expenses", or "without protest", or any other equivalent, written and signed in the title, exempt the bearer from formalizing the protest for lack of acceptance or payment, to exercise the return action.

Page 160

This clause does not exempt the bearer from the obligation to present the bill of exchange within the prescribed periods. nor to give warnings. The proof of non-observance of the deadlines rests with the one who invokes it against the carrier.

If the clause has been set by the drawer, it produces its effects in relation to all the signatories; Yes It has been placed by an endorser or a guarantor, it produces effects only with respect to these. If, however, the clause set by the drawer, the bearer formalizes the protest, the expenses are at his charge. When the clause emanates from an endorser or a guarantor, the expenses of the protest can be repeated against all signatories.

Art. 1350.- All those who have drawn, accepted, endorsed or endorsed a bill of exchange are jointly and severally bound to the bearer.

The bearer has the right to take action against all of them individually or collectively, without having to observe the order in which it has been bound.

The same right belongs to any signatory of a bill of exchange who has reimbursed its amount.

The action taken against one of the obligated parties does not prevent the bearer action against the others, although are later than the one who has been sued in the first term.

Art.1351.- The bearer can claim from the person against whom he has filed the return action:

a)

the amount of the bill not accepted or not paid, with interest, if indicated;

b)

interest from maturity in a measure equal to that established in the title, or failing that, to the legal rate; Y

c)

the expenses for the protest, for the notices given and the others that exist.

If the return share is exercised before maturity, a discount will be deducted on the amount of the return.

lyrics. Such discount will be calculated on the basis of the legal interest rate in force on the date of return in the place of domicile of the bearer.

Art.1352.- The one who has paid the bill of exchange can claim from its guarantors:

a)

the full amount paid;

b)

the interests on the sum equal to that indicated in the title, or failing that, at the rate legal, from the day of payment; Y

c)

expenses incurred.

Art.1353.- Any obligated party against whom it has been initiated or may be initiated has the right to inspect and examine insured animals at any time and at your expense.

Art.1638.- The insured will report to the insurer within twenty-five minutes of the protest, the return account and the corresponding receipt.

Any endorser who has received the letter may cancel his own endorsement and those corresponding to the subsequent endorsers.

Page 161

Art.1354.- If the return action is exercised after a partial acceptance, the one who pays the amount for which the bill was not accepted, you can demand that the payment be entered in the same bill and grant receipt. The bearer must also leave a certified copy of the letter and the instrument of the protest so that it can exercise the subsequent actions of return.

Art.1355.- Anyone who has the right to exercise the return action may, unless otherwise provided, be reimbursed by means of a new bill of exchange drawn at sight in charge of one of its own guarantors and payable at the domicile of the latter.

The hangover includes, in addition to the amount of the bill with interest and expenses, the right to a commission and to the refund of the tax seal of the hangover.

If the hangover is turned by the bearer, its amount is determined according to the course of the change from one letter to the view rotated from the place where the original bill had to be paid on the place of the guarantor's domicile.

If the hangover is turned by the endorser, its amount is determined according to the exchange rate from one letter to the Rotated view from the place where the one who emits the hangover has his domicile on the place of the domicile of the guarantor.

Art.1356.- The bearer's rights against the endorsers, against the drawer and others expire obligated, with the exception of the acceptor, after the expiration of the fixed terms:

a)

for the presentation of a bill of exchange at sight or at certain time sight;

b)

to formalize the protest for lack of acceptance or payment; Y

c)

for the presentation to the collection of the bill with clause of "return without expenses".

If the bill of exchange is not presented for acceptance within the period established by the drawer, the bearer loses the right to exercise the return action, either due to lack of payment or lack of acceptance, unless

It results from the terms of the title that the drawer understood to be exonerated only from the guarantee of the acceptance.

If in some of the endorsements a deadline for submission has been set, only the endorser who stipulated it.

Art.1357.- When the presentation of the letter or the formalization of the protest within the prescribed periods, are prevented by force majeure, these terms are extended.

The carrier is obliged to give immediate notice of the case of force majeure to the preceding endorser and to leave proof in the same letter or in its extension, dated and signed by him, of the sending of the notice; in addition, the provisions of the previous article apply.

After the force majeure has ceased, the bearer must present without delay the bill for its acceptance or payment, and if necessary, formalize the protest.

For bills of exchange at sight, or at a certain time sight, the period of thirty days runs from the date on that the carrier has given notice of the force majeure to the preceding endorser even though the notice had given it before the expiration of the deadline for submission; for bills of exchange at a certain time, it will add the term of thirty days, the term of the hearing indicated in the same letter.

Are not considered

cases of force majeure the purely personal facts of the bearer or of the person who has been entrusted with the presentation of the letter or the formalization of the protest.

Page 162

Art.1358.- Among several obliged persons who have assumed a position of the same degree in the letter, there is no place exchange action, and their relationships are governed by the rules relating to joint and several obligations.

Art.1359.- The bearer of a bill duly protested for lack of payment has executive action by the amount of capital and accessories.

Art.1360.- If an action derives from the relationship that gave rise to the issuance or transmission of the letter, it However, the issuance or transmission of the bill subsists, unless it is proven that there was novation.

Such action cannot be exercised until after the lack of acceptance or lack of acceptance is verified with the protest. pay.

The bearer can only exercise the causal action by offering the debtor the restitution of the bill and depositing it at the secretariat of the Court on duty, provided that you have completed the necessary formalities to keep said debtor the return actions that may correspond to him.

Art.1361.- If the bearer has lost the exchange action against all the obligated parties and does not have against the same causal action, can take action against the drawer or the acceptor for the sum in which they have unjustly enriched to their detriment.

Art.1362.- The protest of the bills of exchange must be made by public deed, and must be proof of the protest in the same title, under the signature of the notary.

Art.1363.- The protest must be made in the places indicated in the letter for acceptance or payment, depending on whether it is due to lack of acceptance, or payment, against the persons mentioned there.

If it is not possible to know the address of said people, the protest will be made at the last address that is I would have known them. The incapacity of the persons to whom the letter must be presented for acceptance or payment, does not exempt from the obligation to formalize the protest, except as provided in the case of bankruptcy of the turned.

If the person to whom the letter is to be presented has died, the protest must also be made to his name, according to the established rules.

Art.1364.- The proceedings of the protest must be understood personally with the person obliged to accept to pay, even when he is incapable, in which case this circumstance will be recorded. If that one will not be found present will be understood with the factors or dependents, or failing that with the spouse or older children.

If none of these people is present, or does not exist, the proceedings will be understood with the municipal authority of the place of the protest.

Art.1365.- The protest record must necessarily contain:

a)

the date and place in which it is carried out;

b)

the literal transcription of the bill of exchange with the acceptance, endorsement, guarantee and other indications that it contains, in the same order in which they appear in the title;

c)

the summons made to the drawee or obliged to accept or pay the bill, stating whether or not he was do not present who should have accepted or paid for it;

d)

the reasons for the refusal to accept or pay it or the evidence that none was given, in its case;

and)

the signature of the person with whom the diligence was understood, or the expression of its impossibility or refusal to sign, if any; Y

F)

the signature of the protestor, or proof of the impossibility of doing so.

Art.1366.- The notary public will give the interested parties who request it, a copy of the protest, returning to the bearer the original letter, and will be responsible for the damages and losses that result if the protest is annulled by any irregularity or omission.

Art.1367.- No other act or document can replace the protest in cases where it must be effected.

SECTION VIII

OF THE INTERVENTION

Art.1368.- The bill can be accepted or paid by intervention, by a person indicated by the drawer, an endorser or guarantor.

The auditor is obliged to give notice within two working days to the one for whom he has intervened. In case of non-observance of this term, he will be responsible for the damages caused by his negligence, without the compensation may exceed the amount of the bill.

Art.1369.- Acceptance by intervention is possible whenever the bearer of an acceptable letter can exercise the return action before expiration.

When a person has been indicated in the letter to accept it or pay it for intervention in the place of payment, the bearer can not exercise before expiration the return against the one who has made the indication and against subsequent signatories, unless you have presented the letter to the indicated person and, having this rejected its acceptance, its refusal has been verified by means of protest.

Art.1370.- In other cases of intervention, the bearer may refuse acceptance by intervention. Without However, if he admits it, he loses the right to exercise the action of return before the expiration against him by whom the acceptance has been given and against subsequent signatories.

Art.1371.- Acceptance by intervention must be expressed in the bill of exchange and signed by the auditor, and indicate by whom it has been given. In the absence of this indication, it is considered granted by the drawer.

Art.1372.- The acceptor by intervention will respond to the bearer and subsequent endorsers. on behalf of who has intervened, in the same way as this one. Notwithstanding the acceptance by intervention, the one by whom it has been given and its guarantors may demand from the bearer, upon refund of the amount of the bill, interest and expenses, delivery of the bill of protest and return account, with signed receipt, in your case.

If the holder of the letter does not present it to the acceptor by intervention before the last day established for formalize the protest for non-payment, the obligation of the acceptor for intervention will be extinguished.

Art.1373.- The payment for intervention can be made whenever the bearer can exercise the action of return at or before maturity.

The payment must include the entire sum that the person for whom the intervention had to pay place; and be made no later than the day after the last day allowed to formalize the protest for lack of pay.

The payment for intervention must result from the act of the protest itself, and if it has already been formalized, It must be noted below the minutes by the same clerk. The expenses of the protest are payable to those who pays for intervention, even when the drawer has put the clause "without expenses" in the bill of exchange.

Art.1374.- If the bill has been accepted by auditors who have their domicile in the place of payment, or if have been indicated to pay in case of need other people domiciled in the same place, the bearer must present the bill to all of them and, if necessary, formalize the protest for non-payment to no later than the day after the last business day set for it.

If the protest is not formalized within this period, the one indicated by the people to pay in case of necessity, or by whom the bill was accepted and subsequent endorsers, are released from their obligation.

Art.1375.- The bearer who rejects the payment for intervention loses his return action against those who for the payment they would have been released.

Art.1376.- The payment for intervention must be received in the same bill of exchange, with the indication of the one on whose behalf it has been made. In default of it, the payment is considered made by the drawer.

Both the letter and the instrument of the protest, if it has taken place, must be delivered to the made the payment for intervention.

Art.1377.- The one who pays for the intervention acquires the rights inherent in the letter against the person for whom paid and against those who are obligated exchange rate with respect to the latter, but cannot endorse the letter again.

Successive endorsers to the obligor by whom the payment was made are released. If multiple people offer pay for intervention, should be preferred to the one whose payment frees a greater number of obligated parties. The fact that, knowingly, intervenes contrary to this provision, loses all recourse action against those who would have been released.

SECTION IX

OF THE PLURALITY OF COPIES AND COPIES

Art.1378.- The bill of exchange can be drawn in several identical copies.

Page 165

Said copies must be numbered in the title text itself, failing which, each of them it will be considered as a distinct letter.

Any bearer of a letter in which it is not indicated that it was issued in a single copy may require his / her expenses, the delivery of several copies. To this end, he must address his immediate endorser, who is obliged to lend its contest to require them from its own endorser and so on, until get to the drawer. Endorsers must reproduce their endorsements on new issues.

Art.1379.- The payment made on one of the numbered copies is liberatory of the others although it is not has declared that such payment nullifies the effects of the other copies. However, the drawee remains bound by each copy that contains your acceptance and that has not been returned when making the payment. The endorser who has transferred the copies to different people, as well as the successive endorsers, are bound by all copies that contain their signatures and that have not been returned to the make the payment.

Art.1380.- The one who has sent one of the copies for acceptance, must indicate in the others the name of the person in whose power it is. This is obliged to deliver it to the legitimate bearer of another copy.

If that delivery is denied, the bearer cannot exercise the return action until after making stating by protest:

to)

that the copy sent for acceptance has not been delivered, despite its request; Y

b)

that he has not been able to obtain acceptance or payment on another issue.

Art.1381.- Every bearer of a letter has the right to make one or more copies of it.

The copy must reproduce exactly the original with the endorsements and all other indications that appear in it; she should indicate where it ends.

It can be endorsed and guaranteed with endorsement in the same way and with the same effects as the original.

Art.1382.- The copy must indicate who is the holder of the original title. The latter must deliver said title to the legitimate bearer of the copy. In case of refusing to deliver it, the bearer cannot exercise the action of return against the persons who have endorsed or guaranteed with endorsement the copy, but after having stated by means of a protest that the original has not been delivered to him, despite his requirements.

If the original title, after the last endorsement placed before the copy was made, bears the clause: "from here the endorsement is only valid on copy", or any other equivalent formula, the endorsement made later on the original title is null.

SECTION X OF THE MODIFICATIONS OF THE LETTER

Page 166

Art.1383.- In case of modification of the text of the bill of exchange, those who have subsequently signed it are bound by the terms of the modified text, and the previous signatories respond in the terms of the original text. If it does not result from the title, or it is not shown that the signature has been placed before or after of the modification, it is presumed that it has been put before.

SECTION XI OF CANCELLATION

Art.1384.- In the event of misplacement, loss, theft or destruction of a bill of exchange, the bearer may denounce the fact to the drawee and ask the judge of the place where the bill should be paid or before his address, the cancellation of the letter lost or lost, stolen or destroyed.

Art.1385.- The petition must indicate the essential requirements of the letter, and if it is a blank letter, those essential elements to identify it. The judge will examine the background that the petitioner provide you with the truth of the facts invoked and the right to assist you. It will dictate to the briefly a car by which, with indication of the necessary data to individualize the letter, will have, when its cancellation proceeds, and will authorize its payment after sixty days have elapsed. from the first publication of the respective order, if the letter had already expired or is in sight, or from the expiration, if it is after that date, and provided that no opposition is deducted in the interval by the fork.

The judicial order must be published for fifteen days in a newspaper of the place of the procedure, and in another of the place of payment, if it were not the same, and the drawee and the drawer will be notified, if the bill was not accepted. Notwithstanding the complaint, the payment of the bill of exchange to its holder before the notification of the judicial act, frees the debtor.

Art.1386.- The opposition of the holder must be promoted in any case with summons from the appellant and the drawee in the letter, so that they appear before the judge of the place of payment.

Art.1387.- During the established period, the appellant may exercise all the acts related to the conservation of their rights, and if the bill is at sight, or has expired or expires in the interval, may demand the judicial consignment of its amount or sufficient guarantee.

Art.1388.- After said period has elapsed without opposition having been deducted, or rejected by judgment Ultimately, the letter is rendered ineffective.

The one who has obtained the cancellation may, with the judicial evidence that no opposition was deducted, or that This was definitely rejected, demand its payment, and if the letter was blank or had not yet expired, demand a duplicate of it. This must be requested by the dispossessed carrier from his endorser, and thus successively from an endorser to the one who precedes him until he reaches his drawer.

Art.1389.- The cancellation extinguishes all emergent rights of the bill of exchange object of pronouncement of the judge, but it does not prejudice the rights that may eventually be invoked by the holder who He did not file an opposition against the one who obtained his cancellation.

SECTION XII OF THE FINAL PROVISIONS

Page 167

Art.1390.- The payment of a bill of exchange that expires on a legal holiday cannot be required but the first next business day. Likewise, all acts related to the bill of exchange and in particular its presentation for acceptance and protest, they cannot be fulfilled until a business day.

If one of these acts must be fulfilled within a certain period whose last day is a holiday, said period it is extended until the first following business day. Intermediate holidays are covered in the computation of the term.

Art.1391.- In legal or conventional terms, the day from which they start to run is not counted.

Art.1392.- In no case will legal or judicial grace periods be admitted.

CHAPTER XVII

FROM THE CURRENT ACCOUNT

Art.1393.- By the current account contract, two correspondents are obliged to record in an account the credits derived from reciprocal remittances, being considered unenforceable and unavailable until the closing of the account.

The account balance is due at the established maturity. If payment is not required, the balance will be considered as the first remittance of a new account, and the contract is understood to be renewed indefinitely.

Art.1394.- Credits that are not eligible for compensation are excluded from the current account.

Art.1395.- The interests stipulated in the contract, or in its default, the legal interest.

Art.1396.- The existence of the current account does not exclude the commission rights and the reimbursement of the Expenses for the operations that give rise to the remittance. Such rights are included in the account, except convention to the contrary.

Art.1397.- The inclusion of a credit in the current account does not exclude the exercise of shares and exceptions relating to the act from which the credit derives.

If the act is declared void, terminated or terminated, the respective item is removed from the account.

Art.1398.- If the credit included in the account is protected by a real or personal guarantee, the account holder has the right to use the guarantee for the balance existing in his favor at the close of the account and even the concurrence of the guaranteed credit.

The same provision applies to credit if there is a joint and several co-obligated party.

Art.1399.- Unless otherwise agreed, the inclusion in the account of a credit against a third party is presumed made with the clause "except cash income". In this case, if the credit is not satisfied, the one who receives the Remittance has, at its option, the action to collect, or delete the item from the account, with

Page 168

reimbursement of their rights to the person who made the remittance. You can delete the game from the account even after having unsuccessfully exercised the actions against the debtor.

Art.1400.- If the creditor of a current account has seized the eventual balance of the account corresponding to its debtor, the other account holder cannot, with new remittances, damage the creditor rights. New remittances are not considered those dependent on rights born before the embargo.

The account holder on whose account the embargo has been practiced must notify the other. Any of them can be separated from the contract.

Article 1401.- The closing of the account, with the liquidation of the balance, is made at the expiration dates established by the contract, or failing that, at the end of each quarter, computed from the date of the contract.

Art.1402.- The account summary transmitted by one account holder to the other, is understood to be approved if it is not challenged within the agreed term, or failing that, within fifteen days.

The approval of the account does not exclude the right to challenge it for errors of writing or calculation, for omissions or duplications. The challenge must be formulated, under penalty of expiration, within one year from the date of receipt of the account summary related to the closing settlement, which must be issued in a reliable way.

Art.1403.- If the contract is for an indefinite period, each of the parties can separate from the contract. after each account closure, giving notice of it at least ten days in advance.

In the event of interdiction, disqualification, insolvency, or death of one of the parties, each of them or the heirs have the right to separate from the contract.

The dissolution of the contract prevents the inclusion in the account of new items, but the payment of the balance does not more can be ordered than at the expiration of each quarter.

SECTION I

OF BANK DEPOSITS

Art.1404.- In the deposits of sums of money in a bank, it acquires its property and is obliged to return them in the same kind of currency at the expiration of the agreed term, or at the request of the depositor, with the observance of the notice period established by the parties, except for provisions of special laws.

Income and collections are made in the premises authorized by the bank, unless otherwise agreed.

Art.1405.- If the bank issues a savings deposit book, the income and collections must be noted in her.

The annotations in the book make full proof in the relationships of the bank and the depositor. Everything is null and void to the contrary.

Page 169

Art.1406.- If the deposit book is payable to the bearer, the bank that without fraud performs the service Regarding the holder, it is released, even when he is not the depositor.

The same provision applies in the case where the credit book payable to the bearer is in the name of a certain person, or individualized in another way.

Art.1407.- The minor who has reached the age of eighteen can validly make savings deposits and make charges on them, except when opposed by their legal representative.

The savings deposit book issued to the minor must be nominative.

Art.1408.- The bank that accepts the deposit of securities in administration must guard them, demand their interest or dividends, verify the draws for the attribution of prizes or for the reimbursement of capital, take care of the collections on behalf of the depositor, and in general, provide for the care of the rights inherent to The titles.

The amounts collected must be credited to the depositor.

If, with respect to the deposited securities, it is necessary to provide for the collection of tenths or exercise an option right, The bank must ask the depositor for instructions in a timely manner and execute them, when it has received the funds necessary for this purpose. In the absence of instructions, the option rights must be sold by depositor account through an exchange agent.

The bank is entitled to a remuneration to the extent established by the convention, as well as the reimbursement of the necessary expenses made by him.

The agreement by which the bank is exonerated from observing the ordinary diligence in the administration of The titles.

Art.1409.- In the safe custody service, the bank responds to the user of the suitability and security of the premises and the integrity of the boxes, except in a fortuitous event.

Art.1410.- If the box appears in the name of several people, the opening of it will be allowed singularly to each of the holders, unless otherwise agreed.

In the event of the death of the owner or one of the owners, the bank that has received communication to that effect will not may consent to the opening of the box except with the agreement of all the beneficiaries, or according to the modalities established by the judge.

Art.1411.- When the contract has expired, the bank, after giving notice to the owner and after six months From the date of this, you can ask the judge for authorization to open the box. The summons must be made in a reliable way.

The opening will be carried out in the presence of a notary designated for the purpose by the judge and with the precautions deemed appropriate.

Page 170

The judge can dictate the necessary provisions for the conservation of the found objects and the sale of that part of the same that are essential for the payment of what is owed to the bank in rent and expenses concept.

SECTION II

OF THE OPENING OF THE BANK CREDIT

Art.1412.- By opening the bank credit, the bank undertakes to have at the disposal of the other party a sum of money for a specified or indeterminate time.

Art.1413.- If nothing else has been agreed, the person to whom the credit has been granted can use it more than once, according to the usual forms, and can with successive income repay its original availabilities.

Unless otherwise agreed, income and collections are made in the premises authorized by the bank for

such operations.

Art.1414.- If a real or personal guarantee is given for the opening of the credit, it is not extinguished before the end of the relationship due to the sole fact that the person to whom the credit has been granted ceases to be a debtor from the bank. If the guarantee becomes insufficient, the bank may demand a supplement to reinforce it or the substitution of the guarantor.

If the person to whom the loan has been granted does not comply with the requirement, the bank may reduce the credit proportionally to the decrease of the guarantee, or to separate from the contract.

Art.1415.- The bank cannot separate from the contract before the expiration of the term, except for just cause, Unless otherwise agreed.

The separation immediately suspends the use of the credit, but the bank must grant a period of thirty days at least for the restitution of the sums used and their accessories.

If the opening of the credit is for an indefinite period, each of the parties can separate from the contract prior notice within the term established in the contract, or failing that, within thirty days.

SECTION II

OF THE BANK ADVANCE

Art.1416.- In the bank advance on the pledge of securities or merchandise, the bank cannot dispose of the things received as pledge, if you have issued a document in which the things have been individualized. The pact otherwise it must be proven in writing.

Art.1417.- The bank must provide on behalf of the contracting party the insurance of the merchandise pledged, if due to their nature, value or location, the insurance responds to ordinary precautions or use.

Page 171

Art.1418.- The bank, in addition to the compensation owed to it, is entitled to reimbursement of expenses necessary for the custody of the goods and titles, unless it has acquired the availability of they.

Art.1419.- The contracting party, even before the expiration of the contract, may partially withdraw the titles or the merchandise pledged, after proportional reimbursement of the anticipated sums and of the other corresponding to the bank according to the provision of the previous article, unless the remaining credit is insufficiently guaranteed.

Art.1420.- If the value of the guarantee decreases by at least one tenth in relation to what it had in the at the time of the conclusion of the contract, the bank may demand from the debtor a guarantee supplement in the terms of custom, with the warning that, failing that, the securities will be sold or of the merchandise pledged. If the debtor does not comply with the requirement, the bank may proceed to the sale as it is arranged with respect to the sale of the thing pledged. The bank is entitled to immediate refund of the rest not satisfied with the product of the sale.

Art.1421.- If in guarantee of one or more credits, deposits of money, merchandise or titles are constituted that have not been individualized, or by which the bank has been conferred the power to dispose, the The bank must only return the sum or part of the merchandise or securities that exceed the amount of guaranteed credits. The surplus is determined in relation to the value of the goods or titles at the time of maturity of the credits.

SECTION IV

OF BANKING OPERATIONS IN CURRENT ACCOUNT

Art.1422.- If the deposit, the opening of credit or other banking operations are adjusted into account current account, the current account holder may at any time dispose of the resulting sums in his credit, except for the observance of the notice period eventually agreed upon.

Art.1423.- If there are several relationships or several accounts between the bank and the account holder, even if they are in different currencies, the asset and liability balances will be reciprocally compensated, unless agreed in contrary.

Art.1424.- If the account is in the name of several people, with the power for all to carry out operations, even separately, the holders will be considered joint creditors or debtors of account balances.

Art.1425.- If the operation adjusted in current account is for an indefinite period, each of the parties can be separated from the contract, giving notice of it within thirty days.

Art.1426.- The bank responds according to the rules of the mandate for the execution of the orders received from the

account holder or another client. If the order must be fulfilled in a place where there are no subsidiaries of the bank, it may entrust its execution to another bank or its correspondent.

Art.1427.- The rules established in the chapter of the current account.

Page 172

SECTION V OF THE BANKING DISCOUNT

Art.1428.- Due to the bank discount, a bank anticipates the holder of an unexpired credit against third parties, by means of the assignment of the same, the amount of the credit, with deduction of the interests.

Art.1429.- If the discount takes place through endorsement of a bank note of exchange, the bank, in the case of non-payment, you are entitled to the refund of the advance amount.

Art.1430.- The bank that has discounted documented bills has the same privilege over the merchandise of the agent while the representative title is in his possession.

CHAPTER XIX OF THE LIVING INCOME

Art.1431.- For the onerous life annuity contract, one of the parties undertakes to deliver a sum of money or a thing appreciable in money, and the other agrees to pay a periodic rent to one or more beneficiaries during the life of the supplier of the capital, or of other specified persons.

When the rent is constituted free of charge, the rules established for donations or wills, where appropriate, and subsidiarily those of this Chapter.

Art.1432.- The income that constitutes alimony cannot be pledged or seized, except in the extent to which its amount exceeds the needs of the beneficiary, at the discretion of the judge.

Art.1433.- It can constitute a life annuity by supplying the necessary money, which has the capacity to give it on loan, and whoever can take out a loan is able to oblige himself to pay it.

It is capable of constituting an income through the sale of movable or immovable things, whichever is for sell them and can commit to pay it, whoever is able to buy.

Art.1434.- A life annuity can be constituted for the duration of the life of the one who gives the price or for the of a third person, and still in the head of the debtor, or in that of several others. It can be created in favor of a single person or many, jointly or successively.

Art.1435.- In the event that the rent had been constituted in favor of a third party incapable of receiving the given its value, the debtor cannot refuse to pay it. She must be paid to the one who has given the capital, or their heirs up to the time prescribed for its extinction.

Art.1436.- The life annuity contract, constituted in favor of a person already dead at the time of his celebration, or one who at the same time suffered from a disease from which he died within the next thirty days, it will be of no effect.

Art.1437.- The debtor of a life annuity is obliged to give all the securities that he has promised, as a surety or mortgage, and to pay the rent, on the dates specified in the contract.

