

[Letterhead of Banco Hipotecario]

Note No. 242

Buenos Aires, July 24, 2019

ARGENTINE SECURITIES COMMISSION

**Re.: Material event – Summary of
Shareholders’ Meetings of Banco
Hipotecario S.A.**

Dear Sirs,

The purpose of this notice is to comply with the provisions of the Rules issued by the Argentine Securities Commission.

Consequently, please find attached a summary of the resolutions adopted at the Extraordinary General Shareholders’ Meeting held on July 24, 2019, at the registered office of Banco Hipotecario S.A., located at Reconquista 151, City of Buenos Aires.

Yours sincerely,

/Sgd./
Ernesto Viñes
Attorney-in-fact

[Letterhead of Banco Hipotecario]

Summary of resolutions passed at the Extraordinary General Shareholders' Meeting of BANCO HIPOTECARIO S.A. held on 07/24/2019:

Outstanding Capital Stock	\$ 1,468,791,181
Present Capital Stock	\$1,410,344,420
Percentage of Present Capital Stock / Outstanding Capital Stock	96.02%
Present Votes	2,638,035,854
Percentage of Present Votes / Total Votes of Outstanding Stock	93.77%

- (i) Appointment of two shareholders to approve and sign the minutes.

The shareholders' meeting unanimously approved to appoint the representatives of shareholders NATIONAL STATE and IRSA INVERSIONES Y REPRESENTACIONES S.A. to approve and sign the Shareholders' Meeting Minutes.

One abstention for 84,006,900 votes was put on record.

- (ii) Consideration of Banco Hipotecario S.A.'s corporate reorganization, Preliminary Merger Agreement with Tarshop S.A.U. and other related documentation. Delegations and authorizations.

The shareholders' meeting unanimously approved: 1) The corporate reorganization process; 2) the preliminary merger agreement between Banco Hipotecario and Tarshop executed on June 5, 2019; 3) the delegation on the Board of Directors of the powers to accept any non-material changes and/or amendments to such documentation; 4) the authorization granted to the Board members and/or attorneys-in-fact of the Company, so that any two of them acting jointly may execute and deliver the Final Merger Agreement and 5) the authorization granted to the Board members and Esq. Lucila Huidobro and/or María Laura Barbosa and/or María Florencia Vega and/or Paula Pereyra Iraola and/or María Inés Higa and/or María de los Ángeles del Prado and/or Andrea Muñoz and/or any designees thereof so that any of them, acting indistinctly, may carry out the necessary proceedings before the CNV, the Superintendence of Corporations (IGJ) and any other Registration authority, either national, provincial and/or municipal, in order to serve notices, make filings and obtain the registration of the Final Merger Agreement, with broad powers to accept any amendments thereto imposed by the intervening authorities and/or arising from any proceedings to be carried out. Furthermore, they shall be empowered to implement any corporate decisions necessary to comply with the resolutions adopted herein, with broad powers to answer notices, information requirements, accept amendments, sign legal notices and make the necessary publications required by law, writs and deeds, make affidavits and such other act as may be necessary in connection with the process approved herein, fully in compliance with the laws and regulations in force of the Superintendence of Corporations.

No abstentions or negative votes were recorded.

- (iii) Consideration of Banco Hipotecario S.A.'s corporate reorganization, Preliminary Merger Agreement with BH Valores S.A. and other related documentation. Delegations and authorizations.

The shareholders' meeting unanimously approved: 1) The corporate reorganization process; 2) the preliminary merger agreement between Banco Hipotecario and BH Valores executed on June 5, 2019; 3) the delegation on the Board of Directors of the powers to accept any non-material changes and/or amendments to such documentation; 4) the authorization granted to the Board members and/or attorneys-in-fact of the Company, so that any two of them acting jointly may execute and deliver the Final Merger Agreement and 5) the authorization granted to the Board members and Esq. Lucila Huidobro and/or María Laura Barbosa and/or María Florencia Vega and/or Paula Pereyra Iraola and/or María Inés Higa and/or María de los Ángeles del Prado and/or Andrea Muñoz and/or any designees thereof so that any of them, acting indistinctly, may carry out the necessary

[Letterhead of Banco Hipotecario]

proceedings before the CNV, the Superintendence of Corporations (IGJ) and any other Registration authority, either national, provincial and/or municipal, in order to serve notices, make filings and obtain the registration of the Final Merger Agreement, with broad powers to accept any amendments thereto imposed by the intervening authorities and/or arising from any proceedings to be carried out. Furthermore, they shall be empowered to implement any corporate decisions necessary to comply with the resolutions adopted herein, with broad powers to answer notices, information requirements, accept amendments, sign legal notices and make the necessary publications required by law, writs and deeds, make affidavits and such other act as may be necessary in connection with the process approved herein, fully in compliance with the laws and regulations in force of the Superintendence of Corporations.