Page 173

If the promisee of a life annuity does not give all the guarantees that he has promised, or if there are decreased by fact those that he had given, the creditor may demand the termination of the contract, and the restitution of the rental price.

This last provision does not apply to the constitution of income made free of charge, except in the case that was the burden of a donation.

Art.1438.- In the event of non-payment of two or more overdue rent installments, the creditor, even if it is the stipulator, cannot request the termination of the contract, but has the right to claim payment in court of overdue installments and demand guarantees for future ones.

Art.1439.- The creditor who demands the payment of an overdue rent, must justify the existence of the person upon whose life it has been constituted. All kinds of evidence are admitted in this respect.

The obligation to pay the annuity is extinguished by the death of the person for the duration of whose life has been constituted.

Art.1440.- When the life annuity is constituted in favor of two or more people to receive it simultaneously, the part of income that corresponds to each of its beneficiaries must be declared, and that the pensioner who survives has the right to accrue.

In the absence of a declaration, it is understood that the income corresponds to them in equal parts, and that it ceases in relation to each one of the beneficiaries who dies.

Art.1441.- When the life annuity is constituted for the duration of the life of two or more persons in favor of the one who gives the price of it or of a third party, the rent is owed in full, until the death of all those for the duration of the life of those who were constituted.

Art.1442.- When the creditor of a life annuity constituted for the duration of the life of a third party, he dies before the latter, the income passes to his heirs until the death of the third party.

Art.1443.- The periodic benefit can only consist of money; any other benefit in fruits natural, or in services, will be payable by its equivalent in money.

Art.1444.- The rent is not acquired except in proportion to the number of days that the person has lived in head of whom the income has been constituted. But if it has been agreed that the rent be paid with anticipation, each term is fully acquired by the creditor from the day the payment is due be done.

Art.1445.- Any clause that the creditor may not be able to alienate his right to receive the income shall be null and void.

Art.1446.- The debtor of the rent, unless otherwise agreed, cannot be released from the payment of said rent offering the repayment of the principal, even when it waives the repetition of the paid annuities.

It is obliged to pay the rent for the entire time for which it has been incorporated.

Page 174

Art.1447.- If the one who pays the life annuity has caused the death of the creditor or that of the one on whose life has been incorporated, it must return the capital to which it was incorporated or to its heirs.

CHAPTER XX

OF THE GAME AND THE BETT

Art.1448.- Only debts arising from games that are decided by the strength, dexterity or intelligence of the players, and not by chance.

If the gambling debt not prohibited exceeds one twentieth of the loser's fortune, the judge will reduce to this limits the action of the winner.

Art.1449.- The prohibited gambling or betting debt cannot be offset, nor be converted by novation or transaction in a civilly effective obligation.

In case of written acknowledgment of it, despite the indication of another cause of the obligation, the debtor You can prove by all means the wrongfulness of the debt.

Art.1450.- If a gambling or betting obligation has been covered in the form of a title to order, the signer must pay it to the bearer in good faith; but you will have action to repeat the amount you received the qualification. The delivery of it will not be equivalent to the payment. The debtor may oppose the exception to the assignee of the document that is to order.

Art.1451.- Gambling or betting debts are considered not only those that result directly from them, but also also those contracted with an agent who, knowingly, has served as an intermediary in the operations game, or with one of the players for advances made in the game.

Art.1452.- The obligations contracted to procure the means of gambling or of bet, with a third party outside the game, nor the loans made by one of the players after the I play another, to pay for what was lost. Neither are the sums owed to a representative who was not intermediary, in charge of paying what was lost.

Art.1453.- The lottery contract will be mandatory when authorized by law. Otherwise, you will be the preceding provisions shall apply. The raffle contract and the horse race betting contract are equated to the lottery.

Art.1454.- When the parties use luck, not as a bet or game, but to divide things common issues, or settle issues, will produce in the first case the effects of a legitimate partition, and in the second, those of a transaction.

Art.1455.- The third party who, without a mandate, has paid a gambling or betting debt, does not enjoy action any against the one for whom the payment was made.

SECTION I

Page 175

Art.1456.- By the surety contract, one party is obliged as an accessory with respect to the other, to comply with the obligation of a debtor of this. The guarantee promise only takes effect if it is accepted.

Art.1457.- The bond can be conventional or legal. When required by law, the surety must be domiciled in the place of fulfillment of the main obligation, and be paid, for having real estate known, or to enjoy in the place of an indisputable credit of fortune. The judges may admit instead of them enough pledges or mortgages.

Art.1458.- All those who have the free administration of their assets can be guarantors.

They cannot be:

t)

emancipated minors, even if they obtain judicial authorization;

b)

public utility associations and foundations;

c)

parents, guardians and curators of the incapacitated, on their behalf, even if they are authorized by the judge;

d)

company administrators, if they do not have special powers to secure. Remain including, among them, those of public limited companies;

and)

the agents on behalf of their principals, if they do not have special powers; Y

F)

the administrator spouse, under the community of property regime, without the consent of the other.

Art.1459.- A future or conditional debt can be secured, the purpose of which is determined, even if it is indeterminate. In this case, the bond will only be valid if it is constituted for a limited sum within of which the guarantor will be bound by all concept.

Art.1460.- The bond cannot exist without a valid obligation. If the primary obligation never existed, or is expired, or comes from a null or void act or contract, the bond will be null. If the main obligation derives from a voidable act or contract, the bond will also be voidable. But if the cause of nullity were any incapacity relative to the debtor, the guarantor, even if he ignored it, will be liable as the sole debtor.

Art.1461.- The purpose of the bond cannot be a benefit other than the main obligation.

If the main obligation does not consist in the payment of a sum of money, or in an appreciable benefit in money, but in the delivery of a certain thing, or in some fact that the debtor must personally execute,

The guarantor is only obliged to pay the damages and interests that are owed to the creditor for non-performance of the obligation.

Art.1462.- The guarantor may be bound to less and not more than the principal debtor; but, can by guarantee of its obligation to constitute all kinds of securities. If he has forced more, his obligation within the limits of that of the debtor.

In case of doubt if it was obliged for less, or therefore the main obligation, it is understood that it was obliged for the other as much.

Art.1463.- If the secured debt was illiquid and the guarantor was bound by a certain amount, he will only respond for the one expressed, even if the liquidation of the former showed that it exceeded the value promised by the guarantor.

Page 176

Art.1464.- If the bond is for the amount of the main obligation or expresses the sum of it, It will include not only this but also the interests, whether stipulated or not; but if the bond is indefinite, The legal expenses will also be due from the summons to the guarantor, and the subsequent ones.

Art.1465.- The person obliged to give a guarantee cannot substitute it for a pledge or mortgage, and reciprocally,

against the creditor's will.

This provision does not apply to legal or judicial bonds.

Art.1466.- If the guarantor reaches a state of insolvency after being accepted, the creditor may demand that is given another that is solvent, unless that has been chosen by the creditor by virtue of a previous convention.

Art.1467.- In term or successive tract obligations, the creditor who did not demand a guarantee at the time the contract, may require it if after it is entered into, the debtor becomes insolvent, or moves his domicile abroad.

Art.1468.- The debtor obliged to give a guarantee must present a capable person who possesses sufficient assets to guarantee the obligation and that it has or establishes domicile in the jurisdiction of the place where the bond is due lend.

Failure to do so, the term will be deemed to have expired and the debtor will be obliged to immediately pay his debt.

Art.1469.- Letters of recommendation in which the probity and solvency of someone who manages credits do not constitute bonds.

If the letters of recommendation were given in bad faith, falsely affirming the solvency of the recommended, the subscriber will be responsible for the damage that occurs to the people to whom they are direct, by the insolvency of the recommended.

Art.1470.- The responsibility provided for in the previous article will not take place, if the person who gave the letter proves that it was not his recommendation that led him to contract with his recommended, or that after his recommendation came insolvency.

SECTION II

OF THE RELATIONSHIPS BETWEEN THE CREDITOR AND GUARANTOR

Art.1471.- The guarantor is jointly and severally bound with the principal debtor to pay the debt.

The parties may agree, however, that the guarantor is not obliged to pay before the assets of the principal debtor. In this case, the guarantor who is sued by the creditor and wants to use the benefit of excusión, it must indicate the assets of the principal debtor that must be put under execution.

Unless otherwise agreed, the guarantor is obliged to anticipate the necessary costs.

Page 177

Art.1472.- The guarantor may oppose to the action of the creditor all the exceptions of his own, and those that correspond to the main debtor that do not come from his personal disability.

Art.1473.- If several people have provided a guarantee for the same debtor and in guarantee of the same debt, each of them is bound by the entire debt, unless the benefit of division has been agreed.

Art.1474.- If the benefit of division has been stipulated, every guarantor who is sued for the payment of the entire debt, he can demand that the creditor reduce his action to the part owed by him.

If any of the guarantors was insolvent at the time when another has asserted the benefit of division, The latter will be bound by said insolvency in proportion to its quota, but will not be liable for insolvencies. that happen.

Art.1475.- The guarantor of the guarantor is not bound by the creditor but only in the event that the debtor principal and all the guarantors of the latter are insolvent, or are released because they are incapable.

SECTION III

OF THE RELATIONSHIPS BETWEEN THE GUARANTOR AND THE PRINCIPAL DEBTOR

Art.1476.- The guarantor who pays the debt, even if it has been obligated against the will of the debtor, remains subrogated in all the rights, actions, privileges and guarantees of the creditor against the debtor, previous and after the deposit, without the need for any assignment.

Art.1477.- The guarantor who paid has recourse action against the main debtor, even if he does not have knowledge of the bond provided.

The repetition includes the capital, interest and costs, and legal interest from the day of payment, as well as compensation for any damage that may have occurred due to the bond.

If the debtor is incapable, the repetition of the guarantor will be admitted only within the limits of what has redounded to your benefit.

Art.1478.- He who has secured many joint debtors, can repeat the totality of each of them of what I would have paid. Whoever has secured only one of the joint debtors, is subrogated to the creditor in the whole; but he cannot repeat against the others, but what in his case corresponds to him to repeat

against them the secured debtor.

Art.1479.- The guarantor will not have the action of repetition against the main debtor if for having failed to do Knowing the payment made, the debtor will also pay the debt.

If the guarantor has paid without being sued or having given notice of it to the principal debtor, the latter may oppose the peremptory exceptions that the main creditor could have made in the act of payment.

In both cases, the action of repetition against the creditor remains safe for the guarantor.

Page 178

Art.1480.- Neither will the guarantor be able to demand from the debtor the reimbursement of those that he has paid, if he ceased to

oppose the exceptions that the debtor knew had against the creditor, or when he did not produce the evidence, or did not He filed the appeals that he could oppose to the action of the creditor.

Art.1481.- The guarantor, if he is sued in court for the payment of the debt, may act against the debtor, even before having paid it, so that he may exonerate the bond. The debtor must submit another guarantor that replaces the first and is accepted by the creditor.

If the debtor does not present another guarantor, or it is not accepted by the creditor, the guarantee will remain in force, but the guarantor may demand from the debtor sufficient guarantees to respond to the obligations derived from bail. In case of not obtaining them, you can seize assets of the debtor in sufficient quantity to cover the amount of secured debt.

Art.1482.- The guarantor may also exercise this right in the following cases: if the debtor becomes insolvent; if the debt is overdue, it is not paid by it; if the debtor has been obliged to release you from the bond within a specified period; and if it has been five years since you posted the bond, unless the main obligation is of such a nature that it is not subject to expiration in a specified time, or that she would have contracted for a longer time. This right does not extend to the guarantor who is bound against the will of the debtor.

SECTION IV

OF THE EFFECTS OF THE BOND BETWEEN GUARANTEES

Art.1483.- If several people have provided security for the same debtor and for the same debt, the guarantor that paid the debt has recourse action against the other guarantors for its aliquot part. If one of these is insolvent, the loss will be distributed by contribution among the other guarantors, including the one who made the pay.

Art.1484.- To the guarantor who has made the payment, the other guarantors may oppose the exceptions that the principal debtor could oppose the creditor; but not those that are merely personal to it.

Neither can the co-agent who has paid the purely personal exceptions that correspond to him against the creditor and which he did not want to use.

Art.1485.- The guarantor who is obliged to pay more than what corresponds, is subrogated by the excess in the rights of the creditor against the cofiators, and can demand a proportional part of all of them.

SECTION V

OF THE EXTINCTION OF THE BOND

Art.1486.- The bond concludes by the extinction of the main obligation, and for the same reasons as the obligations in general, and accessory obligations in particular.

The bond is also extinguished, when the subrogation in the creditor's rights, such as mortgages or privileges, has been made impossible by a positive event or negligence of the creditor.

Page 179

Art.1487.- The second part of the previous article is only applicable with respect to the securities and privileges constituted before the guarantee, or in the act in which it was provided and not to those given to the creditor after the posting of the surety.

Art.1488.- The bond will be extinguished, even if there is a term, if the guarantor dies before the expiration of this, but the obligations derived from it, until the day of his death, will be borne by his heirs.

Art.1489.- When the subrogation of the creditor's rights has only been made impossible in one part, the

surety is free only in respect of that part.

Art.1490.- The extension of the term made by the creditor, without the consent of the guarantor, extinguishes the bond.

Art.1491.- The extinction of the guarantee due to the novation of the obligation made between the creditor and the debtor, it takes place even if the creditor does so with the reservation of preserving his rights against the guarantor.

Art.1492.- The meeting in the same person of the quality of debtor and guarantor, leaves the mortgages, bonds and all special securities given to the creditor by the surety.

Art.1493.- The onerous or gratuitous resignation of the creditor made in favor of the main debtor, extinguishes the surety, with the exception of resignations in agreement with creditors, although they matter the remission of the debt and even if the creditors do not expressly reserve their rights against the guarantor.

Art.1494.- If the creditor accepts in payment of the debt something other than what was owed to him, although afterwards the lose by eviction, the guarantor is free

CHAPTER XXII

OF THE TRANSACTION CONTRACT

Art.1495.- By the transaction contract the parties, through reciprocal concessions, put an end to a dispute or prevent it. Through it, legal relationships can also be created, modified or terminated.

various of those that were the subject of the litigation or reason for the controversy.

Art.1496.- To compromise, the parties must have the capacity to dispose of the right that is the object of controversy. Otherwise the transaction will be void.

Art.1497.- You cannot compromise on family relationships, or that refer to the powers or state derived from them or on rights or things that cannot be the object of contracts, or that interest the public order or good manners.

Disputes over economic rights subordinate to the state of the people, or to the other cases indicated, provided that the transaction does not include the state itself or the prohibited event.

Otherwise, it will be null for the whole.

Art.1498.- The different clauses of a transaction are indivisible, and the nullity of any of them, nullifies the entire contract.

Page 180

Art.1499.- Transactions must be interpreted restrictively. They do not rule but the differences with respect to which the contracting parties have had the real intention to compromise, whether this intention explicitly results from the terms used, whether it is recognized as a consequence necessary of what is expressed.

Art.1500.- The transaction must be proven in writing, without prejudice to the provisions regarding rights over real estate, but the one dealing with rights already in dispute must be presented to the judge of the case. When It will be recorded in a public deed, it will have effect with respect to third parties, only after its addition to the cars.

Article 1501.- The transaction extinguishes the rights and obligations that the parties have renounced, and it has the same authority over them and their successors as res judicata.

Art.1502.- The transaction between the creditor and the debtor can be invoked by the guarantor who expressly has been obliged to pay prior removal of the assets of the principal debtor, and may be opposed to the joint and several guarantor who is bound without this limitation.

Art.1503.- The party that in the transaction has transferred to the other something as his own, will be subject to compensation for loss of interest if the holder of it is defeated in court; but the The eviction that has occurred will not revive the obligation extinguished by virtue of said contract.

Art.1504.- If the one who has compromised on his own right acquires after another person a similar right, the newly acquired right will not be bound by the transaction previous.

Art.1505.- The transaction will be voidable:

a)

when a null title has been intended, or to correct the defect of constituted rights by virtue of it, whether or not they know the parts of such nullity, or believe it to be valid due to an error of fact or right. However, the transaction will be valid if it has been expressly dealt with the nullity of the qualification;

b)

If, due to documents that were not known at the time of the celebration, it will be found that one of the

party had no right to the disputed object; Y

c)

when it will deal with a lawsuit already decided by final judgment, if the party that canceling it would have ignored the failure.

Art.1506.- The transaction on a disputed account may not be annulled due to being discovered in it errors of calculation. The parties may demand its rectification, when there is an error in what has been given, or when there is given the determined part of a sum, in which there was an arithmetic error of calculation.

SECTION I

OF THE GENERAL PROVISIONS

Art.1507.- The holder of a credit instrument has the right to the benefit indicated therein, against his presentation, provided that its possession is justified in accordance with what is prescribed by law.

Page 181

The debtor who without intent or fault fulfills the benefits in favor of the holder, is released even when this is not the owner of the right.

Art.1508.- The debtor can oppose the holder of the title only the personal exceptions related to it, the form exceptions, those that are based on the literal concept of the title, as well as those that depend of falsity of the signature itself, of the defect of capacity or of representation at the time of issuance, or the lack of the necessary conditions for the exercise of the action. The debtor can oppose the holder of the title the exceptions based on the personal relationships with the previous holders, only if, when acquiring the title, the holder has intentionally acted to damage said debtor.

Art.1509.- Whoever has acquired a credit title in good faith will not be subject to claim.

Art.1510.- The transfer of the credit title also includes the accessory rights inherent to it.

Art.1511.- The representative titles of merchandise attribute to the holder the right to the delivery of the merchandise. goods that are specified in them, the possession of the same and the power to dispose of them through transfer of title.

Article 1512.- The seizure, confiscation, pledge or any other restriction on the right mentioned in a title of credit or on the goods represented by it, will not produce effect if they are not carried out about the title.

Art.1513.- In the case of usufruct of credit instruments, the enjoyment of the usufruct extends to the prizes and the other random profits produced by the title.

In the pledge of credit titles the guarantee does not extend to the prizes and other random profits produced by the title.

Art.1514.- Bearer credit titles can be converted by the drawer into registered titles, at requested and at the expense of its owner. Except in the case in which convertibility has been expressly excluded by the issuer, registered securities can be converted into bearer securities, at the request and expense of the holder who demonstrates his own identity and own capacity, as provided for in the transfer of registered titles.

Art.1515.- The credit titles issued in series can be unified in a multiple titles, upon request and at the owner's expense. The credits can be divided into securities of lesser value.

Art.1516.- The rules of this chapter will be applied as soon as the contrary is not provided in laws. specials. Nor will the documents that only serve to identify the right be governed by those. holder of the provision or to allow the transfer of the right without observing the forms of the assignment.

SECTION II

OF THE SECURITIES TO THE CARRIER

Art.1517.- The transfer of the title to the bearer is operated by the delivery of the title.

Page 182

The holder of the bearer title is entitled to exercise the right mentioned therein with his presentation.

Art.1518.- The subscriber of an obligation cannot oppose the bearer of the debt in good faith in this way

subscribed but the means of defense referring to the nullity of the creation of the title or special content of the title, or that belong to the subscriber in relation to the bearer.

Article 1519.- The holder of a damaged title that is no longer suitable for circulation, but that, despite of that, it is with certainty identifiable, it may demand from the issuer an equivalent title, restoring the primitive and reimbursing expenses.

Art.1520.- Except for special provision of the law, the invalidation of bearer titles is not admitted lost or stolen. Whoever reports to the issuer the loss or theft of a bearer title and provide proof of this, you will have the right to the provision and its accessories, once the term has elapsed prescription of the obligation.

The debtor who fulfills the benefit in favor of the holder of the title, before said term, is released to Unless it is proven that he knew the vice of possession of the bearer.

If the lost or replaced titles were bearer shares, the complainant may be authorized by the judge, by means of prior guarantee, if he deems it necessary, to exercise the rights inherent to said actions, even before the expiration of the prescription, as long as the titles were not presented by others. In any case, the eventual right of the complainant against the holder of the title remains safe.

Art.1521.- The holder of a bearer title may require the issuer to issue a duplicate or a equivalent title if it proves its destruction. The expenses are the responsibility of the applicant. If the destruction, the provisions of the previous article will apply.

SECTION III

FROM TITLES TO ORDER

Article 1522.- The holder of a title to the order is authorized to exercise the right mentioned in him by endorsement in his favor. If there are multiple endorsements, they must be continuous.

Art.1523.- The endorsement must be written on the titles and signed by the endorser. The endorsement is valid although does not contain an indication of the endorsee.

The bearer endorsement is valid as a blank endorsement.

Art.1524.- Any condition placed on the endorsement will be deemed unwritten. The partial endorsement is void.

Art.1525.- The endorsement transfers all the rights inherent to the title.

Page 183

If the title is endorsed blank, the holder can fill it in with his own name or that of another person, either endorse it again or transmit it to a third party without completing the endorsement, or without extending one new.

Art.1526.- Unless otherwise provided by law or title, the endorser is not bound by the breach of the performance promised by the issuer.

Article 1527.- If a clause is added to the endorsement that amounts to a mandate to collect, the endorsee may exercise all the rights inherent to the title, but may not endorse it except with a similar clause of proxy.

The issuer can only oppose the endorsee by proxy the exceptions that it could oppose to the endorser. The effectiveness of the endorsement by proxy does not cease due to death or supervening disability of the endorser.

Article 1528.- If by clause inserted in the endorsement it is stated that the constitution of the title pledge matters, The endorsee may exercise all the rights inherent in the title, but the endorsement made by him will only be valid as endorsement by proxy.

The issuer may not oppose the endorsee in guarantee the exceptions based on their own relationships with the endorser, unless the endorsee, upon receiving the title, has intentionally acted to the detriment of the issuer.

Art.1529.- The acquisition of a security to the order by means other than the endorsement produces the effects of the assignment.

Article 1530.- In case of loss, theft or destruction of the title, its holder can report the fact the debtor and ask the judge of the place where the title is payable, the deprivation of its effectiveness with respect to all. The order must indicate the essential requirements of the title and if it is a blank title, sufficient to identify it.

The judge, having exhausted the proceedings, due to the procedures of the incidents, will invalidate the effectiveness of the title regarding of all and will authorize its payment thirty days after the date of publication of the sentence in

a newspaper with a large circulation, provided that no opposition has been filed by the holder. If in the date of publication, the title has not expired, the term for payment runs from the date of expiration.

The judgment must be notified to the debtor and published in the same way at the expense of the appellant. The payment made to the holder, notwithstanding the complaint to the debtor, before notification of the judgment, release this one.

Article 1531.- The opposition of the holder must be formulated before the judge of the case within the period set by the Civil Procedure Code if it were of known domicile, or in that of the edicts published to summon you in court.

Page 184

Of the appearance of the holder, the act and the debtor of the title will be notified, after depositing the title in power of the Secretary.

If the opposition is rejected, the title will be delivered to whoever has obtained the declaration of deprivation of its effectiveness with respect to all.

Art.1532.- During the period established by the judge, the appellant can perform all the straightened acts to retain your rights, and, if the title is expired or payable on demand, you can demand payment by means of surety or request the judicial deposit of the sum.

Article 1533.- After the established period has elapsed, the title will be deprived of all effectiveness, except for the rights of the holder against who has obtained the sentence.

The act, presenting a reliable copy of the sentence, can demand payment. If the title is blank or is not yet expired, you will be able to get a duplicate.

Art.1534.- The rules of this Section apply to titles to order regulated by special laws, Unless otherwise provided.

SECTION IV

FROM PAYMENT TO ORDER

Art.1535.- The promissory note to order must state:

a)
the name of the title inserted in the text itself and expressed in the language used in its drafting;

b)
the outright promise to pay a specified sum of money;

c)
the indication of its expiration;

d)
the designation of the place where the payment must be made;

e)
the name of the former, or to whom, the payment must be made;

f)
the indication of the date and place where the promissory note is signed; Y

g)
the signature of the person issuing the title.

Art.1536.- The title that lacks some of the requirements indicated in the previous article is not valid as I will pay to order, except in the cases determined in the following sections.

The promissory note in which the payment term has not been indicated is considered payable on demand.

In the absence of express indication, the place of issuance of the title is considered the place of payment and at the same time, issuer address.

The promissory note in which the place of issue is not indicated is considered signed in the place indicated next to the issuer name.

Page 185

Art.1537.- They are applicable to the promissory note to the order, insofar as they are not incompatible with its nature, the Provisions relating to the bill of exchange.

Art.1538.- The subscriber of the promissory note is obliged in the same way as the acceptor of a bill of change.

If the title is payable at a certain time, it must be presented for the view of the subscriber within the term one year. The term runs from the date of the hearing signed by the subscriber in the same title.

If the subscriber refuses to sign this certificate or date it, the corresponding protest will be formalized, from whose date the hearing period begins to run.

SECTION V

OF THE NOMINATIVE TITLES

Art.1539.- The holder of a registered title is entitled to exercise the right mentioned in the same due to the effect of the heading in its favor contained in the title or in the issuer's registry.

Art.1540.- The transfer of the nominative title is made by entering the name of the acquirer in the title, and in the issuer's registry when it has it or by issuing a new title headed in the name of the holder, with annotation in the registry book.

Anyone who requests that the title be granted in favor of another person, or the release of a new title to name of her, you must prove your own identity and your ability to have, through certification authentic. If the title or issuance of a new title is requested by the acquirer, he / she must display the title and evidence their right through an authentic act.

The annotations in the registry and the title are made by the issuer and under its responsibility.

The issuer that makes the transfer by the means indicated in this article, is exempt from responsibility, except in case of fault.

Art.1541.- Except for provision contrary to the law, the registered title can be transferred by endorsement authentic.

The endorsement must be dated and signed by the endorser and contain the indication of the endorsee. If the title is not entirely released, the signature of the endorsee is also required.

The transfer by endorsement does not produce effect with respect to the issuer until annotation of her on the record. The endorsee who appears on the basis of a continuous series of endorsements, has right to obtain the annotation of the transfer in the issuer's registry.

Art.1542.- No link on the credit produces effects with respect to the issuer and third parties if it is not of the corresponding annotation in the title and in the registry, if any.

Art.1543.- Whoever has the usufruct of the credit mentioned in the registered title has the right to obtain a separate title from the owner's title.

Page 186

Article 1544.- The constitution as a pledge of a nominative title can also be done by delivery of title, endorsed with the clause "guarantee", or other equivalent.

The endorsee in guarantee cannot transfer the title to another except by means of an endorsement by proxy.

Art.1545.- In case of loss, theft or destruction of the title, the holder or the endorsee thereof

You can make the complaint to the issuer and request the deprivation of its effectiveness with respect to all, as it is arranged when dealing with titles to order.

In the event of loss, theft or destruction of registered shares, the applicable rules governing titles to order. The appellant may exercise the rights inherent to the actions, except, where appropriate, the provision of a surety.

The deprivation of the effectiveness of the title causes the extinction of the title, but does not harm the rights of the holder regarding who has obtained the new title.

CHAPTER XXIV

OF THE INSURANCE CONTRACT

SECTION I

OF THE GENERAL PROVISIONS

PARAGRAPH I

CONCEPT AND CELEBRATION

Art.1546.- By the insurance contract, the insurer is obliged by means of a premium, to compensate the damage caused by an uncertain event, or to provide a benefit upon the occurrence of a related event with human life.

It may be aimed at all kinds of risks if there is an insurable interest, except when prohibited by law.

Article 1547.- The insurance contract is void if at the time of its celebration the claim had occurred or

the risk disappeared.

If it has been agreed that it includes a period prior to its conclusion, the contract is void only if at the time From its conclusion, the insurer knew the impossibility of the loss occurring, or the policyholder knew that had occurred.

Art.1548.- In the insurance contract, the rights and obligations of the parties begin from the convention had been held, even before the policy was issued.

The contract proposal, whatever its form, does not bind the insured or the insurer. The proposal It can be subordinated to prior knowledge of the general conditions.

Page 187

The proposed extension of the contract is considered accepted by the insurer if it is not rejected within fifteen days after receipt. This provision does not apply to personal insurance.

PARAGRAPH II

OF THE FALSE STATEMENT

Art.1549.- Any false statement, omission or reticence of circumstances known by the insured, which would have prevented the contract or modified its conditions, if the insurer had been informed of the true state of risk, makes the contract voidable. The insurer must challenge the contract within within three months of having known the falsehood, omission or reluctance.

Art.1550.- When the non-willful reluctance is alleged within the term of the previous article, the insurer may request the nullity of the contract restoring the premium received, with deduction of expenses, or readjust it with the conformity of the insured to the true state of the risk. In life insurance, readjustment can be tax to the insurer when the nullity is detrimental to the insured, if the contract is adjustable, at the discretion of the judge.

If the insurance refers to several people or things, the contract is valid for those people or things to which the inaccurate statement or rectitude does not refer, if the circumstances result that the The insurer would have insured them alone under the same conditions.

Art.1551.- In life insurance, when the insured is in good faith and reluctance is alleged within of the three months after the incident occurred, the benefit due will be reduced if the contract were Readjustable in the opinion of experts, and had been concluded according to the commercial practice of the insurer.

Art.1552.- If the reluctance is fraudulent or in bad faith, the insurer is entitled to the premiums of the periods elapsed and the period during which the reluctance or false declaration is invoked.

Art.1553.- In all cases, if the loss occurs during the term to challenge the contract, the The insurer does not owe any benefit, except for the corresponding salvage value in life insurance.

Art.1554.- When the contract is signed with a representative of the insured, to judge the rectitude will take into account the knowledge and conduct of the principal and the representative, except when the latter act in the conclusion of the contract simultaneously on behalf of the insured and the insurer.

In insurance for third parties, the same principles will apply with respect to the insured third party and the taker. It may not be argued that the contract was entered into without the knowledge of the insured, if when it was concluded, the insurer was informed that it was being done on behalf of third parties.

PARAGRAPH III

OF THE POLICY

Art.1555.- The insurance contract can only be proven in writing. However, all other means of proof will be admitted, if there is a written proof principle.

Page 188

The insurer will deliver to the policyholder a duly dated and signed policy, with clear wording and easily readable.

The policy must contain the names and addresses of the parties; the interest or the insured person; the risks assumed; the moment from which these are assumed and the term; the premium or quote; the sum insured; and the general conditions of the contract. Specific conditions may be included in the policy.

When the insurance is contracted simultaneously with several insurers, a single policy may be issued.

Art.1556.- When the text of the policy differs from the content of the proposal, the difference will be considered

approved by the policyholder if they do not claim within one month of receiving the policy.

This acceptance is presumed only when the insurer advises the policyholder about this right by clause prominently inserted on the front of the policy.

The challenge does not affect the effectiveness of the contract in the rest, without prejudice to the right of the holder of rescind it.

Art.1557.- Policies can be nominative, to order or to the bearer. In personal insurance, the policy must be nominative.

The transfer of the policies to the order or to the bearer matters to transfer the rights against the insurer;

However, the same defenses that could be asserted against the holder may be against the holder.

insured regarding the insurance contract, except for non-payment of the premium, if the debt does not result from the policy.

The insurer is released if it complies in good faith and without fault with its benefits with respect to the endorsee or the policy holder.

In case of theft, loss or destruction of the policy to order or to the bearer, its replacement can be agreed for the provision of sufficient guarantee.

Art.1558.- The insured has the right, by paying the expenses, to be given a copy of the Non-negotiable statements made for the conclusion of the contract and a copy of the policy.

PARAGRAPH IV

OF THE COMPLAINTS AND DECLARATIONS

Art.1559.- The complaints and declarations imposed by this Code or by the contract are considered fulfilled if they are issued within the established period. The parties are in default due to the mere expiration of the term.

The insurer cannot invoke the disadvantageous consequences of the omission or delay of a declaration, complaint or notification, if within the period in which it should have been carried out had, or should have, knowledge of the circumstances to which they refer.

Page 189

PARAGRAPH V

OF THE JURISDICTION AND DOMICILE

Art.1560.- The establishment of a special domicile outside the Republic is prohibited. The extension of jurisdiction within the country. The address where the parties must make the complaints and declarations provided for in the law or in the contract is the last declared.

PARAGRAPH VI

OF THE TERM

Article 1561.- It is presumed that the validity of the insurance is one year, except that due to the nature of the risk premium is calculated for a different time.

Art.1562.- The responsibility of the insurer begins from twenty-four hours on the day on which the coverage begins and ends at twenty-four hours on the last day of the established term, unless agreed in contrary.

Notwithstanding the stipulated term, and with the exception of life insurance, it may be agreed that any of the The parties will have the right to terminate the contract without express cause. If the insurer exercises this power, You must give a notice of no less than fifteen days and reimburse the proportional premium for the period not elapsed. If the insured opts for termination, the insurer will be entitled to the premium accrued for the time elapsed, based on short-term rates.

Art.1563.- The tacit extension provided for in the contract is only effective for the maximum term of a period of insurance, except for floating insurance.

When the contract is concluded for an indefinite period, either party may terminate it according to the previous article.

The waiver of this right of termination is lawful for a specified period, not to exceed five years.

The provisions of this paragraph do not apply to life insurance.

Art.1564.- The voluntary liquidation of the insurance company and the transfer of portfolio by the authority of controller, do not authorize the termination of the contract.

PARAGRAPH VII

INSURANCE BY INSURANCE

Art.1565.- The contract can be entered into on behalf of another, with or without the appointment of the insured third party,

except as provided for life insurance. In case of doubt, it is presumed that it has been celebrated by own account.

When it is contracted on behalf of whoever corresponds, or otherwise it remains undetermined if it is insurance for their own account or for others, the provisions of the following articles of this paragraph, when it turns out that a foreign interest was secured.

Page 190

Article 1566.- Insurance for third parties obliges the insurer, even when the insured third party invokes the contract after the incident occurred.

Art.1567.- When in possession of the policy, the policyholder may dispose of the rights resulting from the contract. You can also collect compensation, but the insurer has the right to demand that the policyholder previously certify the consent of the insured, unless the policyholder demonstrates that contract by mandate of the former, or by reason of a legal obligation.

Art.1568.- The rights that derive from the contract correspond to the insured, if they have the policy. In its defect, you can not have those rights or enforce them judicially without the consent of the taker.

Art.1569.- The policyholder is not obliged to deliver the policy to the insured, or to the trustee or to the liquidator of the bankruptcy or bankruptcy of the former, before it has been paid all that corresponds to it by reason of the contract. It can be charged, with priority to the insured or his creditors, on the amount owed or paid by the insurer.

PARAGRAPH VIII OF THE PREMIUM

Art.1570.- The policyholder is the one obliged to pay the premium. In insurance for third parties, the insurer has Right to demand payment of the premium from the insured, if the policyholder has become insolvent. The insurer has the right to offset its credits against the policyholder by reason of the contract, with the compensation due to the insured, unless opposed by the insured.

Art.1572.- The premium will be paid at the home of the insurer or at the place agreed by the parties. The place of payment will be deemed changed by a different practice, established without delay of the policyholder; not However, the insurer may leave it without effect, informing the policyholder that hereafter pay in the agreed place.

Art.1573.- The premium is due from the conclusion of the contract, but it is not payable except against delivery of the policy, unless a certificate or provisional instrument of coverage has been issued.

When in doubt, successive premiums are due at the beginning of each insurance period.

The delivery of the policy, without the receipt of the premium, presumes the granting of credit for its payment.

Art.1574.- If the payment of the first premium, or the single premium, is not made in a timely manner, the Insurer will not be responsible for the loss occurred before payment.

In the event of the delivery of the policy without receiving the premium, in the absence of an agreement between the parties, the insurer may terminate the contract with a complaint period of one month. Termination is not It will occur if the premium was paid before the expiration of the reporting period.

Page 191

The insurer will not be responsible for the loss that occurred during the reporting period, after two days of notified the option to rescind.

In all cases in which the insured receives compensation for the damage or loss, he must pay the premium whole.

Art.1575.- When the termination occurs due to late payment of the premium, the insurer will have the right to the collection of the single premium, or the premium for the current period.

Art.1576.- In cases of reluctance in which the readjustment by this Code corresponds, the difference will be paid within a month of communicating to the insured.

Art.1577.- When the insured has erroneously reported a more serious risk, he has the right to rectification of the premium for the periods prior to the reporting of the error, according to the rate applicable at the time of the conclusion of the contract.

When the risk has decreased, the insured has the right to readjust the premium for the periods subsequent, according to the rate applicable at the time of the complaint of the decrease.

Art.1578.- When there is aggravation of the risk and the insurer chooses not to rescind the contract, or the termination is inadmissible, the premium will be readjusted in accordance with the new status of the risk from the complaint, according to the rate applicable at this time.

PARAGRAPH IX OF EXPIRY

Art.1579.- When this Code has not determined the effect of the breach of a charge or obligation imposed on the insured, the expiration of his rights may be agreed, if the Non-compliance is due to your fault or negligence, in accordance with the following regime:
to)

If the burden or obligation must be fulfilled prior to the loss, the insurer must allege the expiration within a month of known breach. When the loss occurs before the insurer alleges the expiration, the benefit will only be owed if the breach did not influence the occurrence of the claim, or in the extension of the insurer's obligation; Y

b)
If the load or obligation must be executed after the loss, the insurer is released by the non-compliance if it influenced the extension of the obligation assumed.
In the event of expiration, the insurer will be charged the premium for the period in progress at the time he knew the breach of the obligation or charge.

PARAGRAPH X OF THE AGGRAVATION OF RISK

Art.1580.- The policyholder is obliged to give immediate notice to the insurer of the supervening changes that compound the risk.

Page 192

Art.1581.- Any aggravation of the risk that, if it had existed at the time of the conclusion of the contract would have prevented it or modified its conditions, the contract is cause for termination.

Art.1582.- When the aggravation is due to an act of the policyholder, the coverage is suspended. The insurer, within seven days, must notify its decision to terminate the contract.

Art.1583.- When the aggravation results from an act alien to the policyholder, or if he should have allowed it or cause it for reasons beyond its control, the insurer must notify you of its decision to rescind the contract within a period of one month, and with seven days' notice.

The previous article will be applied if the risk had not been assumed according to the commercial practices of the insurer.

If the policyholder fails to report the aggravation, the insurer is not obliged to provide it if the claim is produced during the subsistence of the risk aggravation, except that:

to)
the policyholder incurs in the omission or delay without fault or negligence; Y

b)
the insurer knows or should know the aggravation at the time when the complaint.

Art.1584.- The termination of the contract entitles the insurer:
to)

if the aggravation of the risk was communicated in a timely manner, to receive the premium proportional to the time elapsed; Y

b)
otherwise, to receive the premium for the current insurance period.

Art.1585.- The right to rescind is extinguished if it is not exercised within the established deadlines, or if the aggravation of the risk has disappeared.

Art.1586.- The provisions on aggravation of risk do not apply in the cases in which it is provoked to prevent the loss or mitigate its consequences, or out of a duty of humanity generally accepted.

Art.1587.- The provisions on aggravation of risk are also applicable to those produced between the presentation and acceptance of the insurance proposal that were not known by the insurer at the

time of your acceptance.

Art.1588.- When the contract includes a plurality of interests or people, and the aggravation only affects Apart from them, the insurer may terminate the entire contract if it had not been entered into in the same conditions regarding the interests or unaffected persons.

If the insurer exercises its right to terminate the contract with respect to part of the interest, the

The policyholder may terminate it for the remainder, with a reduction in the payment of the premium, in accordance with the provisions of this paragraph.

The same rule is applicable when the insurer is released for this reason.

PARAGRAPH XI

Page 193

OF THE CLAIM OF THE CLAIM

Art.1589.- The policyholder, or the beneficiary where appropriate, will notify the insurer of the occurrence of the sinister within three days of knowing it. The insurer may not claim the delay or omission, if intervenes within the same period in rescue operations or verification of the accident or damage.

In addition, the insured is obliged to provide the insurer, upon request, the information necessary to verify the loss, or the extension of the provision under your charge, and allow the necessary inquiries to such an end.

The insurer may require instrumental evidence as soon as it is reasonable for the insured to provide it.

It is not valid to agree to the limitation of the means of proof, nor to subordinate the insurer's benefit to a recognition, transaction, or sentence passed in res judicata authority, without prejudice to the application of the legal provisions on preliminary rulings.

The insurer can be informed of the administrative or judicial actions motivated or related to the investigation of the claim, or to become part of the criminal case, for the sole purpose of liability civil.

Art.1590.- The insured loses the right to be compensated, in the event of breach of the load provided for in paragraph I of the preceding article, unless it proves fortuitous event, force majeure or impossibility in fact through no fault or negligence of yours.

Likewise, he loses his right if he maliciously fails to comply with the charges provided for in paragraph II of the cited article, or fraudulently exaggerates the damages or uses false evidence to prove it.

PARAGRAPH XII

OF THE EXPIRATION OF THE INSURER'S OBLIGATION

Art.1591.- In property damage insurance, the insured's credit will be paid within fifteen days of fixing the amount of compensation, or of acceptance of the compensation offered, once the term established by this Code for the insurer to rule on the right of the insured.

In personal insurance, payment will be made within fifteen days of notification of the claim, or of Accompanying the supplementary information provided for reporting the claim.

Art.1592.- The agreement that exonerates the insurer from liability for its delay is void.

Art.1593.- When the insurer estimated the damage and recognized the right of the insured or his beneficiary, the latter can claim a payment on account, if the procedure to establish the benefit due is not completed one month after notification of the claim. The payment on account will not be less half of the benefit recognized or offered by the insurer.

When the delay is due to the omission of the insured, the term will be suspended until the latter complies with the charges imposed by law or contract.

Page 194

In personal accident insurance, if for the case of temporary disability the payment of an income, the insured is entitled to a bill payment after one month has elapsed.

The insurer is in default due to the mere expiration of the terms.

PARAGRAPH XIII

RESCISSION FOR PARTIAL LOSS

Art.1594.- When the loss only causes partial damage, both parties can unilaterally rescind the contract until the time of payment of compensation.

If the insurer chooses to terminate it, its liability will cease fifteen days after having notified its decision to the insured, and will reimburse the premium for the unexpired time of the current period, in proportion to the remainder of the sum insured.

If the insured opts for termination, the insurer will retain the right to the premium for the period in which course, and will reimburse the received for future periods.

When the contract has not been terminated, the insurer will only be liable in the future for the remainder of the Sum insured, unless otherwise stipulated.

PARAGRAPH XIV

OF THE INTERVENTION OF AUXILIARIES IN THE CELEBRATION OF THE CONTRACT

Art.1595.- The insurance producer or agent, whatever their relationship with the insurer, is only empowered with respect to the operations in which it intervenes, to:

to)

receive proposals for the conclusion and modification of insurance contracts;

b)

deliver the instruments issued by the insurer, referring to contracts or their extensions; Y

c)

accept payment of the premium, if in possession of a receipt from the insurer.

Art.1596.- When the insurer designates a representative or agent with powers to act in its name, command rules apply. The power to enter into insurance also authorizes to agree modifications or extensions, to receive notifications, and formulate statements of termination, except express limitation.

If the representative, or insurance agent, is designated for a certain district or zone, its powers they are limited to things located and people domiciled in that area.

In the cases of this article, the knowledge of the representative or agent is equivalent to that of the insurer regarding of the insurance that is authorized to enter into.

PARAGRAPH XV

OF THE DETERMINATION OF INDEMNITY

Page 195

Art.1597.- The insurer must pronounce on the right of the insured, within thirty days of received the supplementary information provided for reporting the claim. The omission to pronounce acceptance matters. In case of refusal, you must state all the facts on which it is based.

Art.1598.- The compromissory clauses included in the policy are void.

SECTION II

PROPERTY DAMAGE INSURANCE

PARAGRAPH I

OF THE GENERAL PROVISIONS

Art.1599.- Any risk may be the object of property damage insurance if there is interest economic law that a claim does not occur.

Art.1600.- The insurer undertakes to compensate, in accordance with the contract, the patrimonial damage caused by the claim, not including lost profits, except when expressly agreed.

Responds only up to the amount of the insured sum, unless otherwise stipulated.

Art.1601.- If the sum significantly exceeds the current value of the insured interest, the insurer or the policyholder may require reduction.

The contract is void if it was entered into with the intention of improperly enriching itself with the surplus. insured. If at the conclusion of the contract the insurer did not know that intention, he has the right to receive the premium for the insurance period during which you did not have this knowledge.

Art.1602.- The value of the property may be set at a specific amount, which will be expressly indicated as appraised value, in the insurances whose general conditions allow it and according to the modality of the risk. The estimate of the damage or the effects of the compensation will be the appraised value of the property.

Art.1603.- If the contract includes a universality or set of things, it includes those that are incorporated later to that universality or set.

Art.1604.- If at the time of the claim the insured value exceeds the insurable value, the insurer is only obliged to compensate the damage actually suffered; However, you are entitled to receive the entirety of the cousin.

If the insured value is less than the insurable value, the insurer will only compensate the damage in the proportion resulting from both values, unless otherwise agreed.

However, the parties are free to expressly agree that, without regard to the greater value of the insured items, the damages will be compensated up to the concurrent sum of the full amount of the insured amount.

Page 196

Art.1605.- The insurer will not compensate the damages and losses produced directly by the fault of the thing, or by acts of civil or international war, unless otherwise agreed.

If the defect had aggravated the damage, the insurer will compensate without including the damage caused by the defect, except contrary stipulation.

PARAGRAPH II

OF THE PLURALITY OF INSURANCE

Art.1606.- Whoever insures the same interest and the same risk with more than one insurer, will notify within of the ten business days to each of them the other contracts entered into, with indication of the insurer and of the insured sum, under penalty of expiration, unless otherwise agreed.

In the event of a claim, when there are no special stipulations in the contract or between the insurers, understands that each insurer contributes proportionally to the amount of their contract, until the concurrence of the compensation due. The liquidation of the damages will be done considering the contracts in force at the time of the disaster. The insurer who pays a sum greater than that proportionally to his charge, has action against the insured and the other insurers to carry out the corresponding readjustment.

It may be stipulated that one or more insurers respond only subsidiarily, or when the damage exceeds of a specified sum.

Art.1607.- The insured cannot claim, as a whole, an indemnity that exceeds the amount of the damage suffered. If the plural insurance was concluded with the intention of an undue enrichment, they will be voidable contracts entered into with that intention; without prejudice to the right of insurers to receive the premium accrued in the period during which they did not know that intention, if they ignored it at the time of the conclusion of the contract.

Art.1608.- If the insured enters into the contract without knowing the existence of a previous one, they can request the termination of the most recent, or reduction of the sum insured to the amount not covered by the first contract, with a proportional decrease in the premium. The order must be made immediately after knowing the insurance and before the incident.

If the contracts were concluded simultaneously, you can only demand the pro rata reduction of the sums insured.

PARAGRAPH III

OF THE CAUSE OF THE CLAIM

Art.1609.- The insurer is released if the policyholder or the beneficiary causes the loss, fraudulently or serious fault. Acts carried out to prevent the loss or mitigate its consequences are excluded. consequences, or by a generally accepted duty of humanity.

PARAGRAPH IV

SALVATION AND VERIFICATION OF DAMAGES

Page 197

Art.1610.- The insured is obliged to provide what is necessary, to the extent possible, to avoid or reduce the damage, and to observe the instructions of the insurer. If there is more than one insurer and they mediate contradictory instructions, the insured will act according to those that seem most reasonable, given the circumstances.

If the insured violates this obligation fraudulently or through gross negligence, the insurer is released from his obligation to compensate, to the extent that the damage would have been less without that violation.

Art.1611.- The insurer is obliged to reimburse the insured for expenses not manifestly misguided carried out in the fulfillment of the duties of the previous article, although they have resulted unsuccessful, or exceed the sum insured.

In the event of underinsurance, it will be reimbursed in the proportion indicated in this Code.

If the expenses are made according to the insurer's instructions, the insurer must always pay in full, and advance the funds, if required.

Art.1612.- The insured cannot abandon the goods affected by the loss, except stipulation to the contrary.

Art.1613.- The insured may be represented in the proceedings to verify the claim and settle the hurt; Any agreement to the contrary is null. The expenses will be on your account.

Art.1614.- The expenses necessary to verify the claim and settle the compensable damage are borne by the insurer, as long as they have not been caused by inaccurate indications of the insured. The reimbursement of the remuneration of the staff dependent on the insured. It may be agreed that the insured pay the expenses for the performance of your expert and participate in those of the third party.

Art.1615.- The insured cannot, without the consent of the insurer, introduce changes in things damage that makes it more difficult to establish the cause of the damage, or the damage itself, unless you do so to decrease it, or in the public interest.

Malicious omission of this obligation releases the insurer.

The insurer can only invoke this provision when it proceeds without delay to determine the causes of the claim and the assessment of the damage.

PARAGRAPH V

OF SUBROGATION

Art.1616.- The rights that correspond to the insured against a third party, due to the claim, are they transfer to the insurer up to the amount of compensation paid. The insured is responsible for all act that damages this right of the insurer.

Page 198

The insurer cannot use subrogation to the detriment of the insured. Surrogacy is unenforceable in personal insurance.

PARAGRAPH VI

OF THE DISAPPEARANCE OF THE INTEREST OR OF THE CHANGE OF OWNER

Art.1617.- When the insured interest does not exist at the time of the beginning of the validity of the coverage contracted, the policyholder is released from his obligation to pay the premium; but the insurer has the right reimbursement of expenses, plus an additional fee that may not exceed five percent of the premium.

If the insured interest disappears after the beginning of the coverage, the insurer is entitled to receive the premium, according to the rules established by this Code.

Art.1618.- The change of holder of the insured interest must be notified to the insurer, who may rescind the contract within twenty days and with fifteen days' notice, unless otherwise agreed.

The acquirer may terminate it within a period of fifteen days, without observing any prior notice.

The transferor owes the premium corresponding to the current period on the date that he notifies his will to rescind.

If the insurer opts for termination, it will return the premium for the current period in proportion to the period not running and the total corresponding to future periods.

The notification of the change of owner provided for in the first paragraph will be made within seven days, if the policy does not foresee another. The omission releases the insurer, if the loss occurs after fifteen days of expired this term.

Art.1619.- The previous article applies to forced sale, calculating the terms from the approval of the auction. It does not apply to hereditary transmission, in which case the heirs and legatees succeed in the contract.

PARAGRAPH VII

OF THE MORTGAGE AND THE Pledge

Art.1620.- To exercise the privileges derived from the mortgage and the pledge, the creditor will notify the insurer the existence of the pledge or mortgage and the insurer, except in the case of repairs, does not will pay the compensation without prior notice from the creditor, so that he can file an opposition within seven days.

Once the opposition has been formulated, and in the absence of an agreement between the parties, the insurer will judicially record the sum due. The judge will resolve the incident by summary procedure.

PARAGRAPH VIII

FIRE INSURANCE

Page 199

Art.1621.- In case of fire, the insurer will compensate the damage caused to the goods by the action direct or indirect fire and by the measures to extinguish it, demolition, evacuation, or other analogous. The compensation should also cover insured property that is lost during the fire.

Art.1622.- Damages caused by explosion or lightning are equated to those caused by fire, but the insurer is not liable for the damage if the fire or explosion is caused by an earthquake, except where agreed otherwise.

Art.1623.- The amount of compensation due by the insurer is determined:

a)

for buildings, for their value at the time of the incident, except when the reconstruction;

b)

for goods produced by the same insured, according to the cost of manufacture; in order to other merchandise, for the purchase price. In both cases, such values cannot be higher than sale price at the time of the claim;

c)

for the animals, for the value they had at the time of the accident; for raw materials, fruits harvested and other natural products, based on average prices on the day of the loss; Y

d)

for furniture and household items and other objects of use, tools and machines, for its value at the time of the claim. However, it may be agreed that compensation will be made according to its value of replacement.

Art.1624.- When compensation for lost profits is included in the fire insurance, it is not possible to agree on its value when hiring. When with respect to the same good, the consequential damage is insured with a insurer, and with another, the loss of profits, or another special interest exposed to the same risk, the insured you must promptly notify them of the various contracts.

Art.1625.- When the reconstruction or replacement of the damaged property is agreed, the insurer has the right to demand that the compensation be really used for that purpose and to require sufficient guarantees. In these conditions, the mortgagee or pledgee cannot oppose the payment, except for the debtor's default in the fulfillment of its obligation.

PARAGRAPH IX

AGRICULTURE INSURANCE

Art.1626.- In the insurance of damages to the agricultural exploitation, the compensation can be limited to those who the insurer suffers in a final stage or moment of exploitation, such as sowing, harvesting and other analogues, with respect to all or some of the products, and refer to any risk that can damage.

Art.1627.- In hail insurance, the insurer is liable for damages caused exclusively by this to the insured fruits and products, even if it occurs with other meteorological phenomena.

Art.1628.- To value the damage, the value that the fruits and products would have had at the time of the harvest if the loss had not occurred, as well as the use that can be applied and the value they have after damage. The insurer will pay the difference as compensation.