No negative votes or abstentions were recorded.

- (iv) Consideration of: (i) Banco Hipotecario's Special Balance Sheet as of March 31, 2019; (ii) Special Merger Consolidated Balance Sheet of Banco Hipotecario, Tarshop and BH Valores as of March 31, 2019; (iii) Supervisory Committee's Reports on the Special Balance Sheets stated in items (i) and (ii); and (iv) Auditors' Reports on the Special Balance Sheets stated in items (i) and (ii).

The shareholders' meeting unanimously approved the documents submitted to consideration.

No negative votes or abstentions were recorded.

- (v) Consideration of the issuance of Profit Sharing Certificate to the members of the Employee Stock Ownership Plan (*Programa de Propiedad Participada*), as set forth in Section 10, subsection a) of the Bank's Bylaws. Delegation on the Board of Directors of the power to determine the relevant amount for each fiscal year, regulation and payment method.

The shareholders' meeting unanimously approved the issuance of the "Profit Sharing Certificate", as set forth in Section 10, subsection a) of the Bank's bylaws, in accordance with the following terms:

- (i) Recipient Beneficiaries: All personnel of former Banco Hipotecario Nacional who were registered on the permanent payroll thereof as of the effective date of Decree No. 924/97, i.e. 9/27/97 and who were active employees of Banco Hipotecario S.A. and/or its subsidiaries as of the effective date of Decree No. 2127/12 (sections 7 and 14), i.e. 11/14/12;
- (ii) Effective term of the Profit Sharing Certificate: It shall be settled based on the profits recorded for fiscal years 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 2021. It shall expire at the end of fiscal year 2021. The Certificate shall lapse if, before the expiration of its effective term, the transfer price of the shares initially subject to the Program has been fully paid, and in the event of termination of the labor relationship of any employee of the Bank and/or its subsidiaries for any reason whatsoever.
- (iii) Allocation of the Certificate: It shall be distributed on an equal basis among all the active members of the PPP.
- (iv) Scope of Banco Hipotecario's profit sharing: The Certificate entitles its holder to a share over 0.50% of the annual profits of Banco Hipotecario S.A. as determined by the Ordinary General Shareholders' Meeting that approves the financial statements for each of the fiscal years comprised in the effective term.
- (v) Use of proceeds: Half of the proceeds of the Certificate (0.25% of the profits for the fiscal year) shall be transferred to the BNA in its capacity as Trustee of the PPP and used to repay the balance of the purchase price of the shares, and the other half (0.25% of the profits for the fiscal year) shall be distributed among the beneficiaries.
- (vi) Allocation of the Certificate in event of termination of the labor relationship: (a) In January of each year (as from January 2013), the Bank shall determine if any termination of the labor relationship of any Participant of the Program has occurred during the previous fiscal year (December 2012) and which Participants remain so employed in the following year (starting with an initial number of 320 employees); (b) At the time the Shareholders' Meeting approves the results for the previous fiscal year, the Board of Directors of the Bank shall set the percentage to be allocated to the payment of

[Letterhead of Banco Hipotecario]

the Profit Sharing Certificate and shall allocate it on a monthly basis equally among all the employees that have remained so employed; (c) If during such fiscal year there was any termination, the calculation shall be made up to and including the month in which it occurred; (d) and, once the former employees have been excluded, the relevant amounts for the following months shall be redistributed equally among those who have remained employed, and (e) in the event of further terminations, the same process shall be followed.

(vii) Delegation: The Shareholders' Meeting delegates on the Board of Directors the power to take and implement any further actions not otherwise set forth herein above as may be necessary for the issuance and payment of the Profit Sharing Certificate.

No negative votes or abstentions were recorded.

/Sgd./
Ernesto Viñes
Attorney-in-fact