The claim of the claim will be sent to the insurer within three days, if the parties do not agree on a longer term.

Page 200

Art.1629.- Any of the parties may request the postponement of the liquidation of the damage until the time

harvest, unless otherwise agreed.

Art.1630.- The insured may carry out, before determining the damage and without the consent of the insurer, only those changes on the affected fruits and products that cannot be postponed, according to the rules of adequate exploitation.

Art.1631.- In the event of alienation of the property in which the damaged fruits and products are found, the insurer may terminate the contract only after the expiration of the current period, during which it took knowledge of the alienation.

The provision also applies in the cases of lease and legal business for which a third party acquires the right to withdraw the insured fruits and products.

Art.1632.- The six preceding articles apply to insurance for damage caused by frost.

PARAGRAPH X

ANIMAL INSURANCE

Art.1633.- All risks that affect the life or health of any species of animals can be insured.

Art.1634.- In the animal mortality insurance, the insurer will compensate the damage caused by the death of the insured animal or animals, or due to their total and permanent disability, if so agreed.

Art.1635.- Unless otherwise agreed, the insurance does not include damages:

to)

derived from epizootics, or diseases for which the insured has a right to compensation with public resources, even if the right has been lost as a result of a violation of norms on sanitary police;

b)

caused by fire, lightning, explosion, flood or earthquake; Y

c)

occurred during or on the occasion of transport, loading or unloading.

Art.1636.- The insurer will subrogate in the rights of the insured for the redhibitory vices that have been compensated.

Art.1637.- The insurer has the right to inspect and examine the insured animals at any time and at your expense.

Art.1638.- The insured will report to the insurer within twenty-four hours, the death of the animal and any illness or accident you suffer, even if it is not a covered risk.

Art.1639.- When the insured animal becomes ill or suffers an accident, the insured will give immediate intervention to a veterinarian, and where this does not exist, to a pilot.

Art.1640.- The insured loses the right to be compensated if he mistreated or seriously neglected the animal, intentionally or by gross fault, especially if in case of illness or accident you did not resort to the

Page 201

veterinary assistance, except that their conduct has not influenced the production of the claim, or the measure of the insurer's performance.

Art.1641.- The insured cannot sacrifice the animal without the consent of the insurer, except that:

a) the measure is ordered by the authority; Y

b) that depending on the circumstances, it is so urgent that you cannot notify the insurer.

This urgency will be established by the opinion of a veterinarian, or failing that, two pilots. If he

The insured has not allowed the sacrifice ordered by the insurer, loses the right to compensation from the greater damage caused by that refusal.

Art.1642.- Compensation is determined by the value of the animal established in the policy.

Art.1643.- The insurer is liable for the death or disability of the animal that occurred up to one month later, upon termination of the contractual relationship, when it has been caused by illness or injury produced during the validity of the insurance. The insured must pay the proportional premium rate. The insurer has no right to terminate the contract when any of the insured animals has been affected by a contagious disease covered.

PARAGRAPH XI

OF CIVIL LIABILITY INSURANCE

Art.1644.- For the civil liability insurance, the insurer undertakes to indemnify, for the insured, when it comes to owe a third party by reason of the responsibility provided for in the contract, to consequence of an event that occurred within the agreed period.

Art.1645.- The insurer's guarantee also includes:

to)

the payment of judicial and extrajudicial expenses and costs to oppose the claim of the third. When the insurer deposits in payment the insured sum and the amount of expenses and costs accrued up to that moment, leaving the insured the exclusive address of the cause, will be released from the expenses and costs that accrue subsequently; Y

b)

the payment of the costs of the defense in the criminal process when the insurer assumes that defense.

Art.1646.- The payment of expenses and costs are due to the extent necessary.

If the insured must bear part of the damage, the insurer will reimburse the expenses and costs in the same proportion. If they accrued in a civil case maintained by a manifestly unjustified decision of the insurer, it must pay them in full.

The provisions of the previous article and this one apply even if the third party's claim is rejected.

Art.1647.- The compensation due by the insurer does not include the penalties applied by judicial authority or administrative.

Page 202

Art.1648.- Liability insurance for the exercise of an industry or trade includes the responsibility of people with management functions.

Art.1649.- The insured has no right to be compensated when fraudulently or through fault serious the fact that your responsibility is born.

Art.1650.- The insurer will comply with the judicial decision in the part under its charge, within the procedural deadlines.

The insured cannot acknowledge his responsibility or enter into a transaction without the consent of the insurer.

When these acts are held with the intervention of the insurer, it will deliver the funds that correspond according to the contract, in a useful time for the diligent fulfillment of the obligations assumed.

The insurer is not released when the insured, in the judicial procedure, recognizes facts of which derive your responsibility.

Art.1651.- The victim's credit has privilege over the insured sum and its accessories, with preference over the insured and any creditor of the latter, even in the event of bankruptcy or insolvency.

Art.1652.- The injured party, in the lawsuit against the insured, may summon the insurer as guarantee until the cause is received on trial. In this case, you must file the claim before the judge of the place of the fact or of the Insurer address.

The sentence that is passed will be *res judicata* with respect to the insurer and will be enforceable against him in the measure of insurance. In this trial, or in the execution of the judgment, the insurer may not oppose the defenses born after the accident.

Also, the insured may, in case of being sued by the injured party, summon the insurer as guarantee. in the same period and with identical effects.

Art.1653.- If there is a plurality of victims, the compensation due by the insurer will be distributed to *pro rata*. When two or more actions are promoted, the various processes will accumulate to be solved by the judge who understood in the first.

Art.1654.- When it is a question of a collective insurance of persons and the contracting party assumes the payment of the premium, it may be agreed that the insurance first covers your civil liability with respect to of the group members, and that the balance corresponds to the designated beneficiary.

PARAGRAPH XII

TRANSPORTATION INSURANCE

Art.1655.- Insurance for land transport risks shall be governed by the provisions of this Code and by special laws, and subsidiarily, by those relating to marine insurance.

The insurance of the risks of transport by rivers and inland waters will be governed by the provisions relating to marine insurance, with the modifications established in the following articles.

Page 203

The insurer may assume any risk to which the transport vehicles, the goods, or the responsibility of the carrier.

Art.1656.- The insurer is not liable for damages if the trip has been made, unnecessarily, by routes or roads that are not used ordinarily, or in a way that is not common.

Art.1657.- The insurance can be arranged by time or by trip. In both cases the insurer will indemnify damage caused after the guarantee period, if the prolongation of the trip or the transport is due to a claim covered by insurance.

Art.1658.- In the case of land transport vehicles, abandonment will only be possible if there is effective total loss. The abandonment will be made within thirty days of the occurrence of the loss.

Art.1659.- In what is specific, the air transport insurance will be governed by the transport rules aeronautical.

Art.1660.- When the insurance refers to the responsibility of the carrier with respect to the passenger, shipper, recipient or third party, it is understood that the responsibility for the acts of their dependents or other persons for whom you are responsible.

Art.1661.- In the case of merchandise, unless otherwise agreed, the compensation will be calculated on its price in the place of destination, at the time in which they should have regularly arrived. The expected profit is only It will include if it is an express agreement.

In the case of land transport vehicle, the compensation is calculated on its value at the time of the Sinister. This rule does not apply to inland waterways or fluvial means of transport.

Art.1662.- The insurer is not liable for the damage due to the intrinsic nature of the merchandise, vice own, poorly conditioned, shrinkage, spillage or poor packaging.

However, the insurer responds to the extent that the deterioration of the merchandise is due to delay, or other direct consequences of a covered loss.

The parties may agree that the insurer is not liable for damages caused by simple fault or negligence of the shipper or consignee.

SECTION III

OF PERSONAL INSURANCE

PARAGRAPH I

OF INSURANCE ON LIFE

Art.1663.- The insurance can be held over the life of the contracting party or of a third party.

Page 204

Minors over the age of eighteen have the capacity to take out insurance on their own life only if they designate beneficiaries their descendants, ascendants, spouse or siblings who are are in charge.

If it covers the case of death, the written consent of the third party, or their responsibility, will be required legal, if incapable. Insurance is prohibited in the case of death of injunctions and minors of fourteen years.

Art.1664.- In the insurance on the life of a third party, the knowledge and conduct of the contracting party and the third party.

Art.1665.- After three years from the conclusion of the contract, the insurer cannot invoke the reluctance, except when it is willful.

Art.1666.- The inaccurate complaint of age only authorizes the termination by the insurer when the true age exceeds the limits established in your business practice to assume the risk.

When the real age is older, the insured capital will be reduced according to that age and the premium paid. When the real age is greater than that reported, the insurer will restore the mathematical reserve constituted with the excess of premium paid and will readjust future premiums.

Art.1667.- You should only report the aggravation of the risk that obeys specific reasons provided for in the contract.

Art.1668.- Changes of profession or activity of the insured authorize termination when they aggravate the risk in such a way that, if this aggravated risk existed at the time of the conclusion, the insurer would not have concluded contract.

If, if there had been such a change at the time of the conclusion, the insurer had concluded the contract for a higher premium, the sum insured will be reduced in proportion to the premium paid.

Art.1669.- The insured may terminate the contract without any limitation after the first period of

insurance. The contract will be deemed terminated if the premium is not paid in the agreed terms.

The third party beneficiary for consideration, is empowered to pay the premium.

Art.1670.- The insurer is released from paying the insured sum, when the insured has given

death voluntarily, unless the contract has been in force uninterruptedly for three

years. If the suicide occurred in circumstances that exclude the will, the insurer is not released.

Proof of the insured's suicide rests with the insurer. That of the mental state of the former, corresponds to the beneficiary.

Art.1671.- In the life insurance of a third party, the insurer is released if the death has been

deliberately caused by an illegal act of the contractor.

Page 205

The beneficiary who deliberately causes the death of the insured with an act loses all rights illicit.

Art.1672.- The insurer is released if the person whose life is insured, loses it in a criminal enterprise, or by the judicial application of the death penalty.

Art.1673.- After three years from the conclusion of the contract and the insured being up to date on the payment of premiums, may at any time demand, in accordance with the technical plans approved by the controller authority that will be inserted in the policy:

to)

the conversion of the insurance into another settled for a reduced sum or for a shorter term; Y

b)

termination with payment of a specified sum.

Art.1674.- When in the case of the preceding article, the insured interrupts the payment of the premiums without express choice between the solutions consigned, within a month of being questioned by the insurer, the contract will automatically be converted into insurance paid for a reduced amount.

Art.1675.- When the insurer is released for any reason after three years have elapsed, no

You will owe any benefit, except for the redemption value.

Art.1676.- When the insured is up to date in the payment of the premiums, he is entitled to a loan whose amount will result from the policy, after three years have elapsed from the conclusion of the contract. I know will be calculated according to the reserve corresponding to the contract, according to the technical plans of the insurer, approved by the controlling authority.

It can be agreed that the loan will be agreed automatically to pay the premiums not paid in finished.

Art.1677.- Notwithstanding the reduction provided for in preceding articles, the insured may, at any time moment, restore the contract in its original terms with the payment of the premiums corresponding to the term in which the reduction, with its interests at the rate approved by the comptroller authority, of in accordance with the technical nature of the plan and under the conditions that it determines.

PARAGRAPH II

OF LIFE INSURANCE FOR THE BENEFIT OF THIRD PARTIES

Art.1678.- It can be agreed that the capital or income that must be paid in the event of death, be paid to a surviving third party, determined or determinable at the time of the event.

The third party acquires its own right at the time the event occurs. When your appointment is by title burdensome, an earlier time may be set.

Except in the case in which the designation is for consideration, the contracting party can freely revoke it. even though it was done in the contract.

Art.1679.- The legitimate heirs of the insured have the right to a collation or reduction in the amount of premiums paid.

Page 206

Art.1680.- Designated several people without indication of quota-part, it is understood that the benefit is for equal parts. When children are designated, those conceived and survivors at the time of the planned event occurred.

When the heirs are designated, those who by law succeed the insured, if there is no will; if so, the instituted heirs shall be deemed designated. If no share-quota is set, the Profit will be distributed according to the hereditary quotas.

When the insured does not designate a beneficiary or for any reason the designation becomes ineffective or remains Without effect, it is understood that he designated the heirs.

Art.1681.- The beneficiary designation will be made in writing without any specific formality, even when the policy indicates or requires a special form.

It is valid even if the insurer is notified after the planned event.

Art.1682.- The insured's bankruptcy or bankruptcy does not affect the insurance contract. Creditors only They can enforce their actions on the redemption credit exercised by the bankrupt or on the capital that you should perceive if the planned event occurred.

Art.1683.- The provisions of this section apply to the insurance contract in the event of death, of survival, mixed, or others linked to human life, insofar as they are compatible by their nature.

PARAGRAPH III

OF PERSONAL ACCIDENT INSURANCE

Art.1684.- In personal accident insurance, the relevant provisions apply. to life insurance.

Art.1685.- The insured, as far as possible, must prevent or reduce the consequences of the claim and observe the insurer's instructions in this regard, being reasonable.

Art.1686.- The insurer is released if the insured or the beneficiary causes the accident intentionally, or by serious guilt, or suffers it in a criminal enterprise.

PARAGRAPH IV

GROUP INSURANCE

Art.1687.- In the case of hiring group life insurance, or personal accidents, in exclusive interest of the members of the group, they or their beneficiaries have their own right against the insurer from the occurrence of the planned event.

Art.1688.- The contract will establish the conditions of incorporation to the insured group, which will occur when those are fulfilled.

Page 207

If a prior medical examination is required, incorporation is subject to compliance with this requirement. This will be carried out by the insurer within fifteen days of the respective communication.

Art.1689.- Those who cease to belong to the insured group are excluded from the insurance from that date. time, unless otherwise agreed.

Art.1690.- The collective insurance contractor may be a beneficiary of the same, if he / she is part of the group and for the personal accidents.

The contractor can also be a beneficiary when he has a legal economic interest regarding life or health of the group members, to the extent of the specific damage.

PARAGRAPH V

OF THE FINAL PROVISIONS

Art.1691.- The provisions of this chapter apply to maritime and aeronautical insurance, insofar as They are not contrary to their nature and except for the rules of special laws.

Art.1692.- The insurance regulations may only be left without effect, or modified, by agreement of parties, in cases where this Code expressly authorizes it.

CHAPTER XXV

OF REINSURANCE

Art.1693.- The insurer may in turn insure the risks assumed, but is the only one obliged to respect to the policyholder. Reinsurance contracts shall be governed, as appropriate, by the provisions relating to insurance, and by those of this Chapter.

Art.1694.- The insured has no action against the insurer. In the event of voluntary or forced liquidation of the insurer, all the insured shall enjoy a special privilege over the credit balance that Throw the insurer's account with the reinsurer.

Art.1695.- In the event of voluntary or forced liquidation of the insurer or reinsurer, they will be compensated debts and reciprocal credits that exist, relative to reinsurance contracts.

The compensation will be effective taking into account for the credit or debit calculation, the date of

termination of insurance and reinsurance, the obligation to reimburse the premium in proportion to the time not elapsed and that of returning the guarantee deposit constituted in the hands of the insurer.

SECTION I

OF THE ISSUANCE AND THE FORM OF THE CHECK

Art.1696.- The check must contain:

Page 208

- t)
the order number printed on the stub and check, and the account number;
- b)
the date and place of issue;
- c)
the outright order to pay a specified sum of money;
- d)
the name of the bank against which it is drawn;
- and)
indication of the place of payment; Y
- F)
the signature of the drawer.

Banks will print progressively numbered checks in which the aforementioned data can be easily completed on a regular basis, both on the check and on your stub, and delivered, upon receipt, to their clients authorized to release them.

Art.1697.- The title in which any of the requirements indicated in the previous article is missing, is not valid as bank check, except in the cases provided for in the following sections:

In the absence of a special indication, the place entered next to the name of the drawee is considered the place of the pay. If multiple locations are indicated next to the drawee's name, the bank check is payable at the location first designated.

In the absence of these or other indications, the bank check is payable in the place where it has been issued, and if there is no establishment of the drawee, in the place where it has its main establishment.

The check in which the place of issue is not indicated is considered signed in the place indicated next to the name of the drawer.

Art.1698.- The check is made out to a bank. However, the title issued or payable outside the territory of the Republic, it is valid as a check, even when it is made out to a person other than Bank. The check cannot be issued if the drawer does not have available funds in the possession of the drawee, of the which you have the right to dispose by check, and in accordance with an express or tacit convention. The title is valid as a check, even if no such prescription has been observed.

Art.1699.- The check cannot be accepted. Any acceptance placed on the check is considered not written.

The certification, confirmation, seen and any other equivalent written in the title and signed by the drawee, It only has the effect of proving the existence of the funds and preventing their withdrawal by the drawer before the term of presentation.

Art.1700.- The check may be payable:

- t)
to a specific person, with the clause "to order", or
- b)
to a specific person, with the clause "not to order" or another equivalent; Y
- c)
to the carrier.

Page 209

The check in favor of a specific person, with the clause "or to the bearer" or with another equivalent,

it is worth a check to the bearer.

The check without identification of the payee, is valid as a check to the bearer.

Art.1701.- The check can be drawn to the order of the drawer himself, or on behalf of a third party.

Art.1702.- Every promise to pay interest inserted in the check is in writing.

Art.1703.- The check may be payable at the domicile of a third party, either in the locality where the Drawn has its domicile, or in another location, even when the third party is not a bank.

Art.1704.- The check may be payable at the domicile of a third party, either in the locality where the Drawn has its domicile, or in another location, even when the third party is not a bank.

The check whose amount is written several times, either in letters or in figures, is not valid in case of difference, but by the lesser sum.

Art.1705.- If the check contains signatures of persons unable to be bound by check, false signatures or imaginary, or signatures that for any other reason, could not bind the person who has signed the check, or in the name of those who have been signed, the obligations of the other signers do not cease to be valid, even if the check is not valid as such.

Art.1706.- Every signature must state the name and surname, or the business name of the person who is indicated by the check obliges.

The signature in which the first name is abbreviated or only indicated by its initial is valid.

Art.1707.- The emancipated minor authorized by the judge does not assume obligation if the judicial permission to issue Checks in checking account have not been credited in reliable testimony before the drawee.

Art.1708.- Anyone who signs a check on behalf of a person, but without being able to do so.

to bind you, you are personally bound by virtue of the check and, if it has been paid, you will have the same rights that the person whose representation he invoked would have had. The same provision applies to representative who has exceeded the use of his powers.

Article 1709.- The power to be bound in the name and on behalf of another includes also the power to issue and endorse checks, if the represented is a merchant, unless the procurement instrument provides otherwise.

Art.1710.- The drawer of the check is responsible for the payment. Any clause by which it is exonerated of such responsibility will be taken for not written.

SECTION II

Page 210

OF THE TRANSMISSION

Art.1711.- The check payable to a specific person with the clause "to order" or without it, is transferable by way of endorsement.

The check payable to a specific person with the clause "not to order", or another equivalent, is not transferable but in the form and with the effects of an ordinary assignment.

The endorsement can also be made at the order of the drawer or of any other obligated party. This people they can endorse the check again.

Art.1712.- The endorsement must be pure and simple. Any condition to which it is subordinated shall be deemed not written.

The partial endorsement is null. The bearer endorsement is valid as a blank endorsement.

The endorsement of the drawee is only valid as a receipt, except in the case in which the drawee has several establishments, and the

endorsement has been made for the benefit of an establishment other than the one in charge of which the check has been rotated.

Art.1713.- The endorsement must be written on the back of the check, or on a sheet attached to it and signed by the endorser.

The endorsement may not designate the beneficiary or may simply consist of the signature of the endorser.

Art.1714.- The endorsement transmits all the rights inherent to the check. If the endorsement is blank, the carrier can:

a)

fill in the blank, either with your own name or someone else's;

b)

endorse the check blank again, or to another person; Y

c)

forward the check to another, without filling in the blank, or endorsing it.

Art.1715.- The endorser, unless otherwise provided, is responsible for the payment. May he prohibit a new endorsement. In this case, it is not liable for the payment to those people in whose favor the check has been subsequently endorsed.

Art.1716.- The holder of a check is deemed to be the legitimate bearer of it if he justifies his right by a series uninterrupted endorsements, even if they are blank. Crossed out endorsements are considered for these purposes as not written.

When a blank endorsement is followed by another endorsement, the subscriber of the latter is said to have acquired the blank endorsement check.

Art.1717.- The endorsement of a check to the bearer makes the endorser responsible in the terms of the provisions that regulate the return action; but it does not convert the title into a check to the order.

Page 211

Art.1718.- If in any way a person has been dispossessed of a check made to order, the beneficiary who justifies his right, is not obliged to deliver it unless he has acquired it in bad faith, or that when acquiring it has incurred in serious fault.

Art.1719.- The persons sued by virtue of the check cannot oppose the bearer the exceptions founded on their personal relationships with the drawer, or with the previous bearers, unless they have fraudulently acquired it to the detriment of the debtor.

Art.1720.- If the endorsement of a check is added the clause "value to collection", "by collection", "by proxy", or Any other that involves a simple mandate, the bearer may exercise all the rights inherent to the check, but you can not endorse it except as a proxy.

In this case, the obligated parties cannot oppose the bearer except the exceptions that can be applied to the endorser. The mandate contained in an endorsement by proxy, is not extinguished by the death of the principal or by his supervening disability.

Art.1721.- The endorsement made after the protest, or an equivalent verification, or after Once the term for the presentation of the check has expired, it only produces the effects of an ordinary assignment. Unless otherwise agreed, the endorsement without a date is presumed made before the protest, or the verification equivalent, or before the expiration of the term indicated in the previous section.

SECTION III

OF THE GUARANTEE

Art.1722.- The total or partial payment of a check can be guaranteed by means of a guarantee.

Art.1723.- The guarantee is given on the check or on an extension sheet. It is expressed with the words "by guarantee" or with any other equivalent formula and is signed by the guarantor.

It is considered that the guarantee is given by the only signature of the guarantor placed on the front face of the check, provided that it is not the signature of the drawer. The guarantor must state by whom he is bound. In default of this indication is understood to be bound by the drawer.

Art.1724.- The guarantor is obliged in the same way as the one for whom he has given the guarantee. Your obligation is valid even when the guaranteed obligation is void for any reason other than a formal defect.

The guarantor who pays the check acquires the rights inherent in it against the guaranteed party and against those that they are obliged in favor of it by effect of the check.

SECTION IV

OF THE PRESENTATION AND PAYMENT

Page 212

Art.1725.- The check is payable at sight. Any provision to the contrary is in writing.

Art.1726.- The check must be presented for payment within thirty days of its issuance.

Art.1727.- If a check payable in the Republic is drawn from a place governed by a calendar different from the Gregorian, the day of the issue will be replaced by the corresponding day of the Gregorian calendar.

Art.1728.- The presentation of the check by a bank to a clearinghouse is equivalent to its presentation to payment.

Art.1729.- In case of loss or theft of a check, the holder will notify the bank in writing that do not pay it, and he must refuse to pay it as long as the notice has been received before the

presentation of the check.

Banks will also refuse to pay a check when the drawer and the beneficiary have communicated in the same way that you do not make the payment and the notice was received before the presentation of the check. If the bank had paid before receiving the notice, it will be released.

Art.1730.- The death of the drawer and his incapacity resulting from the issuance of the check do not alter the effects of it.

Art.1731.- The bank may retain in its possession the checks that it has paid, which will constitute sufficient proof of payment.

The bearer can reject a partial payment, but if the provision of funds is less than the amount of the check You can demand payment until the provision is made. In this case, the bank will return the check to the carrier, leaving a record of the amount paid. In all cases the bank may not require carrier signing a receipt.

When a check is rejected due to lack of funds or other irregularity, the bank will record it.

on the back of the document.

In cases of partial payment, the bearer may protest the unpaid balance.

Art.1732.- He who pays a check without opposition is presumed validly released.

The drawee who pays from an endorsable check is obliged to verify the authenticity of the check, the signature of the drawer, and the last endorser.

Page 213

Art.1733.- Banks will not pay checks if they appear falsified, adulterated, scraped, spaced or erased in any of its essential enunciations.

Art.1734.- The bank that pays a forged check will suffer the consequences:

to)

if the signature of the drawer or the last endorser is visibly forged;

b)

if the check has alterations in some of its enunciations; Y

c)

if the check does not correspond to the stub delivered to the drawer.

Art.1735.- The drawer responds for the damages:

to)

if the falsification of your signature is not visibly apparent and the check corresponds to your own book; Y

b)

if the check has been signed by a dependent or authorized person.

SECTION V

OF THE CROSSED CHECK; OF THE CHECK TO BE ACCREDITED;

THE "NON-TRANSFERABLE" CHECK AND THE TRAVELER'S CHECK

Art.1736.- The drawer or the bearer of a check can cross it with the effects of the following article.

The crossover is made with two parallel lines drawn on the face of the check. Can the crossover be general or special.

It is general if between the lines there is no indication whatsoever, or only the word "banker" or another equivalent; And it is especially if the name of a particular banker is written between the two lines.

The general crossing can be transformed into a special crossing but this cannot be transformed into general crossover.

Scratched or scratched testations of the cross or the banker's name are considered non-facts.

Art.1737.- The check with general crossing cannot be paid by the drawee but to a bank or a client of the drawee.

A check with a special crossover can only be paid by the drawee, the designated banker, or if the latter It is the drawee, to a client of his. However, the designated banker can be used to collect from another banker.

A banker cannot acquire a crossed check except from a customer of his or from another banker.

A check with various special crosses cannot be paid by the drawee, except in the case of two crosses, one of which is for collection through a clearinghouse.

Art.1738.- The drawer or the bearer of a check may prohibit paying it in cash, writing in the front of the check and in a transversal sense the words: "to be credited", or another equivalent expression. In this case, the check cannot be settled by the drawee but through an accounting entry, which will equal the payment.

The scratch or scratch test of the word "to be credited" is considered not done.

Article 1739.- In the cases of the two previous articles, the drawee or the banker who does not observe the rules established liable for the damage within the limits of the amount of the check.

Art.1740.- The check with the "non-transferable" clause cannot be paid more than to the payee or, upon request of this, credited to your checking account. The latter cannot endorse the check other than to a banker to the collection, who cannot endorse it later. Endorsements notwithstanding the prohibition, have for not written. The testation with scratches or scratches of the clause is considered not done.

One who pays a non-transferable check to a person other than the payee or the endorsee banker for the collection, you do not have the right to repeat what was paid.

The "non-transferable" clause must also be set by the banker at the client's request.

Said clause can be put by an endorser with the same effects.

Art.1741.- The drawer of the check may subordinate the payment to the existence on the title at the time of the presentation of a double signature according to the policyholder.

SECTION VI

OF THE RETURN ACTION FOR NON-PAYMENT OF THE PROTEST

Art.1742.- The bearer can exercise the return action against the endorsers, the drawer and the others required, if the check, presented in due time, is not paid, provided that the refusal of payment is credit:

a)

by protest;

b)

by declaration of the drawee, written on the check with the indication of the place and the day of the presentation, or

c)

by declaration of a clearinghouse, stating that the check has not been paid despite having transmitted it in good time.

The bearer retains his rights against the drawer, even if the check has not been presented in a timely manner, or a protest has not been formalized, or the equivalent verification. If after the deadline for the presentation, the availability of the sum will be lacking due to the fact of the drawee, the bearer will lose his rights in all or limited to the part of the sum that will be missing.

Art.1743.- The protest or the equivalent verification must be made before the expiration of the term of presentation. If this takes place on the last day of the term, the protest or equivalent verification may be done the next business day.

Art.1744.- The bearer must notify the endorser and the drawer of the lack of payment within the four business days following the day of the protest or equivalent declaration, and if the check contains the clause of "return without expenses", the same day of the presentation.

Each endorser must, within two business days after receiving the notice, inform the previous endorser of having received it and indicating the names and addresses of those who gave the previous notices, and so on, going back to the drawer. The terms indicated run from the receipt of the preceding notice.

If in accordance with the previous section, the notice is given to a signatory of the check, another analogous must be given within the same term to its guarantor.

If an endorser has not indicated their address, or has indicated it in an illegible way, it will suffice that the notice has been given to the preceding endorser.

The one who is obliged to give the notice can do so in any way, even by simple referral.

of the check, and you must prove that you gave it within the established period. This is considered observed if within the term indicated, a letter containing the notice has been issued by certified mail.

He who does not notify within the aforementioned period, does not lose the return action; however, you are responsible for its negligence if it has caused damage, but without the amount of compensation being able to exceed the value of the check.

Art.1745.- The drawer, the endorser or a guarantor may, through the clause "return without expenses", "without protest "or other equivalent, written and signed in the title, exempt the bearer from the obligation of the protest or the equivalent declaration to exercise the return action.

This clause does not exempt the bearer from presenting the check within the prescribed periods, nor from the notices. The proof of non-observance of the term is incumbent on the one who opposes it to the bearer.

If the clause was written by the drawer, it produces its effects with respect to all the signatories; yes it has been by an endorser, or by a guarantor, it produces them only with respect to these.

If the clause was written by the drawer and the bearer formalizes the protest or equivalent verification, expenses are your responsibility. If she were to do so through an endorser or guarantor, the expenses of the protest or of the Equivalent verification, if such acts were formalized, they are repeatable against all signatories.

Art.1746.- All persons obliged by virtue of a check jointly and severally respond to the bearer.

The latter has the right to take action against all the signatories, individually or jointly, and is not obliged to observe the order in which they have been bound. The same right corresponds to every signatory who has paid the check.

The action brought against one of the signatories does not prevent action against the others, even if they are subsequent to the one against whom it was first proceeded.

Page 216

Art.1747.- The bearer can claim from the person against whom he exercises his return action:

to)

the amount of the unpaid check;

b)

interest at the legal rate on the day of filing; Y

c)

the expenses of the protest, or of the equivalent verification, of the notices given and the rest caused.

Art.1748.- The one who has paid the check may repeat from his guarantors:

to)

the full sum paid;

b)

her interest from the day of payment, calculated at the legal rate;

c)

the expenses incurred.

Article 1749.- The obligee against whom the return action is exercised, may demand against payment, the delivery of the check with the protest or equivalent verification, and the return account with the receipt.

Any endorser who has paid the check can test their own endorsement and those of the endorsers subsequent.

Art.1750.- When the presentation of the check, the formalization of the protest, or the obtaining of the equivalent verification within the prescribed periods, has been prevented due to force majeure, those term are extended.

The carrier is obliged to give, without delay, notice of said circumstance to its endorsers and to mention it in writing dated and signed on the check or its extension; and as for the others it will be observed what arranged for notices for non-payment.

Once force majeure has ceased, the bearer must present the check without delay for payment, and if necessary, formalize the protest or obtain the equivalent verification. If the force majeure persists more than thirty days, computed from the time the carrier gave notice of it to the previous endorser, although said notice has been given before the expiration of the filing period, the return action may be exercised without need to submit a protest or equivalent verification.

Acts constituting force majeure shall not be considered purely personal facts of the carrier or of the

person in charge of presenting the check, formalizing the protest or obtaining the verification equivalent.

Art.1751.- Among several obligated persons who have assumed a position of the same degree in the check, there is no Exchange action takes place, and their relationship is regulated by the rules relating to joint and several obligations.

Art.1752.- The duly protested check has executive force for the capital and its accessories.

Art.1753.- If an action derives from the legal relationship that gave rise to the issuance or transmission of the check, this subsists, notwithstanding the issuance or transmission of the title, unless it is proven that there was novation. The holder cannot exercise the causal action except by offering the debtor the refund of the check and depositing it in the competent court, provided that it has observed the necessary formalities to keep said debtor the actions of repetition that may correspond.

Page 217

Art.1754.- If the bearer has lost the exchange action against all the obligated parties and does not have against the causal action themselves, can take action against the drawer who has not made provision or who of any way, he has unjustly enriched himself in his damage.

The same action may be exercised, also under the conditions indicated, against the endorsers.

Art.1755.- The protest must be formalized by notarial deed at the place of payment and against the drawee or the third party indicated for payment, even if they are not present at your home. If this is not found, the protest may be formalized before the municipal authority of the place of payment.

The inability of the drawee or the third party indicated for payment, does not exempt the obligation to formalize the protest against him, unless the drawee has gone bankrupt, in which case the declaration of bankruptcy it will suffice to authorize the return action.

If the drawee or the third party has died, the protest will also be formalized in his name, according to the rules precedents.

Art.1756.- The protest record must contain:

- a) the date;
- b) the name of the requesting party;
- c) the indication of the place where it is done and the mention of the searches carried out;
- d) the verbatim transcription of the check and endorsements;
- e) and) the object of the request, the name of the requested person, the answers obtained or the reasons why none were obtained; and its signature or its refusal to sign the minutes; Y
- F) the signature of the notary, or that of the justice of the peace, where appropriate, that of the other authorized persons and that of witnesses to the act, if required.

The creditor can formalize the protest in a single act, for several checks that the same person owes pay in the same place.

SECTION VII

OF THE DUPLICATES

Art.1757.- Except for bearer checks, all checks issued in the Republic and payable in the foreign, it can be issued in several identical copies, which must be numbered in the context of each item. Failing that, they will be considered as many different checks.

Art.1758.- The payment of one of the copies is liberatory, although it has not been declared that such payment cancels the effects of the other copies.

The endorser who has transferred the duplicates to different people and subsequent endorsers is bound by all duplicates bearing your signature and that have not been returned

Page 218

TITLE III
OF EVICTION AND REDHIBITION
CHAPTER I
OF EVICTION
SECTION I
OF EVICTION IN GENERAL

Art.1759.- There will be eviction when the person who acquired goods for consideration or divided them with another, was in by virtue of a court ruling and for an unknown cause, prior or contemporaneous with the transfer or division, private totally or partially of the acquired right.

The person who transmitted or divided the assets, as well as the predecessors in the transferring title of the domain.

If the judgment is arbitration, it will only take effect in the event that the transferor had signed the commitment.

Art.1760.- The responsibility referred to in the previous article will correspond in cases of disturbance of total or partial right, regarding the domain, enjoyment or possession. It will also proceed when the acquirer must suffer hidden charges, the existence of which had not been declared by the transferor, and of which he has not got news. The compensation will be agreed, in the absence of a sentence declaring the eviction, when the acquirer later obtained the right for a different title.

Art.1761.- If the right that caused the eviction is of origin prior to the transfer of the thing, but subsequently acquired, the one who transferred or divided the goods will not be liable, when it has been consolidated by negligence of the defeated.

The judges will decide, however, appreciating the circumstances, whether or not to make the responsibility.

Article 1762.- The guarantee shall proceed for the eviction, whether it has taken place against the same holder of the thing, or with respect to a third party acquirer. He may exercise in his own name, against the first alienating, the rights granted by the eviction, although he cannot do so against the author of the transfer.

Art.1763.- The eviction shall be liable, although in the acts of transfer or partition it is not agreed upon; but the parts can expand it, restrict it or delete it.

Any pact that exonerates the alienating party from bad faith is void. The exclusion or waiver of any responsibility does not exempt from that corresponding to the eviction. The loser will have the right to repeat the price, although not damages.

Art.1764.- The transferor will not be liable for the eviction:

to)

when it has been expressly excluded;

Page 219

b)

provided that the sale is at the risk of the acquirer;

c)

when the purchaser has expressly renounced the guarantee; Y

d)

if, knowing or should the purchaser know the danger of eviction at the time of the act, has consented to the exclusion of the guarantee.

Art.1765.- Notwithstanding the waiver of responsibility, the transferor will be bound by the derivative of an act of his, prior or subsequent.

Art.1766.- When the transferor has declared the existence of a mortgage on the property, The purchaser will be responsible for paying the amount, even if the eviction guarantee is established. The first, he will only be liable for this sum, provided there is an express agreement.

Art.1767.- Yes to

transmit the property to him, the acquirer knew the danger of eviction, he will not have the right to be compensated, nor may it require the transferor to defend it in court, unless expressly agreed otherwise.

Art.1768.- Apparent charges and those that tax things by the sole force of the law do not give right to guarantee.

Art.1769.- Whenever a third party claims a right capable of causing eviction, or is disturbed by acquirer under the terms provided in this Chapter, the persons mentioned in them must, if

were summoned, come out in defense of the acquirer.

Art.1770.- There will be no responsibility for the eviction:

a)

if the loser in court has not summoned the disposer to reorganize, or does so after the term indicated by the procedural law;

b)

If, continuing the acquirer in the lawsuit, does not oppose due to fraud or negligence, the defenses timely, or will not appeal the contrary ruling, or will not continue the appeal; Y

c)

when the acquirer, without mentioning the disposer, recognizes the justice of the demand and is therefore deprived of the right. The alienating party will respond, however, when the uselessness of the location, because there is no fair opposition to the right of the winner, or reason for file or improve the appeal.

Art.1771.- The responsibility for the eviction is indivisible, and may be sued or opposed to any of the heirs of the transferor or partner, but the obligation to restore what was received on the spot will be divisible of the transmission, such as paying the damages.

Art.1772.- When the acquirer expires in the judgment that the eviction could result, he will not have any right against the transferor, not even to collect the expenses incurred.

SECTION II

OF EVICTION IN PARTICULAR

Art.1773.- Once the total eviction has been produced, the transferor must:

a)

return the price without interest, even if the thing has decreased in value, suffering deterioration or losses, by fault of the acquirer, or by fortuitous event;

b)

restore the value of the fruits, when the purchaser owes them to the true owner;

Page 220

c)

meet the costs of the contract, as well as damages, which will be determined by the difference between the sale price and the value of the thing on the day of eviction, if this increase is not derived from extraordinary causes;

d)

pay the costs of repair and useful improvements, provided that the buyer does not receive no compensation, or this is incomplete; Y

and)

return only the price obtained, in the case of forced sales.

Art.1774.- The seller in bad faith, who knew at the time of the sale the danger of eviction shall the buyer's discretion, the higher price of the thing, or all the sums paid, even if they were expenses luxury or mere pleasure.

Art.1775.- The seller will have the right to retain what the purchaser has received in payment of improvements. before the sale, and what is obtained from the destruction of the thing purchased.

Art.1776.- If the eviction is partial, the buyer may choose to be compensated proportionally to the loss suffered, or terminate the contract, when the part that has been taken away, or the resulting cargo or easement, were of such importance that, if I had known, I would not have bought the home.

The same right will assist you, if dealing with the contract on several objects purchased together, I will show that one would not have been acquired without the other.

Art.1777.- In case of partial eviction, if the contract is not rescinded, the compensation will be determined by the value that at the time of that had the part of which the buyer was deprived. But if I don't cover the one It would correspond proportionally to the total price of the operation, it will be set with reference to it.

Art.1778.- In transactions, the eviction will have the same effects as between buyer and seller, with respect to the rights not included in the question settled; but not on disputed or doubtful that one of the parties recognizes in favor of the other.

Art.1779.- In the swap, if the eviction is total, the expired swapper may choose to leave without effect

the contract, with the corresponding indemnities, or demand the value of the property at the time of eviction, with damages.

When he chooses the former, the barter will return the object, as it is found, as a holder of good faith.

Art.1780.- If the asset was alienated or encumbered for consideration by the swapper, the other may not claim against third party purchasers; but if it has been free of charge, it will have the right to demand the value of the object, or the restitution thereof.

Art.1781.- In the company in case of eviction of an asset contributed by any of the partners, the Responsibility of this will be regulated according to the following provisions:

a)

Once the company has been dissolved, it will be liable for the damages that may result from it;

b)

When the company continues, the rules on eviction between buyer and seller;

Page 221

c)

If it was of a true body, it will also include the damages and losses that the eviction result to the society, or to the other partners;

d)

When the provision was credit, he will be obligated as if he had received the amount of the themselves;

and)

If it was the usufruct of a property, the eviction of this will oblige you as the seller of fruits, having to pay to society what is judged worth that right; Y

F)

When it consists of the use of a thing, it will respond only if at the time of contracting he knew that he did not have the right to grant it; but it will be reputed as a partner that did not fulfill its contribution.

Art.1782.- When the eviction deprives the company of movable or immovable things, and the partner who contributed them want to replace them with identical ones, you will have the right to have the change accepted, but you will pay the damages. The other partners may not oblige him to replace the goods, object of the eviction, for other peers.

Art.1783.- The provisions between disposers and purchasers in general, will be applicable to the eviction between partners.

For the compensation, the value of the goods at the time of eviction will be taken as the basis, and if any credits, the nominal amount of these as of the date they were divided. Such responsibility will only take place when the debtor is insolvent at the time of the division.

Art.1784.- Provided that the partners must indemnify one of them, if one is insolvent, the quota of this will be divided between the other obligated ones.

Art.1785.- If the donated thing is subject to eviction, the donee will not have recourse against the donor, nor even for the expenses that you may have made as a result of the donation, except in the following cases:

a)

if the donor expressly promised the guarantee;

b)

when the donation was made in bad faith, the donor knowing that the thing was not his;

c)

whenever there are charges;

d)

when the donation is remunerative; Y

and)

in case of eviction caused by the donor's fault.

Art.1786.- When the donation is in bad faith, the donor must compensate the donee for the cats that donation caused him; but this nothing can claim when he had known at the time of that that the thing belonged to someone else.

In the donation with charge, the donor must pay the amount disbursed for the imposed charges, when the

eviction was total. Being partial, if what the donee retains covers the amount of the charges, he can claim nothing; but when it is lower than the same, the donor will compensate for the surplus, according to the rules of enrichment without cause. If the charges were levied in the interest of a subonatarario, will only have action against it.

Art.1787.- In case of remunerative donation, if the thing was equivalent to the services rendered, the rules of eviction in onerous acts. Being greater the amount of those, the donor will respond for its amount in case of total eviction. If this is partial, nothing will be owed when the conserved part is equivalent to services; if it is less, the difference will be paid.

Page 222

In the event of eviction due to the donor's fault, if the cause was prior to the donation, the donor will not respond when the eviction has occurred due to the negligence of the loser.

When the donor was obliged to lift the mortgage and for not having done so, the property was sold to the donee may only repeat the part of the price with which the lien and condemnations were covered accessory. If the eviction derives from the act of the donor, subsequent to the donation, the latter will owe the value of the well, with the damages.

Art.1788.- The expired donee may, as the successor of the donor, sue the person whose there was the thing for onerous title, although he had not expressly assigned his rights.

CHAPTER II

OF THE REDHIBITORY VICES

Art.1789.- If the domain, use or enjoyment of a thing was transferred for consideration, and at the time of the transfer there were hidden vices that made it unfit for its destination, these will be judged redhibitory when they decrease in such a way the use of the same as the acquirer, if they have known them, he would have had no interest in acquiring it, or he would have given a lower price for it.

Art.1790.- Liability for hidden defects of the thing will not proceed:

to)

when the decrease in value or quality is minor;

to)

b) in case of apparent defects; c) if for any circumstance, the acquirer was aware of them or he should know them; Y

d)

when the thing was acquired at auction or adjudication.

Art.1791.- It is incumbent on the acquirer to prove that the defect existed at the time of transmission. Not crediting it, I know he will judge what came after.

Art.1792.- The parties may waive, restrict or expand their responsibility for redhibitory vices, provided that there is no fraud in the alienating party. The exoneration in general terms, will not exempt him, with respect to those who have known, and did not declare them to the purchaser.

Art.1793.- It will be allowed to the parties to create by the contract, redhibitory vices that naturally do not whatever, provided that the transferor guarantees the non-existence of them, the quality of the thing, assumed by the acquirer. This guarantee will take place, even if it is not expressed, when the first affirms positively in the act, that the thing was free of defects, or that it had certain qualities, although the second had It has been easy to know those circumstances.

In sales on sample or model, it will be understood that the respective qualities have been guaranteed.

Art.1794.- Between the acquirer and the transferor who are not buyer and seller, the redhibitory vice of the thing, it will only give the right to the redhibitory action, but not to the one that tends to obtain that it is delivered, the lesser value of those.

Art.1795.- If the transmission was for sale, the redhibitory defect will have the following consequences:

Page 223

to)

As for the seller, he must correct the thing of the hidden vices or defects, even if there are ignored. If by reason of his trade or art he had to know them and kept them silent, he will also indemnify the buyer

when he requests it, for damages, provided that he does not choose to terminate the contract; Y
b)

As for the buyer, he may, in the case of the preceding paragraph, choose between leaving without effect the contract, or demand that the lower value of the thing be reduced from the price for the vice I will affect. When one of these actions has expired, he will not be able to try the other one later.

Art.1796.- If two or more things are sold at the same time, either for a single price, or assigning a value to each one of them, the vice of one will only give rise to its redhibition, except for proof that the buyer would not have acquired the healthy without the damaged, or if the sale is a herd, and it is a contagious disease.

Art.1797.- If the thing perishes due to redhibitory vices, the seller must refund the price. When the loss is partial, the buyer will be obliged to return the thing in the state in which it is found, to be reimbursed what you paid.

When it is lost due to unforeseeable circumstances, or due to the fault of the acquirer, the latter may, however, claim the lower value caused by the redhibitory vice.

Art.1798.- The provisions on the redhibitory action between buyer and seller, will apply to the acquisitions derived from the following acts:

to)

Settlement;

b)

unnamed contracts;

c)

auctions or awards, provided that they do not come from a fulfillment of the sentence;

d)

swaps;

and)

donations, when the responsibility for the eviction proceeds; Y

F)

contributions in companies, provided that for such cause the dissolution arises, or that it may exclude the partner who made the contribution.

Art.1799.- The redhibitory action is indivisible. None of the heirs of the acquirer may exercise it alone for his part; but it will be allowed to sue each of the heirs of the transferor, for the quota that corresponds to them.

TITLE IV

OF THE UNILATERAL PROMISES

Art.1800.- The unilateral promise of a benefit does not produce mandatory effects out of the cases admitted by law.

Art.1801.- The promise of payment or the recognition of a debt, exempts the one in favor of whom it is grant to prove the fundamental relationship. The existence of this is presumed, unless proven otherwise. For the promise to become the cause of the obligation, it must be in writing.

Art.1802.- He who, addressing the public, promises a benefit in favor of whoever is in a certain situation, or carry out a certain action, is bound by the promise as soon as how it is made public, even in favor of whoever proceeds without interest in the reward.

Page 224

Art.1803.- If a term is not set for the promise, or if it does not result from its nature or its purpose, the promisee's bond ceases when, within the year from the publication of the promise, there is no communicated the existence of the situation, or the fulfillment of the action foreseen in the promise.

Art.1804.- The promise can be revoked before the expiration of the term indicated by the previous article only for just cause, provided that the revocation has been made public in the same way as the promise or in another equivalent.

In no case may the revocation take effect if the situation provided for in the promise has been realized or if the action has been accomplished.

Art.1805.- If the action has been carried out by several people separately, or if the situation is common to several people, the promised benefit, when it is unique, corresponds to the one who has been the first to give notice of it to the fiancé.

Art.1806.- The reward offered as a prize in a contest will be valid only when a deadline is set for

celebrate it.

The question of whether a contestant has satisfied the conditions of the contest or which of the contestants deserves the preference, it must be decided by the person designated in the promise or advertisement.

If all the contestants had the same merit, the prize will be distributed in as many equal parts as there are concurrent. If the prize is indivisible, luck will decide.

Art.1807.- The winning works in the contests referred to in the previous article will remain the property of the promisee if this condition has been inserted in the publication of the promise.

TITLE V

OF THE EXTERNAL BUSINESS MANAGEMENT

Art.1808.- He who without being obliged to do so, knowingly assumes the management of someone else's business, must continue it

and lead it to term, in accordance with the interest and presumed will of its owner, while he is not in a position to do it yourself.

Art.1809.- The manager must have the capacity to contract.

Art.1810.- The manager must notify the business owner of the management he assumed, awaiting a response to continue if the delay is not detrimental.

Art.1811.- The manager is subject to the obligations inherent to the agent. However, the judge may, taking into account the circumstances that led the author to assume this responsibility, moderate the compensation for damages to which he would be liable as a result of his fault.

Page 225

Art.1812.- When the management has been conducted usefully, the interested party must comply with the obligations assumed by the manager on your behalf and reimburse you for the necessary or useful expenses that you have made, plus interests, from the day they were made.

Art.1813.- The provisions of the preceding article do not apply when the management was carried out against Lawful prohibition of the interested party, in which case the relations between manager and owner will be governed by the rules that regulate enrichment without cause.

Art.1814.- The ratification of the interested party produces the effects of the mandate conferred at the time of initiation. management, even if the manager believed he was running his own business.

Art.1815.- The judge may, for reasons of equity and attentive to the special circumstances of the case, establish a modest remuneration to the manager, in charge of the interested party.

Art.1816.- Burial expenses proportionate to the conditions of the deceased and in accordance with the uses local, may be collected from people who had an obligation to provide maintenance to the deceased, if this does not leave enough goods.

TITLE VI

OF THE ENRICHMENT WITHOUT CAUSE AND THE PAYMENT OF WHAT IS UNDUE

Art.1817.- He who enriches himself without cause in harm to another is obliged, to the extent of his enrichment, to compensate the injured party for the corresponding decrease in his patrimony. When enrichment consists In the acquisition of a certain thing, the restitution in kind will correspond, if it exists at the time of the demand.

Art.1818.- The enrichment action will not be viable if the injured party can exercise another to compensate of the damage suffered.

A cause is considered lacking when it ceased to exist after the enrichment occurred.

Art.1819.- He who pays what he does not owe has the right to repeat what was paid, with fruits and interest from the day of the claim, if the one who collected was in good faith; if it was in bad faith, from the day of payment.

Art.1820.- The repetition of what was paid spontaneously fulfilling moral or social duties does not proceed, Except in case of disability of the one who paid. Nor does the repetition of the service comply with purpose contrary to the law or good customs.

Art.1821.- He who by excusable error pays a debt of another, believing it his own, can repeat what was paid provided that the creditor has not in good faith stripped the title or the guarantees of the credit. When the repetition is not admitted, the one who paid is subrogated in the rights of the creditor.

The incapacitated person who received an undue payment is liable to the extent of the benefit obtained.

Art.1822.- The restitution of a certain thing improperly received must be done in kind. Who the received in good faith is not responsible for its death or destruction but within the limits of its enrichment.

Page 226

The person who received it in bad faith must pay its value, even if there is a fortuitous event, and if it is damaged, the that delivered it may demand its equivalent or the damaged item plus compensation for the decrease of its value.

Art.1823.- If the person who received a certain thing in good faith alienated it before knowing his obligation to return it, you must repay the compensation you obtained. If it is still owed, the one who paid the undue subrogates the rights of the transferor. If the sale was made free of charge, the third party acquirer is obliged to the extent of his enrichment before the one who made the undue payment.

Art.1824.- He who in bad faith alienates a certain thing improperly received, must restore it in kind or pay its value. However, the one who made the undue payment may demand compensation for the alienation and can take action directly against the third acquirer to achieve it. If the sale was free, the third will respond within the limits of his enrichment.

Art.1825.- The rules of this Code regarding the restitution of possession apply to the fruits, accessories, expenses, increases and decreases of the thing unduly given in payment.

ITUL VII**RIGHT OF RETENTION**

Art.1826.- The person obliged to restore a thing may retain it when a credit payable in by virtue of expenses incurred in it, or due to damages caused by said thing.

Whoever owns the thing by reason of an illicit act will not have this power.

This right may be invoked with respect to personal property or things not stolen or lost, if there is good faith.

Art.1827.- He who with right retains a thing or is sued for its return, must only restore it when the plaintiff makes the consideration to which he was obliged, or secures his compliance.

In the case of real estate, the withholding may be decreed on a provisional basis and up to an amount determined, under the same conditions as the preventive embargo, and be entered in the Registry of real estate.

Once the judgment has been passed, the creditor may proceed to compulsory execution, without making any consideration, if the debtor has been established in default or to be received.

Art.1828.- The right of retention is indivisible. It may be exercised for the entire credit on each part of the thing that forms the object, but it will conform to the rule of the division of the mortgage.

Art.1829.- The right of retention shall not prevent other creditors from seizing the thing withheld, and making the judicial sale of it, but the successful bidder, to obtain the delivery of the purchased objects, must Consign the price as a result of the trial.

Page 227

In the case of real estate, the retention may not be opposed to third parties who have acquired rights real over them, registered before the constitution of the opponent's credit.

As for the properties registered afterwards, the withholding cannot be enforced if it has not been noted preventively prior to the credit and its amount, cash or eventual, in the corresponding registry.

Art.1830.- The right of retention is extinguished by the delivery or the voluntary abandonment of the thing on the that relapses, and is not reborn even if the same thing returns by another title to enter the power of the one who retained it. When the one who retains the thing has been dispossessed of it against his will by the owner or by a third, you may claim restitution through the actions granted in this Code to the holder dispossessed.

Art.1831.- When the movable thing affected to the retention right has passed into the possession of a third party, possessor of good faith the restitution of it cannot be demanded except in the case of having been stolen or lost.

Art.1832.- Privileges may not be made effective on movable things, to the detriment of the right to retention.

TITLE VIII**OF CIVIL LIABILITY**

CHAPTER I
OF THE LIABILITY BY OWN FACT

Art.1833.- Whoever commits an illegal act is obliged to compensate the damage.
If there is no fault, compensation is also due in the cases provided by law, direct or indirectly.

Art.1834.- Voluntary acts will only have the character of illicit:

a)

when prohibited by laws, municipal ordinances, or other provisions issued by the competent authority. The omissions that cause damage to third parties, when a law or regulation requires compliance with the omitted fact;

b)

if they have caused damage, or produce an external event capable of causing it; Y

c)

provided that its agents are responsible for guilt or fraud, even if it is a simple contravention.

Art.1835.- There will be damage, provided that some damage is caused to another in his person, in his rights or faculties, or in the things of their domain or possession.

The obligation to repair extends to all

material or moral injury caused by the illegal act. The action for compensation of non-pecuniary damage only

It will be the responsibility of the direct victim. If the fact has resulted in his death, only the

forced heirs.

Art.1836.- The fact that it does not cause harm to the person who suffers it, but because of a fault attributable to it, does not it begets any responsibility.

If the author and the injured party have concurred in the production of the damage, the obligation and the amount of the compensation will depend on the circumstances, and in particular, on whether the damage was mainly caused by one or the other party.

Art.1837.- They do not incur responsibility for illegal acts:

a)

those affected by general and persistent disorders of their mental faculties, which deprive them of discernment.

Page 228

b)

If the disturbance of the mental faculties of the author of the damage is due to the use of drinks alcoholic or drug, will be obliged to compensate you, unless you prove to have been involuntarily in this state; Y

c)

those under fourteen years of age.

Art.1838.- He who acts in legitimate defense is not responsible for the damage caused in such circumstances. to the aggressor.

Art.1839.- Anyone who deteriorates or destroys another's thing, or hurts or kills another's animal, to avoid a imminent danger, own or others, resulting from this thing or this animal, will not act illegally if the deterioration or destruction is necessary to avoid the danger, if the damage is not disproportionate to this, and if the intervention of the authority cannot be obtained in a useful time. If the author of the damage has caused the danger, will be obliged to compensate damages.

Art.1840.- The obligation to repair the damage caused by an illegal act, not only with respect to the person to whom has been harmed personally, but also with respect to all persons directly harmed by consequence of the act.

Art.1841.- If the illicit act is attributable to several people, all respond jointly and severally.

The one who paid the totality of the damage will have recourse action against all coparticipants to the extent determined by the seriousness of the respective fault and the importance derived from it.

In doubt, individual guilt is presumed the same.

The sentence handed down against one of those responsible will only be enforceable against the others when they have had the opportunity to defend it.

CHAPTER II

OF THE LIABILITY FOR A FOREIGN ACT

Art.1842.- Whoever commits an illegal act acting under the dependence or with the authorization of another, It also commits its responsibility.

The principal shall be exempt from liability if he proves that the damage was caused by the victim or by fortuitous event.

Art.1843.- Parents are responsible for damages caused by minor children when they live with them.

The tutors and curators are responsible for the damages caused by minors or incapacitated persons who are in their charge and dwell with them.

School principals and artisans are liable for damages caused by their students or trainees, minors, while they remain in their custody.

The responsibility referred to in this article will cease if the persons mentioned in it prove that they do not they were able to prevent harm with the authority that their quality conferred on them, and the care that was their duty use. It will also cease when the incapable have been placed under the supervision and authority of another person, in which case the responsibility will be his responsibility.

Art.1844.- The incapable person is bound by his illegal acts, provided he has acted with discernment.

Art.1845.- Higher authorities, public officials and employees of the State, of the Municipalities, and Public Law entities will be responsible, directly and personally, for the illicit acts committed in the exercise of their functions.

The authors and partners will respond jointly and severally.

The State, Municipalities and Public Law entities will respond subsidiarily for them in case of insolvency of these.

CHAPTER III

OF LIABILITY WITHOUT GUILT

Art.1846.- He who creates a danger with his activity or profession, by their nature, or by the means employees, liable for the damage caused, unless it proves force majeure or that the damage was caused Due to the sole fault of the victim, or of a third party for whose act they should not answer.

Page 229

Art.1847.- The owner or guardian of an inanimate thing is liable for the damage caused by it or with it, if not proof that there was no fault on his part, but when the damage is caused by vice, the risk inherent in the thing Liability will only be totally or partially exempted by proving the fault of the victim or a third party for whom he should not answer.

The owner or guardian will not respond if the thing was used against their express or presumed will.

Art.1848.- Any convention by which liability is suppressed or limited in advance will be null and void established by the preceding articles.

Art.1849.- The foregoing provisions shall not apply when rules of special laws regulate the emerging liability for accidents caused by the operation of companies and establishments, as well as mechanical transport vehicles.

Art.1850.- In case of damage caused by a person deprived of discernment, if the injured party has not have been able to obtain reparation from the person who has it under their care, the judges may in consideration of the situation of the parties, sentence the author of the damage to equitable compensation.

Art.1851.- He who inhabits a house or one of its parts, will be liable for the damage arising from things that they fall or are thrown in an inappropriate place.

Art.1852.- The victims may prosecute directly before the courts, those who respond civilly of the damage, without being obliged to summon the perpetrators of the act in court.

Whoever compensates the damage, may repeat the one who caused it through fraud or his own fault.

Art.1853.- The owner of an animal, or who makes use of it, during the time that it is in use, is responsible for the damage caused by the animal, whether it was in their custody, or had escaped or lost, if no fortuitous event, or fault of the victim or a third party is proven.

Art.1854.- The damage caused by a ferocious animal, will always be attributable to the owner or guardian, although not It would have been possible to avoid the damage, and even if the animal had been released without their fault.

CHAPTER IV

OF THE ESTIMATION AND SETTLEMENT OF THE DAMAGE

Art.1855.- To assess the guilt or fraud of the person responsible for the damage, as well as for the liquidation of this, it is

will apply, insofar as they are pertinent, the norms of this Code on breach of the obligations from legal acts.

Art.1856.- The person obliged to compensate the damage attributable to him will compensate all the consequences. immediate, and foreseeable mediate, or normal according to the natural and ordinary course of things, but not the causes, unless they derive from a crime and should result according to the views that the agent had when executing the deed.

Art.1857.- When, due to the nature of the damage, direct reparation is possible, the compensation due by the one to whom his commission is attributable will be fulfilled with the reestablishment at his expense of the state of things that would have existed if the circumstances that compelled him to compensate had not occurred. If direct reparation is impossible, the debtor will compensate the damage through a provision in money that allows the creditor to obtain it.

The judge may moderate the compensation, and even waive it, if there is evident disproportion between the action carried out with intention, or through fault, and the damage actually suffered.

Art.1858.- In cases of homicide, the offender must pay assistance and burial expenses; Y in addition, what is necessary for maintenance of the spouse and minor children of the deceased, and non-pecuniary damage, remaining to

criterion of the judge to determine the amount of the compensation and the way to satisfy it.

When the death did not occur immediately, the damage derived from the death will also be compensated. inability to work.

Page 230

The right to repeat expenses rests with the person who made it, even if it is by virtue of legal obligation.

Art.1859.- In the event of bodily injury or damage to health, compensation will consist of the payment of all the expenses of healing and convalescence of the offended, and all the profits that he stopped making until the day of its complete restoration.

If the ability to work of the injured party is annulled or impaired, or an increase in your needs, the compensation will include this damage and will consist of an income in money.

If the injured person is disfigured, he will be compensated equitably for the damage caused by that circumstance may result.

Art.1860.- When it is not possible to establish at the time of the sentence, with sufficient precision, the ulteriorities of the damage, the judge will determine provisionally, and at the request of a party, the damages, with charge of doing so definitively, within the non-extendable period of two years, counted from that date.

Art.1861.- In cases of death or injury, those who have the right to demand alimony from the injured party, They may directly claim compensation for the damage suffered as a result. This rule includes also to the person conceived before the date on which the illicit act was perpetrated.

That right will not be enjoyed by those who participated in the act, or did not prevent it, being able to do so.

Art.1862.- When there is violation, rape or kidnapping, the compensation will include the payment of a sum of money to the victim. The same rule shall apply to carnal intercourse by means of deception, threat or abuse of family or dependency relationships with an honest woman, and her seduction, if she is less than sixteen years.

Art.1863.- In crimes against honor and reputation, compensation will be made for the damage that the act causes to the honor, the credit or the interests of the offended.

Art.1864.- He who by an illicit act has seized a foreign thing must restore it to his legitimate possessor, with all its fruits; and will respond for its value in the case of not being able to restore it, the same as for the deterioration suffered, even if both were caused by a fortuitous event, unless they should have happened in the same way if the illicit act had not been carried out. In case of deterioration, the compensation will consist of the difference between the current value and the previous one.

Both in case of impossibility of restitution, as in the case of deterioration, the legal interest will also be paid on the amount owed, computed from the moment of the execution of the illicit act.

This provision shall apply in all cases in which the wrongful act has had as its object a sum of money.

CHAPTER V

OF THE EXERCISE OF CIVIL ACTION AND ITS LINKAGE WITH CRIMINAL ACTION

Art. 1865.- Civil action for compensation for damage caused by an illegal act may be exercised regardless of the criminal action.

If this has preceded it, or it was attempted pending that one, no sentence will be handed down in the civil trial, as long as it is not pronounced criminally, except in the following cases:

to)

if the defendant died before the criminal ruling was issued, the civil action may be initiated or continued against his heirs;

b)

if the criminal process was paralyzed due to the absence or mental illness of the accused.

Civil action may also be promoted or pursued against the universal successors of the authors and co-participants of the crime, in accordance with the provisions on the acceptance of inheritance with the benefit of Inventory.

Civil action can be brought by the victim or by his forced heirs.

Article 1866.- The civil action will not be judged waived for not having tried the offended during their life, or for having withdrawn from the criminal action.

Art. 1867.- The compensation action derived from the commission of an illicit act, is extinguished by the resignation of the person directly offended, without prejudice to the subsistence of the action that another person harmed by the same illegal act can exercise against the cause of the damage.

Art. 1868.- After the conviction of the accused in the criminal trial, the civil trial may not deny the existence of the main fact that constitutes the crime, or contest the guilt of the convicted person.

The sentence handed down in a criminal trial will not be enforceable by the person obliged to respond for the act of another, if he did not have the opportunity to defend himself.

Art. 1869.- In the event of free dismissal or acquittal of the accused, it may not be argued at the trial either, civil the existence of the main fact on which the dismissal or acquittal would have fallen, if the sentence would have declared its nonexistence.

This provision does not apply when the sentence has decided that the act does not constitute a criminal offense, or when the free dismissal, or the acquittal, has been based on the fact that the agent is exempt from criminal responsibility.

Art. 1870.- If the criminal action depends on preliminary questions whose decision corresponds exclusively to the civil trial, the criminal trial will not be substantiated before the civil judgment was enforced. Preliminary questions will be those that deal with the validity or nullity of the marriage and those that be declared such by law.

Art. 1871.- Except as provided in the previous article, or in other cases that are expressly excepted, the civil judgment on the fact will not influence the criminal trial, nor will it prevent any subsequent criminal action attempted on the same fact, or on another that is related to him.

Whatever the sentence on the criminal action, the previous ruling pronounced in the civil trial passed in res judicata authority, will retain all its effects.

Book Four

OF REAL RIGHTS OR OVER THINGS

TITLE I

OF THINGS AND GOODS

CHAPTER I

OF THINGS CONSIDERED IN THEMSELVES

Art. 1872.- In this Code, corporeal objects are called things capable of having a value.

Art. 1873.- Intangible objects susceptible of value and also things, are called goods. The

All the assets of a person, with the debts or charges that encumber them, constitute their assets.

Art. 1874.- They are immovable by nature, the things that are immobilized by themselves, such as the ground and all the solid or fluid parts that make up its surface and depth, everything that is incorporated into the

soil in an organic way, and everything that is under the soil without the fact of man.

Art.1875.- Movable things that are actually immobilized due to their accession are real estate by accession. physical adhesion to the soil, provided that this adhesion has the character of permanence.

Art.1876.- Movable things that are intentionally placed by the owner as accessories for the service and operation of a farm, without being physically attached.

Art.1877.- Due to their representative character, the public instruments of which the acquisition of real rights over real estate, with the exception of the mortgage.

Art.1878.- Movable things are those that can be transported from one place to another, either by moving or by themselves themselves, whether they are only moved by an external force, with the exception of those that are accessory to the estate.

Art.1879.- All solid or fluid parts of the floor, separated from it, are also furniture, such as stones, earth or metals; the constructions settled on the ground surface with a provisional character, treasures, coins and other objects found under the ground; the materials gathered for the construction of buildings, while they are not employed; those that come from a destruction of buildings, although the owners had to build them immediately with the same materials and all public or private instruments where the acquisition of personal rights or of credit.

Art.1880.- The movable things destined to form part of the rustic or urban properties, will only take the character of real estate, when they are placed in them by the owners or their representatives, or by the tenants in execution of the lease.

Art.1881.- When the movable things destined to be part of the premises, were placed in them by the usufructuaries, they will only be considered real estate while the usufruct lasts.

Art.1882.- Movable things, even if they are fixed in a building, will retain their nature as furniture when they are attached to the property with a view to the profession of the owner, or in a temporary.

Art.1883.- In the furniture of a house, the following will not be understood: money, documents and papers, scientific or artistic collections, books and their shelves, medals, weapons, instruments of arts and crafts, jewelry, any kind of clothing, grain, merchandise or, in general, other things that form the trousseau of a house.

Art.1884.- Fungible things are those in which one thing is equivalent to another of the same species, and that can be replaced by one another of the same quality and in equal quantity.

Art.1885.- They are consumable things, those whose existence ends with the first use, and those that end for those who cease to possess them, for not distinguishing themselves in their individuality. Non-consumable things are those that are not they cease to exist for the first use made of them, even if they are capable of being consumed or deteriorate after some time.

Page 233

Art.1886.- Divisible things are those that, without being entirely destroyed, can be divided into real portions, each of which forms a homogeneous whole and analogous both to the other parts and to the thing itself.

Art.1887.- Main things are those that can exist by themselves.

Art.1888.- Accessory things are those whose existence and nature are determined by something else, from the which they depend on or to which they are attached.

Art.1889.- The natural fruits and the products of a thing, form a whole with it.

Art.1890.- They are accessory things such as civil fruits, those that come from the use or enjoyment of the thing that has been granted to another, and also those that come from the deprivation of the use of the thing. They are equally fruits civil salaries or fees for material or intellectual work.

Art.1891.- Things that are naturally or artificially attached to the ground are accessory things to it.

Art.1892.- Movable things attached to those that are attached to the ground, are accessory to the premises.

Art.1893.- When things adhere to other movable things, without altering their substance, they will be the main ones to which the others had not joined except for the purpose of use, decoration, complement or conservation.

Art.1894.- If some things have adhered to others to form a whole, without being able to distinguish the accessory of the main one, the one with the highest value will be considered the main one. If the values are equal, the main

Greater volume. If the values and volumes are equal, there will be no main thing or an accessory thing.

Art. 1895.- Paintings, sculptures and other works of art, writings and prints will always be reputed as main, when art has greater value and importance than the material used.

Art. 1896.- All things whose alienation is not expressly prohibited, or not, are in commerce. depended on a public authorization.

Art. 1897.- Things are out of commerce due to their absolute or relative non-alienation. They are absolutely unalienable:

a)

things whose sale or disposal is expressly prohibited by law; Y

b)

the things whose alienation has been prohibited by acts between living or last dispositions will, insofar as this Code allows such prohibitions.

Those that require prior authorization for their disposal are relatively unavailable.

CHAPTER II

OF THE ASSETS IN RELATION TO THE PEOPLE TO WHOM THEY BELONG

Art. 1898.- The following are property of the public domain of the State:

Page 234

a)

the bays, ports and anchorages;

b)

the rivers and all the waters that run through their natural channels, and these same channels;

c)

the beaches of the rivers, understood by beaches the extensions of land that the waters bathe and they vacate in ordinary floods and not in extraordinary occasions;

d)

navigable lakes and their alveos; Y

and)

roads, canals, bridges and all public works built for the common utility of the population.

The assets of the public domain of the State are inalienable, imprescriptible and unattachable.

Art. 1899.- Private persons have the use and enjoyment of the public goods of the State, but they will be subject to the provisions of this Code and to laws or regulations of an administrative nature.

Art. 1900.- They are property of the private domain of the State:

a)

the islands that are formed in all kinds of rivers or lakes, when they do not belong to individuals;

b)

the lands located within the limits of the Republic that lack an owner;

c)

solid, liquid and gaseous minerals that are found in their natural state, with the exception of stony, earthy or calcareous substances. The exploitation and use of these riches will be governed by the special legislation of mines;

d)

vacant or vacant assets, and those of people who die intestate or without heirs, according to the provisions of this Code; Y

and)

State property not included in the previous article or not assigned to public service.

Art. 1901.- They are susceptible to private appropriation:

a)

fish from navigable rivers and lakes in accordance with the provisions of the legislation special;

b)

swarms of bees fleeing the hive, if the owner of them does not claim them immediately;

c)

plants that vegetate on the beaches of rivers or navigable lakes, as well as stones, shells or other substances thrown by the waters, provided that they do not show signs of a dominance above, observing the pertinent regulations; Y

d)

abandoned treasures, coins, jewelry and precious objects found, buried or hidden, without any indication of its owner, in accordance with the provisions of this Code.

Art.1902.- The property of the lakes and lagoons that are not navigable, belongs to the owners. riverside.

Art.1903.- Municipal assets are public or private.

Municipal public goods are those that each municipality has destined for the use and enjoyment of all its inhabitants.

Municipal private assets are the others, over which each municipality exercises dominion, without being intended for such use and enjoyment. They can be disposed of in the manner and manner established by law.

Municipal Organic.

Page 235

Art.1904.- The properties of the private domain of the State and of public or private property of the Municipalities cannot be purchased by prescription.

Art.1905.- They belong to the Catholic Church and their respective parishes: the temples, pious places or religious, sacred things and movable or immovable temporary property assigned to the service of worship. His Alienation is subject to special laws on the matter.

The temples and assets of non-Catholic religious communities correspond to the respective corporations and can be disposed of in accordance with their bylaws.

Art.1906.- Assets that do not belong to the State or to the Municipalities, are private assets, without distinction of natural or legal persons of private law who have dominion over them.

Art.1907.- Bridges, roads and any other constructions made at the expense of individuals in lands that belong to them, are the private domain of individuals, although the owners allow its use or enjoyment to all.

Art.1908.- The slopes that are born and die within the same inheritance, belong in property, use and enjoy the owner of the inheritance.

TITLE II

OF POSSESSION

CHAPTER I

OF THE GENERAL PROVISIONS

Art.1909.- Possessor is the one who has over a thing the physical power inherent to the owner, or to the owner of another real right that confers it.

Art.1910.- The person who exercises in a house or industrial establishment of another will not be considered a possessor. person and for him, the physical power over him, or is subject by virtue of relations of dependence to fulfill instructions of the same with respect to the thing.

Art.1911.- Whoever owns as usufructuary, pledgee, tenant, depositary or by other title analogous by virtue of which he has the right or obligation to temporarily possess a thing, he is the possessor of it, and so is the person from whom your right or obligation comes. The former is the immediate possessor; the second mediate. Who owns as owner, has the original possession. The others have a derivative possession that does not nullify the one that gives rise to it.

Art.1912.- Mediate possession can be transferred to a third party, by means of the transfer of the right to restitution of the thing.

Art.1913.- Possession is transmitted with the same characters to the universal successors of the possessor.

Art.1914.- The rights conferred by this Code to the holder for the defense and protection of the possession, can be invoked equally by the one who owns only part of the thing.

Page 236

Art.1915.- If two or more people possess an undivided thing in common, each one may exercise over it. acts of possession, provided it does not exclude those of the other co-owners.

Art. 1916.- When a thing has left the hands of its owner and passes to a property owned by another, he must allow the first to carry her, unless in the interval, she has been the subject of a seizure of possession. The owner of the property may demand the reparation of the damages resulting from the search and recovery. If these damages were to be feared, he may deny his permission, until they are given Sufficient guarantees, unless there is danger in delay.

Art.1917.- All things that are in commerce, are susceptible to possession. It will not be the goods that were not things, except provisions of this Code.

Art.1918.- The holder will be in good faith when the power he exercises arises from a title and by mistake of fact or law is persuaded of its legitimacy. The putative title is equated with the existing one, when the possessor has reasonable reasons to judge it as such or to extend it to the thing possessed. The holder will be in bad faith, when he knows or should know the illegitimacy of his title.

Art.1919.- Good faith is presumed, and it is sufficient that it existed at the time of acquisition. The one of Universal successor is judged by that of its author and that of the particular successor by his personal conviction.

Art. 1920.- Possession in good faith only loses this character in the case and from the moment that the Circumstances make it presume that the possessor was not unaware that he possessed improperly.

Art. 1921.- Unless proven otherwise, it is presumed that the possession retains the same character as it was acquired. No one can change by himself, nor by the passage of time, the cause and the qualities or the vices of his possession. The one who began to own by himself and as the owner of the thing, continues to possess as such, as long as it is not proven that he has begun to possess by another. The one who has begun to possess by another is presumed to continue to hold the same title, until proven otherwise.

There will be no intervention of the title by the sole communication to the mediate holder, if it is not accompanied by facts that deprive him of his possession or that cannot be executed by the immediate possessor of the someone else's thing.

Art.1922.- In the perception of fruits, good faith must exist in each act. The good or bad faith of the successor of the holder, whether universal or particular, will be judged in relation to him and not by that of his predecessor.

Art.1923.- If there are several possessors, the nature of the possession will be judged with respect to each of the they.

In the case of represented persons, the provisions of this Code on representation in the legal acts.

CHAPTER II

OF THE ACQUISITION AND LOSS OF POSSESSION

Art.1924.- Possession can be acquired by acts between living and by cause of death.

Page 237

The former are classified as originating and derived.

Art.1925.- Possession of a thing is acquired, when physical power over it is obtained. They can acquire by apprehension the original possession, who have completed fourteen years, as well as every person capable of discernment. These extremes will not be necessary, when by act of third parties would have put a thing under the power of a person, even if he was incapable.

Art. 1926.- Possession will be acquired by mere apprehension, if the thing lacks an owner and is owned by those whose domain is acquired by occupation, according to the provisions of this Code.

Art.1927.- Possession is also acquired by the tradition of the thing. There will be tradition when one of the parties will voluntarily deliver one thing and the other will receive it in the same way

Art. 1928.- The tradition will remain made, even if the person to whom it is made is not present, if the current possessor delivers the thing to a third party designated by the acquirer or puts it in a place that is at exclusive provision of it.

Art.1929.- The tradition of movable things, will be understood also made by the delivery of knowledge, invoices or consignment notes, in the terms provided by the legislation that governs them, or when they are sent on behalf and order of others, whenever the people who send them deliver them to the agent that must transport them, and provided that the principal had determined or approved the mode of remission.

Art. 1930.- In the case of movable things that must be separated from the real estate, such as sand, stones, wood or pending fruit, the tradition will be considered made from the first extraction carried out with permission of the owner of the property.

Art. 1931.- The sole declaration of the transferor to consider himself dispossessed or to give possession of the thing to the

acquirer, will not supply the forms authorized by this Code for tradition.

However, with respect to the transferor and the acquirer, the tradition will produce legal effects.

Art. 1932.- Regarding third parties, the registration in the corresponding Public Registry, of titles of transmission relating to uninhabited real estate, the transfer of their possession by tradition will matter.

Art. 1933.- They are acts of possession of immovable things: their cultivation, measurement and demarcation, the perception of fruits, the constructions and repairs that are made in them, and in general, their occupation in any way that takes place.

Art. 1934.- The material tradition of the thing, be it movable or immovable, is not necessary to acquire the possession, when the thing is held in the name of the owner, and the latter by a legal act transfers the dominion of it to the one who owned it in his name, or when the one who owned it in the name of the owner, begins to possess it in the name of another.

Art. 1935.- Possession based on a title, includes only the extension of the title, without prejudice to the aggregations made by the owner for other reasons.

Page 238

Art. 1936.- It is judged that the possession of the thing continues, as long as an event does not occur that causes its lost. This will occur:

to)

when the thing has been put out of commerce;

b)

by abandonment, or where appropriate, by cessation of the de facto power exercised over it. The interruption caused by temporary impediment, it has no effect;

c)

for its loss or misplacement, without the possibility of finding it. It will not be lost, as long as it is kept in the place where it was placed by the possessor or his descendants, even if it is not remembered where it was left, whether in the house or in his own or someone else's inheritance;

d)

by specification, provided that the author of it acquires the domain; Y

and)

by dispossession, whether of the immediate or immediate possessor, when a year elapses without they exercise acts of possession, or without disturbing that of the suitor.

CHAPTER III

OF THE OBLIGATIONS AND RIGHTS INHERENT TO POSSESSION

Art. 1937.- Obligations inherent to possession are those concerning things and that do not encumber one or more certain people, but the owner of a certain thing.

Art. 1938.- The possessor of movable things must exhibit them before the judge in the manner established by the procedural legislation, when the exhibition is lost by whoever invokes a right over the thing. The Expenses will be the responsibility of the one who requests it.

Art. 1939.- They are rights inherent to the possession of real property, active easements and are obligations of them the restrictions and limits of the domain established in this Code.

CHAPTER IV

OF THE ACTIONS AND POSSESSORIAL DEFENSES

Art. 1940.- A valid title does not give but a right to the possession of the thing, and not the possession itself. The fact that He has only a right to possession, he cannot, in case of opposition, take possession of the thing; should sue her through legal channels. No one can arbitrarily disturb the possession of another.

Art. 1941.- Possession gives the right to protect oneself in one's own possession, and repel force with employment of a sufficient force, in the cases in which the aid of justice would arrive too late; and the one was dispossessed, he may recover it himself without a time interval, provided he does not exceed the limits of self defense.

This right can be exercised by the owner, or on his behalf, by those who have the thing, such as subordinates of him, or those who exercise a derivative or mediated possession over the thing.

Art. 1942.- Having doubts about who was the last possessor, between the one who is said to be the possessor and the one who intends to deprive it or disturb it in it, the one who proves an older possession will be judged to have it. Not being possible to determine it, neither who is the one who has the current possession, or which of the two is the more

characterized, the judge will order the parties to air their right in the petition.

Page 239

Art. 1943.- For possession to give rise to possessory actions, it must be public and unequivocal.

Art. 1944.- Whoever disturbs the possession of another or deprives him of it, commits an illicit act, unless have proceeded authorized by law.

The disturbed person in his possession may claim from the actor and his successors, even if they were in good faith, the cessation of the facts, and if new ones are feared, the possessor may also request that they be prohibited in the future.

The dispossessed will have action, when the plaintiff acquired the possession of the disturber or its authors, within the immediately preceding year preceding the disturbance.

Art. 1945.- Possessory actions of the preceding article do not proceed against third party holders of movable things, private successors in good faith, but in the event that they have been stolen or losses.

Art. 1946.- If the disturbance in the possession consisted of new work, which began to be done in real estate of the possessor, or in destruction of existing works, the possessory action will be judged as an action of dispossession. If the new work begins to make a property that was not owned by the owner, be it of the class that Whatever, and the possession of it suffers an impairment, there will be confusion of the possession.

In both cases, the possessory action will have the purpose of suspending the work during the trial, and once finished this one, destroy or repair what was done.

The judge may deny the provisional suspension, if he does not deem it justified.

Art. 1947.- Possessory actions are extinguished because they have not been deducted in court within the year following the realization of the fact that authorizes them, and when by final judgment, after the fact of dispossession or embarrassment, it is decided that the author of this had a right in the thing that authorized him to demand the restoration of possession.

Art. 1948.- Any of the co-owners may exercise possessory actions against third parties without the concurrence of the others, and also against them, if they exclude or disturb him in the exercise of possession common. They will not proceed if the controversy between co-owners only deals with the greater or lesser participation of each.

Art. 1949.- Possessory shares also correspond to the holders of material parts of a things, such as premises other than room, commerce and others.

Art. 1950.- The mediated possessors may exercise the possessory actions for acts produced against the immediate possessor, and request that it be reinstated in his possession, and if he does not want to receive the thing, they will be empowered to take it directly.

Art. 1951.- Possessive actions will be judged in the manner prescribed by procedural laws. When the sentence shall give rise to them, may order according to the cases, that the thing be restored, the cessation of the embarrassment; the restoration at the expense of the expired of the material state existing at the time of the fact that founds the demand and the compensation of the damages caused.

Page 240

The compensation will not affect the private successors in good faith and the payment of the expenses of restoration and judgment may be dispensed with, according to the circumstances of the cause.

Art. 1952.- The sentence passed in the possessory trial will be final, without prejudice to the Right of the parties to try the real actions that are their responsibility.

TITLE III

PROPERTY RIGHT

CHAPTER I

OF THE GENERAL PROVISIONS

Art. 1953.- All real rights can only be created by law. Contracts or provisions of the last will that they have for the purpose of constituting other real rights or modifying those that this Code recognizes, They will be valid as legal acts constituting personal rights, if as such they could be valid.

They are real rights: the domain and the condominium, the usufruct, the use and the habitation, the easements

property, the pledge and the mortgage.

Article 1954.- The law guarantees the owner the full and exclusive right to use, enjoy and dispose of their goods, within the limits and with the observance of the obligations established in this Code, in accordance with with the social and economic function attributed by the National Constitution to the right of property. Also has the legitimate power to repel the usurpation of the same and recover them from the power of whoever possesses them unfairly.

The owner has the power to execute with respect to the thing all the legal acts of which it is legally susceptible; lease and dispose of it for consideration or free of charge, and if it is real estate, tax it with easements or mortgages.

You can abdicate your property and simply abandon the thing, without passing it on to someone else.

Art.1955.- The domain is called full or perfect when all its elemental rights are gathered in the owner, and the thing is not encumbered with any real right towards other people. It is called less full or imperfect, when it must be resolved, at the end of a certain term or upon the advent of a condition, or if the thing that forms its object is a property encumbered with respect to third parties with a real right that this Code authorizes.

Art. 1956.- With the limitations contained in the law, the ownership of a property, in addition to understanding the surface of the ground, it extends to all the airspace and to the subsoil that within its limits were useful for the exercise of this right.

The owner will not be able to prevent the acts that are carried out at such a height or at such a depth, when he does not have no interest in excluding them.

Art. 1957.- The domain of the corporeal thing, is presumed exclusive and unlimited, until proven otherwise and without prejudice to the provisions of the preceding article, and the restrictions established by law, be it by reason of

Page 241

neighborhood, taxes, municipal prohibitions, expropriation for reasons of public utility, or social interest, or other legal limitations.

Art. 1958.- The owner cannot prohibit another from using his property, if this is essential to avoid a present danger much more serious than the damage that could result to the owner. May this be compensated for the damage caused.

Art. 1959.- If a property is in imminent danger of being harmed by the collapse of a building, by a work erected in a neighboring property, or by the fall of part of this building or work, may its owner demand that whoever would be responsible for the damage take the necessary measures to avoid the danger, or to provide security for imminent damage.

Art. 1960.- A farm may not be excavated in such a way that the soil of the neighboring property loses its necessary support, Unless the threatened property is sufficiently affirmed otherwise. The author of the excavation dangerous, will be liable for the damage caused to the neighboring farm.

Art. 1961.- When the owner of a farm, when constructing a building in it, exceeds the limits of their property, without it being an imputable fraud or serious fault, the owner of the invaded estate must tolerate the excess, unless he has protested against the fact when the transgression of the limits of his farm was made, or immediately after. In this case, the injured party will be compensated by the payment of the real value of the improperly occupied fraction, plus the estimated value of the direct damage caused by the deprivation of his property, and the fraction of land occupied will pass to the domain of the one who made the construction, unless that he will rally to demolish it.

If the part of the neighboring estate that was left out of the construction turns out to be insufficient for a use or construction of normal exploitation, or the existing one is damaged, its owner may require full acquisition.

If the price is not paid in any of the preceding cases, the injured party may oblige the builder of the work to demolish it and the expropriation will be without effect.

Art. 1962.- The property of a thing simultaneously includes that of the accessories that are in her, united in a natural or artificial way.

All constructions, plantations, their natural, civil and industrial fruits, products and works existing on the surface or inside a plot, even if separated, belong to the owner,

Unless for a special legal reason, they should correspond to the usufructuary, the tenant, or another.

Art.1963.- The domain is perpetual, and subsists regardless of the exercise that can be made of it. The owner does not cease to be, even if he does not exercise any act of ownership, or is in the impossibility of

do so, and even if a third party exercises them with your consent or against your will, unless there is let a third party acquire the thing by prescription.

Art. 1964.- No one can be deprived of the domain or any of its faculties, except for reasons of utility. public or social interest, defined by law, or dispossessed of their property without just compensation.

Art. 1965.- If the expropriated thing is not used for the purpose that motivated the expropriation within a period reasonable, the previous owner may demand its recovery in the state in which it was disposed of, stating the price or compensation paid.

Page 242

CHAPTER II

OF THE REAL ESTATE PRIVATE PROPERTY

SECTION I

OF THE ACQUISITION AND LOSS OF PRIVATE PROPERTY OVER REAL ESTATE

Art.1966.- Acquire ownership of real estate by:

- a) contract;
- b) accession;
- c) usucapion; Y
- d) hereditary succession.

Art.1967.- Property ownership is lost:

- a) by its alienation;
 - b) by transmission or judicial declaration;
 - c) by execution of sentence;
 - d) by expropriation; Y
- and)

due to its abandonment declared in a public deed, duly registered in the Registry of Real estate, and in the other cases provided by law.

SECTION II

OF THE TRANSMISSION OF PROPERTY OWNERSHIP

BY CONTRACT AND REGISTRATION OF THE TITLES

Art.1968.- The ownership of real estate is transferred by contract. The translational domain titles are subject to the taking of reason in the Real Estate Registry so that they produce effects with respect to third parties.

Art.1969.- The transmission, unless otherwise stated, includes the accessories of the property existing in the time of transfer. The objects, that by effect of it, are delivered to the purchaser, or those that passed into the possession of third parties, they will be governed by the general rules on possession of movable things.

Art.1970.- The registration does not prevent the actions that proceed between the transferor and the acquirer to recover the thing, nor those directed against third parties in the cases of preventive annotation, with respect to rights constituted after this.

Art.1971.- The following will also be registered:

- a) the sentences by which the indivision of the condominium is terminated;
- b) the judgments that in the inventories and partition accounts adjudicate real estate in payment of inheritance debts; Y
- c) awards in public auction, and in general, all legal acts inter vivos, declarative or modifying domain over real estate.

Page 243

Art. 1972.- To determine the priority between two or more registrations of the same date, relative to the In the same way, it will be attended at the time of presentation in the Registry of the respective titles. The date of registration will be considered as the date of registration for all purposes that it should produce. seat of the presentation that must appear in the registration itself.

Art. 1973.- Abandoned properties belong to the State. If the abandoned were part of a condominium, it will increase proportionally to that of the other community members. In this case, it will be necessary for the declaration to also be made in a public deed. The exclusive owner of a thing will not be able to abandon only an undivided part of it.

SECTION III**OF THE ACQUISITION BY ACCESSION**

Art. 1974.- The accession may result from:

- a) the formation of islands;
- b) alluvium;
- c) avulsion;
- d) abandonment of the alveo; Y
- and) the construction of works and plantations.

PARAGRAPH I**OF THE ISLANDS**

Art. 1975.- The islands located in the navigable rivers belong to the riparian owners, in accordance with the following rules:

- a) those that are formed in the middle of the river, are considered a sudden increase in the riparian lands borders of both margins, in the proportion of their fronts, up to the line that divides the alveo in two equal parts;
- b) those that are formed between that line and one of the margins, will be considered an accretion of the border riparian lands on that same side; Y
- c) those that emerged through the unfolding of a new arm of the river, continue to belong to the owners of the lands at the expense of which they were formed.

PARAGRAPH II**OF THE ALUVION**

Page 244

Art. 1976.- Increases of land formed gradually and insensibly by natural causes, they belong to the owners of the riverside lands.

This provision is applicable to lakes and ponds.

Art. 1977.- The alluvial land accesses the riverside estates within their respective lines of demarcation, extended directly to the water, respecting the provisions concerning the navigation.

Art. 1978.- The increase in land will not be considered a spontaneous effect of the waters, when it is consequence of works done by the riverside. They have the right to request the reestablishment of the waters in its bed; and if it is not possible to achieve it, they can demand the destruction of those works. If the work done by one of the riparians were not simply defensive, and would advance on the current of the water, the owner of the other bank will have the right to demand the elimination of the works.

PARAGRAPH III OF AVULSION

Art. 1979.- When the current of the waters segregates a portion of land from a shore and transports it to another interior inheritance or the opposite bank, its owner can withdraw it while it has not been made natural adhesion, but you are not required to.

If the avulsion is of things not susceptible of natural adhesion, the provisions on things losses.

Art. 1980.- If no one claims the portion of land referred to in the previous article within a year, it will be considered definitively incorporated into the property where it is located, and the former owner will lose the right to claim it or be compensated.

PARAGRAPH IV OF THE ABANDONED ALVEO

Art. 1981.- The alveo or abandoned channel of a river in the public or private domain belongs to the owners. riverside of the two margins without the owners of the estates through which the river opens a new channel have the right to any compensation. It is understood that the properties on both margins will extend up to the middle of the alveo or channel. If this separated estates of different owners, the new dividing line It will run equidistant from one to the other.

PARAGRAPH V OF THE BUILDING AND THE PLANTATION

Art. 1982.- Any existing construction or plantation on a land, is presumed made by the owner, since its cost, unless proven otherwise.

Page 245

Art. 1983.- Whoever sows, plants or builds his own farm with seeds, plants or foreign materials, acquires the property of one and others, but is obliged to pay its value; and if I had proceeded badly faith, will also be sentenced to compensation for damages. The owner of the seeds, plants or Materials may claim them if it suits him, if they are subsequently separated.

Art. 1984.- When in good faith it has been sown, built or planted on foreign land, and without the right to Therefore, the owner is obliged to pay the higher value that for the works or the construction would have acquired the good, at the time of restitution. It can prevent demolition or deterioration of works.

You are not obligated to pay for voluptuous upgrades. The author may lift them, if it does not cause damage to the well. If he proceeded in bad faith, he will be obliged to demolish or restore things to their original state, at your expense. If the owner wants to keep what has been done, the improvements may not be destroyed, and must pay the greater value that the good has acquired for the works.

Art. 1985.- If there is bad faith, not only on the part of the one who builds, sows or plants on someone else's land, without Also on the part of the owner, the rights of both will be regulated according to the provisions regarding the uplifting in good faith. It is understood that there is bad faith on the part of the owner, provided that the building, planting or plantation is done in sight and knowledge of the same and without opposition.

Art. 1986.- The owner is not obliged, in any case, to pay the taxes and useful improvements, after notification of the claim. You only owe the necessary ones.

Art. 1987.- The provisions for those who sow, plant, or build on their own property with materials unrelated to the case of the person who in good faith used foreign seeds, plants or materials in the field alien.

The owner of these may demand compensation from the owner of the land if he cannot collect it from the planter. or constructor.

Art. 1988.- The possessor when he has sown, built or planted in good faith on other people's land has right of retention while it is not compensated. If you proceeded in bad faith, you will have that right in case of that the owner wants to keep the improvements made.

SECTION IV OF THE USUCAPION

Art. 1989.- Whoever owns a property continuously for twenty years without opposition and without distinction between present and absent, acquires control of it without the need for title or good faith, the which in this case is presumed. The judge may request that he so declare it by sentence, which will serve as the title of property for registration in the Real Estate Registry.

Art. 1990.- Whoever has acquired a property in good faith and with just title, will obtain the ownership of the

same for the continuous possession of ten years

Under the same conditions, the person who possesses an inheritance may acquire the goods, when a declaration is made to his favor by virtue of the actual or presumed death of the holder.

Page 246

This precept will apply to the legatee of a specific thing.

Art.1991.- The private successor in good faith can join his possession to that of his author even if this is of bad faith, and benefit from the period set for the usucaption. The cause, nature and vices of possession of the author, will not be considered in the purchaser for the purposes of prescription.

Art.1992.- The causes that hinder, suspend or interrupt the prescription, are also applicable to the usucapion, as well as to the possessor the provisions regarding the debtor are extended.

Art.1993.- The lands of the private domain of the State and the autonomous entities of Public Law are not they can be acquired by usucapion.

Art. 1994.- The good faith required by this Code is the belief, without any doubt, in the holder of being the owner legitimate, of law.

Art.1995.- It will be just title for the usucapion that having finally transmit the domain or a right real, covers the solemnities required by law for its validity.

Art.1996.- The title must be true and correspond to the property owned. The putative title is not sufficient, whatever may be the grounds of the holder to believe that he had a valid title.

Art. 1997.- Although the nullity of the title is merely relative to the purchaser of the thing, he may not usucapir against third parties or against those from whom the title emanates.

Art. 1998.- The title subordinate to a suspensive condition, is not effective for the usucapion but from its compliance. The one submitted to resolutive condition is useful from its origin for the usucapion, except in the case of that it has happened.

Art.1999.- The rules of this Section are applicable to usufruct, use and habitation and to property easements, in the cases provided for in this Code.

SECTION V

OF THE RESTRICTIONS AND LIMITS OF THE DOMAIN OR OF THE RIGHTS OF NEIGHBORHOOD

PARAGRAPH I

HARMFUL USE OF PROPERTY

Article 2000.- The owner is obliged, in the exercise of his right, especially in the works of industrial exploitation, to refrain from any excess to the detriment of the property of the neighbors. Remain particularly prohibited smoke or soot emissions, harmful and annoying fumes, noise, the vibrations of damaging effect and that exceed the limits of the tolerance due to the neighbors in consideration of the local use, the situation and the nature of the properties. The owner, tenant or usufructuary of a property has the right to prevent the misuse of neighboring property from harm the safety, peace and health of those who inhabit.

Page 247

Depending on the circumstances of the case, the judge may order the cessation of such annoyances and the compensation of damages, even if there is an administrative authorization.

PARAGRAPH II

OF THE TREES AND BUSHES

Art.2001.- The owner of an estate cannot have trees in it except at a distance of three meters from the dividing line with the neighbor, be it the property of this rustic or urban property, whether or not it is closed, or even if be both forest estates. Bushes cannot be kept except at a distance of one meter.

Art.2002.- The owner may cut on his farm and keep the roots of the trees or shrubs that come from the neighboring property. The same will happen with the branches that fall on your farm, when the The owner has set the possessor of the neighboring property a convenient time to have them cut off and he does not has done during that period.

The owner will not enjoy this right if the roots or branches do not harm the use of his property.

PARAGRAPH III
OF THE MANDATORY STEP

Art.2003.- If the necessary communication for an exploitation is lacking between a farm and a public road regulate, the owner of the enclosed property may demand that the neighbors tolerate, as long as necessary, the use of their properties to establish said communication. The direction of the obligatory passage and the extension The use shall be established in court if the parties do not agree to it.

The neighbor to whom the passage is imposed, must be compensated.

PARAGRAPH IV
OF THE WATERS

Art.2004.- Rainwater belongs to the owners of the estates where they fall, or where they enter, and they can freely dispose of them, or divert them, to the detriment of the lower lands, if there is no Acquired right to the contrary.

Art.2005.- The owners of lands in which springs arise, may freely use them and change its natural direction, without the fact of running on the lower floors granting any right to their owners.

When they are waters that run naturally, they belong to the public domain, and the owner of the land on the which run will not be able to change their address. It will be permitted, however, to use such waters for needs of your inheritance.

Page 248

Art.2006.- The lower lands are subject to receiving the waters that naturally descend from the higher lands, without the work of man having contributed to that. It can't be them employed in a way that harms inferior estates. The superior owner cannot act any that aggravates the holding of the lower bottom.

Art.2007.- The provisions of the first paragraph of the previous article do not include groundwater that they go out to the outside by the work of man, nor the rain falls from the roofs or the tanks in which had been collected, nor the sewage that had been used in domestic cleaning or in factory jobs. The owner of the lower property can demand that these waters be diverted, or that compensate you for the damage you suffer.

Art.2008.- The owners of lower lands are also obliged to receive the sands and stones that rainwater drags its course, and land owners will not be able to claim it superiors.

Art.2009.- The owner of the lower land may not make any dike that contains or makes it flow over the upper ground, the waters, sands or stones that naturally descend to it, and although the work has been seen and known by the owner of the upper land, he may request that the dam be destroyed, if not he would have understood the damage he would suffer, and if the work had not been in existence for twenty years.

Art.2010.- Whoever does works to prevent the entry of water that is not obliged to receive in its land, will not be liable for the damage that such works may cause.

Art.2011.- The banks of navigable rivers or lakes, even if they belong to private properties, will be subject to a restriction of public interest domain of navigation, in an area of ten meters, in accordance with the provisions of special laws.

Art.2012.- It is forbidden for the riparians to alter the natural current or the riverbed, or to make diversions without permission of the authority. In navigable rivers, the use of waters that interferes or damages river traffic.

Art.2013.- If the waters stagnate, run slower or more impetuous, or twist their natural course, the riparian to whom such alterations harm, may remove the obstacles, build works defensive, or repair the destroyed, so that the course of the waters is restored to its previous state. If such alterations were caused by unforeseeable circumstances or force majeure, the State shall have the expenses necessary to return the waters to their previous state. If they were motivated by the fault of any of the riparian, who does a detrimental work, or destroys the defensive works, the expenses will be paid by him, at more than compensation for the damage.

Art.2014.- Neither with a license from the State may riparians extend their dams of dams, beyond the middle of the river or stream. Nor will they be allowed, without the consent of the other riparians, dam the waters of rivers or streams, so that they raise them outside the limits of their property, deepen the channel in the upper course, flood the lower lands or deprive the neighbors of the

use of them.

PARAGRAPH V
OF THE RIGHT TO BUILD

Page 249

Art.2015.- All owners must maintain their buildings in such a way that the fall, or the materials that they detach cannot harm neighbors or passersby, under penalty of satisfying the damage and interests caused by their negligence.

In case there is danger of damage to the neighboring property, its owner may demand the measures of necessary security.

Art.2016.- No one can build near a dividing or dividing wall, works, or carry out works that cause humidity, stables, deposits of salt or corrosive substances, appliances that move by steam, or other factories, or companies dangerous to the safety, soundness and health of buildings, or harmful to the neighbors, without keeping the distances prescribed by the municipal regulations and uses of the country. If, despite having observed the regulations, the work is harmful to a neighbor, he may demand its demolition, and the appropriate compensation.

Art.2017.- Whoever wants to make a fireplace, or a hearth or hearth, against a dividing wall, must do build an insulating counter wall.

To make a furnace or forge against a dividing wall, you must leave a gap between the wall or forge of not less than six inches.

To make wells, with any object whatsoever, against a dividing wall or not, it must be done a foot thick counter-wall.

Art.2018.- The owner of an estate adjacent to a non-dividing wall, cannot support on it works or constructions, or use it in any way.

Art.2019.- If for any work it is essential to put scaffolding, or another provisional service in the neighbor's property or pass workers or materials, the owner of the latter will not have the right to prevent it, being a In charge of the person who will build the work, the compensation for the damage caused.

Art.2020.- No owner or party may open windows or loopholes in party wall, without consent of the owner.

Art.2021.- The owner of a non-dividing wall adjacent to a foreign property, can open windows in it. to receive lights in accordance with municipal ordinances.

You have no right, in such a case, to prevent a wall from being erected on the neighboring floor that closes off the windows and deprives you of lights.

Art.2022.- You can only have views of the neighboring closed or open property, through windows, balconies or other overhangs, keeping the distances required by municipal regulations.

PARAGRAPH VI
DEMARCATIION BETWEEN PROPERTIES

Page 250

Art.2023.- The owner of an estate may oblige the owner of the neighboring property to proceed with him to the demarcation of the two properties, and to renew destroyed or missing landmarks, dividing proportionally the expenses between the adjoining owners.

Art.2024.- The demarcation action has as an indispensable antecedent the contiguity of two estates, not separated by buildings, walls or fences or other permanent works, unless the fences have been removed by one of the neighbors, without the consent of the boundary, on courses or milestones unilaterally fixed.

The demarcation action is solely the responsibility of the holders of property rights on the ground, and is given against those who own the adjoining inheritance. Plaintiff and defendant can request the summons of the other possessors, so that the sentence handed down in the trial causes res judicata in its respect.

Art.2025.- If there is confusion of limits or a dispute about them, they will be set by the judge, in accordance with the respective limits, and in the absence of sufficient data, in accordance with the possession. If they couldn't be determined by these means, the judge will decide, taking into consideration the proven facts.

If real or possessory actions are raised, the decision will be issued in accordance with the provisions that govern them.

Art.2026.- The demarcation operation, whether judicial or conventional, must be practiced by professionals authorized by law. The demarcation made by agreement, will be signed, and submitted by the parties, with the measurement duly carried out, to the approval of the competent judge. Without it, said agreement will be void. The approval of the agreement by the judge, or the approving sentence that the judge dictates in case of being judicial the demarcation, will constitute property title between the parties and their successors, provided that it has been registered in the Real Estate Registry.

PARAGRAPH VII

OF THE RIGHT TO CLOSE

Art.2027.- Every owner or holder of a real right, has the power to surround his property, or the farm taxed with real law, be it urban or rural.

Art.2028.- The rights and obligations that arise from the confinement of private properties, are They will be regulated by special legislation.

CHAPTER III

OF THE ACQUISITION AND LOSS OF OWNERSHIP OF MOVABLE THINGS

SECTION I

OF THE APPROPRIATION

Art.2029.- The property of movable things that never had an owner is acquired by apprehension, and the of those whose possession has been abandoned with the intention of renouncing their domain, if that apprehension is not prohibited by law, and if done with the will to acquire property.

Page 251

If the abandonment of the thing is done with indication of the person for whose benefit it is done, only this you can take it. If another person apprehends it, the thing will revert to the renouncer's domain and the renouncer may vindicate it or demand its value.

Among the abandoned things the obviously lost are not understood; those who without the will of their owners fall into a lake or river, or are thrown to lighten a boat; nor ships and machines aerial, found as remains of an accident.

In case of doubt, it will be understood that the thing has been lost.

Art.2030.- They are things without an owner subject to appropriation:

to)

wild animals in freedom, which belong to whoever hunted them. While the

The hunter pursues the animal he wounded, he has the right to it, even if another catches it; Y

b)

tame or domesticated animals lacking a mark or sign, will belong to the owner of the property where they contracted the habit of living, if it has not used devices to attract them. Yes

If he has practiced them, he will respond as an illicit act.

Domestic and domesticated animals cannot be appropriated, even if they have fled taking refuge in other people's properties.

You cannot enter other people's farms closed or cultivated in pursuit of swarms or animals domesticated or domestic without permission of the owner of them.

Art.2031.- When a movable thing, the transfer of which requires registration in a Public Registry, has been stolen or lost, the owner may use it within a period of two years from when was noted in your name. The term will be extended to three years, for those movable things that in the same assumption do not require to be registered.

The possession must be in both cases, in good faith, continuous and as the owner.

Art.2032.- The fallen fruits of the trees belong to the owner of the land where they fell.

Art.2033.- The animals that are hunted in someone else's closed, planted or cultivated property, without permission of the owner, they belong to him and the hunter is obliged to pay the damage caused.

SECTION I

OF THE APPROPRIATION.

PARAGRAPH I

FISHING

Art.2034.- Fishing is free in navigable rivers and lakes. In non-navigable areas and streams,

Riparian owners have the right to fish on their own, down to the middle of the river or stream.
In all cases, fishing will be subject to the regulations issued by the competent authority.

Page 252

PARAGRAPH II

OF THE FINDING OF THE LOST THING

Art.2035.- He who finds a thing, presumably lost, if he takes it, he will assume the responsibility of the depositary, and will be obliged, as such, to return it to its owner or legitimate possessor.

Obligated

in addition to inform the owner and, not being able to do so, will notify the police authority of the place or take the measures advised by the circumstances.

Art.2036.- Whoever restores the thing found will have the right to a reward and compensation for the expenses that he would have made for the conservation and transport of the thing, if the owner did not prefer abandon it. The reward and compensation will be set by the judge.

If the owner had offered a reward for the find, the one who found it may choose between the prize offered and the compensation and compensation established by the courts.

Art.2037.- The one who found and took the thing will be liable for the damages caused to the owner or possessor legitimate, when he had proceeded with fraud. This will result from the intentional deterioration that it causes to the thing, of the improper use that he makes of it or of the omission of the obligations imposed by the law.

Art.2038.- If the thing found is exposed to deterioration and the owner is not found, it will be sold in public auction ordered by the judge. The costs of apprehension and conservation will be deducted from the product and a reward will be awarded to the one who found it. The surplus will be deposited in the Municipality of the place to be delivered to the owner if he appears within the term of one year.

Art.2039.- The appropriation of the personal property of others lost, which does not conform to the rules, will be illegal. precedents.

Art.2040.- Any object of value without a known owner, which is hidden or buried, shall be considered as treasure. in a building. They will not be those objects found in graves or public places destined to that end.

The one who finds a treasure on his own land, acquires the domain of it, but if the discovery is in property of another, will divide it in half with the owner of it.

Art.2041.- The discoverer of the treasure is deemed to be the first one who makes it visible, even in part, not even apprehend it or recognize that it is a treasure, and there are others who work with it.

If in the same place or immediately to it, there is another treasure, its discoverer will be the first to do so. visible.

Art.2042.- It is forbidden to search for treasures in other people's properties, without the express license of their owners or representatives.

The one who is co-owner of the property or immediate owner, may search for them, provided that the property is restored to the state in which it was.

Page 253

Art.2043.- The discoverer's right cannot be invoked by the worker to whom the owner of the property have been commissioned to excavate in search of treasure, or by others who do so without authorization from the owner. In these cases the treasure found belongs to the owner.

Art.2044.- The worker who, working on someone else's farm, discovers a treasure, has the right to half of him, even if the owner had predicted the possibility of finding it.

Art.2045.- The thing found ceases to be considered a treasure, if someone shows that it belongs to him. Is Demonstration can be done by any means of proof.

It is presumed that the objects of recent origin belong to the owner of the place where they were found, if he had died in the house that was part of the property.

Art.2046.- The treasure found in a mortgaged property is not included in the mortgage.

SECTION II

OF THE SPECIFICATION AND THE ADJUNCTION

Art.2047.- He who with work, in good or bad faith, transforms foreign matter into a new thing, will do it yours, although it is possible to restore it to its former form.

In both cases, the person who specifies must pay what the matter is worth, but if he has acted badly faith, the owner of this will have the right to be compensated for all damage, if he does not prefer to take the thing, paying the transformer the increase in value that it has acquired.

Art.2048.- When two movable things, belonging to different owners, are joined in such a way that form integral parts of a single one, the owner of the principal acquires the accessory, even in the case of separation should be possible, with the obligation to pay the owner of the accessory item what it is worth. If I dont know could determine which of both things is the main one, the respective owners will be joint owners proportionally to the value of them at the time of union.

Art.2049.- The same principle of the previous article will govern provided that, due to a casual or voluntary act, two movable things of different owners, are mixed or confused, resulting materially inseparable, or when the separation can only be made with disproportionate expenses.

If it is possible to separate them, this will be done at common expense when the mixture is casual or, at the expense of their author, if it had been voluntary.

Art.2050.- When in accordance with the previous articles the domain is extinguished, the other real rights that affect the thing. Constituted that it is a condominium, the rights will continue on the undivided part; but if the owner of an object acquires the whole of the new species, the rights they will spread to her.

Art.2051.- Anyone who, due to the application of the previous provisions, experiences the loss of their right can sue the person who benefits from it, a pecuniary compensation, according to the rules of the enrichment without cause, and where appropriate, on illegal acts. Can't ask for things to be restored to its previous state.

Page 254

The injured party will have privilege over the price owed to him.

SECTION III

OF THE ACQUISITION OF THE PRODUCTS AND OF OTHER COMPONENT PARTS OF A THING

Art.2052.- The products and the constituent parts of a thing belong to the owner of it, even after its separation, except for the rights of third parties to the enjoyment of the thing, and of the holders of good faith.

Art.2053.- He who by virtue of a real right is authorized to appropriate the products and parts constitutive of the foreign thing, acquires that property by separation.

The civil fruits belong, even if they have not been perceived, insofar as they correspond to the time of the existence of your right.

Art.2054.- Those who without titles but in good faith own real estate as owners or by other real right, they will make their own the natural and industrial fruits, once separated, and the civil ones, only perceiving them indeed, although these correspond to the time of their possession. When at the beginning of it If there are farms, the products that have been separated will also belong to them, but they will owe to the owner, and where appropriate, to the usufructuary, the sums received by those who have disposed of. Once the possession is finished, the pending fruits will correspond to the owner or usufructuary; but it will be compensated the holder in good faith, for the expenses incurred to produce them. You will also need to be reimbursed taxes that he paid, related to the property in the part and time of preparation and cultivation of those fruits.

Art.2055.- If the possessor is in bad faith, they will belong to the owner or the usufructuary, as the case may be, all the existing or realized fruits and products, which must be returned, with deduction of expenses of cultivation and harvest and the corresponding taxes, as provided in the previous article. Shall also the value of the constituent parts that it has had, although the price obtained by them is minor. The heir of the possessor in bad faith, will make his own the fruits and products received in good faith.

Art.2056.- The two preceding articles shall apply to the owner who, owner of the thing or owner of the use and enjoyment over it, have constituted a real right in favor of a third party, to use and enjoy that asset.

Art.2057.- When the owner authorizes a third party to appropriate the products or other parts constituting a property and have conferred possession of it, the third party may acquire them separating them; otherwise, only for the taking of possession. If the faculty granted by the owner resulting from a pending obligation, may not revoke it as long as the third party owns the

thing. The same rule will apply to the authorization granted by the person who is not the owner, but to whom belong to the products and constituent parts of things, once separated. It will also rule, when The one who makes the concession does not have the right to carry it out, provided that the acquirer of them is of good faith at the time of taking possession and at the time when the products and other parts constitutive are separated.

SECTION IV OF THE ACQUISITION OF MOVABLE THINGS BY POSSESSION

Page 255

Art.2058.- Ownership of movable things is acquired by their possession in good faith, not being stolen or losses. Good faith must exist at the time of acquisition.

The acquirer is not in good faith, when he knows that the thing does not belong to the transferor, or when his ignorance comes from grave guilt.

This provision shall not apply to universals or to goods that must be registered due to the requirement of the law.

Art.2059.- Stolen things will be considered, those violently or clandestinely stolen, but not those that come out of the power of their landlord for breach of trust, breach of deposit or other act of deception or scam.

Art.2060.- The acquisition of ownership of the credit titles will be governed by the rules of this Code relating to the transfer of rights.

SECTION V OF THE ACQUISITION OF MOVABLE THINGS BY CONTRACT

Art.2061.- Movable things may be acquired, through property transfer contracts, in accordance with the provisions of this Code.

Art.2062.- The delivery made by the owner of a movable thing, transfers the domain to the acquirer when there is an agreement between them to transfer ownership.

If the purchaser is already in possession of the thing, the property is transferred by agreement. If the owner owns the thing, the tradition is effected by the agreement to constitute the purchaser in mediate possessor.

Art.2063.- Possession constitutes the owner of the purchaser in good faith, even if the thing does not belong to the trader, except in the case that it was stolen or lost.

The real rights that may exist over it are extinguished.

The actions of nullity, resolution or termination to which the transferor was subjected, cannot be made effective against the current holder.

Art.2064.- The good faith of the purchaser must exist at the time of the tradition. It is excluded by the fact that the belief in the right of the transferor is attributable to the negligence or fault of the acquirer.

Art.2065.- The immediate possessor does not acquire the property against the mediate possessor from whom he received the thing.

Art.2066.- When the thing is owned by a third party, the assignment made by the owner in favor of the Acquirer of his action to demand the restitution of the thing, is equivalent to tradition.

Page 256

Art.2067.- He who in good faith acquires the property of a movable thing encumbered with rights of a third, in the belief of being free of any encumbrance, it produces the extinction of those rights.

The rights of the third party will not be extinguished, if at the time in which they should have been taken into consideration, no the acquirer was in good faith.

Art.2068.- If the owner successively alienates the same thing to several people, the domain corresponds to the purchaser in good faith who took possession of the furniture, even if its title is dated later, not in the case of goods subject to registration.

SECTION VI OF THE PROPERTY OF LIVESTOCK, MACHINES AND AUTOMOTIVE VEHICLES

Art.2069.- Without prejudice to the provisions of this Code on the ownership of movable things and the established by the Rural Code in relation to the ownership of cattle, the brand or mark on larger cattle or

minor who carries it, constitutes title of property in favor of the person or entity that owns it properly registered in the Register of Trademarks and Signs.

Art.2070.- The transfer of livestock will be credited in the manner established by special legislation.

Art.2071.- The ownership of all kinds of machine or motor vehicle must be registered in the Registry, authorized in the General Directorate of Registries, and its transmission may not be made except by writing public, prior certificate of non-encumbrance from the aforementioned Registrar.

TITLE IV

OF THE FAMILY ASSET

Art.2072.- The constituent owner, his wife, minor descendants or adopted children, up to the age of majority.

If the unmarried owner has his family, publicly and well known, under the same roof, he may also constitute the property of the family for the benefit of the mother, the child or children shared in common, until the age of majority of these.

No one may constitute more than one urban or rural property as a family asset.

Art.2073.- The property to be constituted as a family asset will not exceed in its tax assessment of the amount of (5,000) five thousand legal minimum wages established for workers of various activities unspecified of the Capital.

The highest value attributed to the property by legal provisions that are not based on improvements made in the same, they will not cease its quality as a family asset. The constitution will be formalized and will be enforceable to third parties as soon as the property is registered as such in the Property Registry. For the Personal property will not require the formality of the Registry.

Page 257

The bed of the beneficiary, his wife and children also constitute a family asset; the furniture of indispensable home use, including kitchens, refrigerators, fans, radios, televisions and familiar musical instruments, sewing and washing machines, and the instruments necessary for the profession, art or trade exercised by the owner of such assets. Said goods will not be enforceable or seizable, unless the sale price is claimed.

Article 2074.- Anyone who wishes to establish a family asset must apply to the Judge of First Instance as regards Civil of your domicile, justifying the domain and the other requirements established by this Code.

Art.2075.- The annotation of the property constituted as a family asset in the Real Estate Registry, It will consist of a marginal note in the registration of said property, and a separate special index to this effect. Any person may request a report from the Registry regarding whether a A certain property is listed as a family asset.

Art.2076.- The property registered as a family asset may not be sold or subject to seizure and execution for debts of the owner after the constitution of the same, except in the following cases:
to)

In the case of payment of obligations contracted prior to the constitution of the asset of family;

b)

when property taxes and fees are owed; Y

c)

when the payment of improvements introduced in the property and that increase its value is claimed.

Art.2077.- Family assets may not be leased or mortgaged, except in accordance with of all the people benefited by it or their legal representatives, with prior authorization judicial, which will be granted in case the judge considers it convenient to the interest of the family.

Art.2078.- The family property regime will subsist after the death of the constituent for the benefit of the surviving spouse and descendants, or of the adopted children, and where appropriate, of the mother and her extramarital minor children.

Art.2079.- When the family asset is transmitted due to the death of the constituent to his successors, In accordance with the provisions of this Code, you will be exempt from inheritance tax.

Art.2080.- The beneficiaries of the family asset will be represented in their relationships with third parties in all what it refers to, by whoever constituted him in his defect, by the other spouse, and in his absence, by the one that names the most.

The representative will also have the administration of the affected assets, with the responsibilities that the

law states.

Art.2081.- The affectation of the property as a family asset will cease in the following cases:

a)

by express request of the constituent. If the family asset is a property, the consent of the other spouse, or where appropriate, of the mother of the extramarital children; if they exist minor children, the intervention of the Pupil Ministry will be required;

b)

by judicial sale in the cases established in this Code;

c)

for expropriation for reasons of public utility or social interest;

d)

by claim, when improvements are made to the property that make the value exceed maximum established by this Code;

Page 258

and)

by marriage of the surviving spouse, or dissolution of the de facto union and marriage of the man with another woman; provided that the children have reached the age of majority; Y

F)

when the surviving spouse dies and the children have reached the age of majority.

Art.2082.- To request the cessation of the benefit of the family asset, the same procedure will be followed as for its Constitution. In case of divorce, the judge in the sentence will decide the fate of the family asset, taking into account the innocence or guilt of each spouse and the fate of the children.

In the event of dissolution and liquidation of the conjugal partnership, the property, if it is community property, will be awarded in condominium to both spouses, and must be governed by the rules established for the condominium by this Code, and maintain the status of indivision for at least five years.

TITLE V

OF THE CONDO

CHAPTER I

OF THE GENERAL PROVISIONS

Art.2083.- There is a condominium when two or more people share the domain of the same movable thing or property by contract, acts of last will, or provision of law, without any of them being able to exclude the other in the exercise of the proportional real right inherent to its ideal share in the thing, nor otherwise than that established by this Code. The community of goods that does not be things.

Art.2084.- None of the joint owners can, without the consent of the others, exercise over the thing common, nor on the least part of it physically determined, material or legal acts that matter the current and immediate exercise of property rights. The opposition of one of them will suffice to prevent what others want to do about it.

Art.2085.- None of the condominium owners can make material innovations in the common thing or change their destiny, without the consent of others; nor alienate it, nor constitute easements, nor mortgages with prejudice of the right of the co-owners. The lease or rental made by any of them is of no value.

Art.2086.- The sale, constitution of easement or mortgages, and the lease made by one of the condominium owners will become partially or fully effective, if as a result of the division the whole or part of the common thing touched him in his lot.

Art.2087.- The condominium owners cannot renounce for an indefinite period of time the right to request the division; but they are allowed to agree to the suspension of the division for a term not to exceed five years, and renew this agreement as many times as they deem appropriate. The testator and the donor can impose the same condition. The indivision agreements or clauses produce effect with respect to the successors individuals, if in the case of real estate, they are registered in the Registry.

Art.2088.- Each co-owner has the right to request at any time the division of the common thing, when it is not subjected to a forced indivision.

Art.2089.- Each owner may exercise, without the consent of the others, the rights inherent to his ideal share in the thing and to the extent that it is compatible with the equal right of others. May sell, mortgage or assign your undivided share without the others being able to prevent it, and your creditors they will be able to seize it and have it sold before partition. It may also alienate or encumber part determined of the thing, but the effectiveness will be subordinate to that part corresponds to him in the partition.

Art.2090.- Every condominium owner can oblige his co-partners, in proportion to their parts, to pay the expenses of conservation or repair of the common thing, with the interests on the sums that for that purpose paid out. The required homeowners may be released from the obligation to contribute, by abandoning Your right.

Art.2091.- Any community member has the right to claim his / her quota-part against the other owners, and to assert the resulting rights with respect to third parties, the delivery will be made by consignment or kidnapping on behalf of all the partners, in accordance with the principles relating to indivisible obligations.

Article 2092.- Only the condominium owner who contracted debts in favor of the community is obliged to pay them, without prejudice to his action against others for the reimbursement of those who have paid.

If the debt has been contracted jointly by all the owners, without expression of fees and without solidarity has been stipulated, they are bound to the creditor in equal parts, except for the right of each against the others so that you can be paid what you have paid more, with respect to the corresponding fee.

Art.2093.- The creditor joint owner for disbursement in concept of charges, for conservatory expenses or of reparation, will have the right to demand preferential payment of them, when the community is divided. This faculty may be enforced, even against the successors in a singular title, provided that a measure has been registered prudential relating to debt. If to obtain the payment it is necessary to sell the thing, proceed as in the case of ending the indivision.

Art.2094.- The previous article will apply when one of the joint owners owes another a credit originated by the indivision, and the part of the debtor will be affected to the fulfillment of the obligation. If it turns out Insolvent, the debt will be divided among the others in proportion to their installments.

Art.2095.- The lien of an undivided asset in favor of any of the joint owners is valid.

Art.2096.- The rules relating to the division in the successions, the way of doing it and the effects that produces, they apply to the division of particular things.

They produce the effects of the partition, the tender and all the acts for consideration for which one of the condominium owners acquires the exclusive domain of the common thing.

CHAPTER II

OF THE ADMINISTRATION OF THE COMMON THING

Art.2097.- Being impossible, due to the quality of the thing or due to the opposition of some of the owners, the use or enjoyment or common possession, will resolve the majority if it is given in location or is administered on its own common, and set the conditions, and appoint or revoke administrators.

If the location is resolved, it will be preferred to a third party as tenant, the owner who offers the same advantages, and among condominium owners with the same offers, luck will decide.

Art.2098.- Resolutions on administration will be adopted with summons from all co-owners, by absolute majority of votes computed according to the value of the undivided parts, although said majority corresponds to only one of the owners.

If there is a tie, luck will decide. Any difficulty on administrative matters, will be summarily decided by the judge, at the request of any owner and with the audience of the others.

In case of doubt, the parties are presumed equal. The fruits will be divided proportionally to the values of they.

Art.2099.- The administration of the owner who has been appointed by the majority, will be judged according to the rules of the mandate.

If he does so without a mandate, he will be considered a business manager.

CHAPTER III

OF FORCED INDIVISION

Art.2100.- There will be forced indivision, when the condominium, is on affected things as indispensable

to the common use of two or more estates that belong to different owners. None of the owners may request the division without the unanimous agreement of the others, or as long as only one of them has an interest in the undivided.

The rights that in such cases correspond to the condominium owners, are not to titles of easement, but to condominium title.

The co-owners cannot use the common thing except for the needs of the estates in the interest of which the thing has been left undivided.

Art.2101.- Each one of the joint owners can use the totality of the common thing and its various parts as own thing, under the condition of not making it serve other uses than those to which it is destined, and not to interfere with the equal right of the other condominium owners.

The destiny of the common thing is determined, without convention, by its very nature and by the use at which has been affected.

Article 2102.- There will also be forced indivision, when the law prohibits the division of a common thing, or when prohibited by a valid and temporary stipulation of the owners, or the act of last will also temporary that does not exceed, in either case, a term of five years, or when the division is harmful for any reason, in which case it should be delayed when necessary so that there is no detriment to the condominium owners.

Article 2103.- The condominium of the walls, moats and fences that serve as a separation between two estates, is of forced indivision.

Page 261

A wall is a dividing wall and common to the neighbors of the adjoining estates who have had it built at their own expense. coast, in the separative limit of the two estates.

Article 2104.- Mediators are presumed, as long as the contrary is not proven by public instruments or private, or by material signs:

to)

the dividing walls between adjoining buildings to the common point of elevation;

b)

the dividing walls of patios, gardens, villas or other open spaces; Y

c)

the fences, fences, hedges, ditches and ditches that divide the rustic properties, unless only one of the estates is closed. The presumption remains if neither of the two is closed.

It is considered a sign contrary to the dividing of the ditches and ditches, the fact that the land is extracted to open them or to clean them in a single estate, in which case they are presumed to be the owner of the estate.

Article 2105.- The presumption of mediation does not exist when the wall or division is based exclusively on the land of one of the estates, and not on one and the other of the contiguous ones.

Art.2106.- In the conflict between a title that establishes the mediation and the signs of not having it, the title is superior to signs.

Article 2107.- The condominium owners of a wall or other dividing dividing line, are obliged in the proportion of their rights to the expenses of repairs or reconstructions of the wall or wall.

Each one of the owners of a wall can be released from contributing to the costs of conservation of the itself, renouncing the party, provided that the wall is not part of a building that belongs to it, or that the repair or construction has not become necessary due to an act of yours.

Art.2108.- The power to abandon the dividing party belongs to each of the neighbors, even in the places where the closure is forced; and as soon as the abandonment is made, it has the effect of conferring on the other the exclusive ownership of the wall and the terrain on which it rises.

The one who had abandoned the party, to free himself from contributing to the repairs or constructions of a wall, always conserves the right to reacquire it, as provided in this Code.

Art.2109.- Abandonment will be understood to be subject to the decisive condition that the wall will be repaired or rebuilt by the acquiring owner, when necessary.

Art.2110.- Whoever builds first in the towns on a land not demarcated from the neighbor by walls, you can settle half of what you build on the neighbor's land as long as the wall is made of stone or brick up to the height of two meters, and its thickness does not exceed forty-five centimeters.

Art.2111.- Every owner can oblige his neighbor to build and repair walls of the material

and thickness expressed in the previous article, that separate the adjoining estates. In default of municipal regulations that determine the height, it will be two meters.

Page 262

The required neighbor cannot be released from this obligation by abandoning the land or the wall of existing enclosure.

Art.2112.- He who has built in a place where the enclosure is forced, on his land and his shoreline, wall, or enclosure wall, you cannot claim a refund of half of your value and of the land on which it has settled, but in the case that the neighbor wants to use the wall divide.

Art.2113.- The dividing line entitles each of the joint owners to use the wall or wall mediator for all the uses to which it is destined according to its nature, provided that they are not caused damage to the wall or compromise its solidity and does not interfere with the exercise of equal rights of the neighbor. You can bring all kinds of constructions to the dividing wall, put braces in all their thickness, without prejudice to the right that the other neighbor has to make them remove up to half of the wall in the event that he also wants to put braces on it, or make a chimney pipe.

Art.2114.- Each one of the condominium owners can raise the dividing wall at their own expense, without compensating the neighbor.

due to the greater weight that you load on it, but the increase in maintenance costs will be your responsibility, if it were originated by that cause.

When the wall could not support the increase in height, the owner who wants to raise it will rebuild at its own expense and will take the surplus of the thickness from its land. Will compensate, in both cases to the neighbor, of the damage that the work has caused, with the exception of those that come from annoyances that they have not prevented or significantly diminished the use of their inheritance, provided that employed due diligence to avoid them.

Art.2115.- In the case of the previous article, the new wall, although built by one of the owners, is dividing wall up to the height of the old one and in all its thickness, except for the right of the one who has put the surplus of the terrain to retake it, if the wall becomes demolished.

Art.2116.- The neighbor who has not contributed to the expenses to increase the height of the wall, can always acquire the dividing part of the raised part, reimbursing half of those and that of the surplus land in the one that had increased its thickness.

Art.2117.- The owner whose farm adjoins a non-dividing wall, has the power to acquire the dividing wall with all its extension, or only up to the height of the dividing wall of the property of its property, reimbursing half of the value of the wall or of the portion that it acquires, as also half the value of the soil on which it has settled. If you only want to purchase the portion of the height that the dividing walls must have, he is obliged to pay the value of the wall with his foundations.

Art.2118.- The acquisition of the dividing wall has the effect of putting the neighbors on a perfect footing. equality, and gives the person who acquires it the power to request the suppression of works, openings or established lights in the dividing wall that are incompatible with the rights conferred by the dividing wall. Can not take advantage of these, to interfere with the easements with which your inheritance is encumbered.

Art.2119.- In rustic properties the dividing walls must be made at the expense community, if the two estates were enclosed. When one of the estates is without any fence, the owner of it is not required to contribute for walls, moats and dividing fences.

Page 263

Art.2120.- The provisions of the previous articles on dividing walls or walls, regarding the rights and obligations of the condominium owners among themselves, takes place, as applicable, with respect to trenches, fences or other separations of the land in the same circumstances.

Art.2121.- The existing trees in fences or dividing ditches, it is presumed that they are also dividing, and each one of the condominium owners may demand that they be taken away if they cause damage. And if they fell for some accident, they cannot be replanted without the consent of the other neighbor. The same will be observed

with respect to common trees because its trunk is at the end of the lands of various owners.

Art.2122.- These provisions shall not apply to assets that belong to the public domain of the State or of the Municipalities. The administrative rules will be observed with respect to them.

Art.2123.- The acquisition of the party is subordinate to its registration in the Real Estate Registry and to the payment of its value, if the debt is recorded in the registration. Abandonment and resignation of the party, so that they produce their legal effects.

CHAPTER IV

OF THE CONDOMINIUM DUE TO CONFUSION OF LIMITS

Art.2124.- The owner of land whose limits are confused with those of the neighboring farm, condominium with the owner of the same, and you have the right to ask that the confusing limits be investigate and demarcate.

Art.2125.- The demarcation action has as an indispensable antecedent the contiguity and confusion of two rustic properties. She is not given to divide the urban properties.

Art.2126.- This action is the sole responsibility of those who have real rights on the ground, against the owner of the adjoining farm.

Art.2127.- It can be directed against the State with respect to the lands of the private domain. The demarcation of Public domain funds correspond to the administrative jurisdiction.

TITLE VI

OF THE PROPERTY BY FLOORS AND DEPARTMENTS

CHAPTER I

OF THE GENERAL PROVISIONS

Art.2128.- The various floors of a building and the departments into which each floor is divided, as well as the single-story house apartments, when they are independent and have access to the public thoroughfare directly, or through a common passage, may belong to different owners, in accordance with the provisions of this Code.

Art.2129.- Each department will be individualized by a numerical designation registered in the Registry of Properties, for the purposes of identification.

Page 264

Art.2130.- Each owner will be the owner of the exclusive domain of his flat or apartment, or co-owner of things of common use and those necessary for your safety.

They are considered common:

to)

the land on which the building stands, the foundations, walls, masters, roofs, patios, porches, galleries and common lobbies, stairs and entrance doors;

b)

central service facilities such as elevators, hoists, heating and refrigeration, running water, gas, furnaces, waste incinerators and telephone exchange;

c)

the offices of the doorman and the administration; Y

d)

the partitions or dividing walls of the different departments.

The present enumeration is not limiting, and the common character must be determined in each case by party convention.

Art.2131.- The right of each owner over common things will be proportional to the value of their flat or department, which will be determined by agreement of the parties, or failing that, by the official value set by the Directorate of Real Estate Tax for the purposes of payment of the corresponding tax.

The condominium owner cannot waive the right to common things, nor exempt himself from the obligation to contribute to the costs of keeping such things.

Art.2132.- The common parts of the building will be subject to forced undivision, in accordance with the provisions of this Code, unless the division can be made by unanimous agreement of the owners, without the use of the thing is more uncomfortable for each of them.

Art.2133.- They will also be considered common elements, but with a limited character, as long as they are agreed by the totality of the condominium owners, those destined to the service of a certain number of departments, to the exclusion of others, such as corridors, stairs and special elevators, and

common sanitary services to the apartments on the same floor.

Art.2134.- Each owner has the right to use the common goods according to their destination, without undermine the rights of others.

Art.2135.- The rights of each owner in the common goods are inseparable from the domain, use and enjoy your respective floor or department.

In the transfer, transmission, lien or seizure of a flat or apartment, it will be understood understood these rights, and these same acts may not be carried out in relation to them, separately from the floor or department to which they access.

Art.2136.- Each owner may alienate the apartment or apartment that belongs to him and build on it. same real or personal rights, without the need to require the consent of others.

In the transfer, lien or seizure of an apartment or apartment, the rights to the use and enjoyment of common goods.