FINANCIAL GROUPS LAW

VALID TEXT
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On the margin a seal with the national coat of arms that reads: United Mexican States. – Presidency of the Republic.

ENRIQUE PEÑA NIETO, Constitutional President of the United Mexican States, to its inhabitants, let it be known:

That the Honorable Congress of the Union has addressed to me the following

EXECUTIVE ORDER

"THE H. CONGRESS OF THE UNITED MEXICAN STATES, ENACTS:

VARIOUS PROVISIONS IN FINANCIAL MATTERS ARE AMENDED, ADDED, AND REPEALED AND THE FINANCIAL GROUPS LAW IS ISSUED.

ARTICLES FIRST TO FIFTIETH.-….

FINANCIAL GROUPS

ARTICLE FIFTY-FIRST. The "**Financial Groups Law"** is issued.

TITLE FIRST
On preliminary provisions

Article 1.- The present Law is of public order and of general observance in the United Mexican States, and its purpose is to regulate the foundations for the organization of the Holding Companies and the functioning of the Financial Groups, as well as to establish the terms under which these must operate, seeking to protect the interests those of who carry out transactions with the financial entities that conform said Financial groups.

Article 2.- Each of the financial authorities, within the scope of its respective powers and duties, shall exercise said powers and duties ensuring: the balanced development of the financial system of the country, with an appropriate regional coverage; an adequate competition between the participants in said system; the provision of the services integrated pursuant to the sound practices and financial uses; the promotion of internal savings and its adequate channeling towards productive activities; as well as, in general, that the cited system contributes to the sound growth of the national economy.

Article 3.- The financial entities must not use the same or similar denominations as other financial entities, act in a joint manner, or offer supplementary services nor, in general, represent themselves in any way as members of Financial Groups, except in the case of members of Financial Groups that are organized and work pursuant to the provisions of the present Law.

Regardless of what is set forth in the first paragraph, the financial entities and their subsidiaries may use the same or similar denominations, act in a joint manner, and offer supplementary services, only when the special laws that govern them provide for it, and they adhere to the provisions included in said statutes.

Article 4.- In what is set forth by the present Law, the following shall be applied in a supplementary manner, in the following order:

I. Commercial legislation:

II. Commercial practices and uses; cooperation

III. Civil federal legislation:

IV. The Federal Law of Administrative Procedure in respect to the processing of the motions that this law refers to, and

V. The Federal Tax Code in respect to carrying out penalties.

The financial entities that form part of the Financial Groups shall be governed by what is set forth in the applicable financial laws.

Article 5.- For effects of this Law, the following shall be understood as:

I. **Supervisory Commission**, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission; it is responsible for supervising the general functioning of the Financial Group in question, in terms of article 102 of this Law.

II. **Consortium**, the group of legal entities linked by one or more individuals, who by forming part a Group of Persons have the Control of the former.

III. **Control**, the capacity of one individual or a Group of Persons to carry out any of the following acts:

   a. Directly or indirectly imposing decisions during the meetings of general shareholders or partners, or any equivalent bodies;

   b. Appointing or dismissing the majority of the directors, administrators, or their equivalent, of a legal entity;

   c. Having ownership of rights that directly or indirectly enable the exercise of the vote in respect to more than fifty percent of the representative shares of the capital stock of a legal entity;

   d. Directly or indirectly directing the administration, the strategy, or the main policies of a legal entity, whether it be through the ownership of securities, by agreement or by any other form, or

   e. Controlling the legal entity in question by any other means.

IV. **Relevant High Officers**, the general director of a Holding Company, of each of the financial entities that form part of a Financial Group, or of the Sub-Holding Companies, as well as the individuals that occupy a position, post, or commission in the Holding Company, in the financial entities or legal entities in which said Holding Company exercises Control, and that make decisions that significantly influence the administrative, financial, operational, or legal condition of the Holding Company itself or of the Financial Group that it belongs to, without the directors of the Holding Company being included within this definition.

V. **Group of Persons**, the persons that have agreements, of any nature, for making joint decisions. It is presumed, excepting evidence to the contrary, that the following constitutes a Group of Persons:

   a. Persons that have kinship by blood, marriage, or civil relationship up to the fourth degree, spouses, female or male concubines.

   b. The companies that form part of a same Consortium or Corporate group and the person or group of persons that have Control of said companies.

VI. **Corporate Group**, the group of legal entities organized under schemes of direct or indirect participation in capital stock, in which a same company has the Control of said legal

entities. Likewise, the Financial Groups incorporated pursuant to this law shall be considered Corporate Groups.

VII. **Financial Group**, a group composed of the Holding Company and its financial entities, authorized by the Ministry to function as such, in terms of article 11 of this Law.

VIII. **Real Estate Companies**, the legal entities that are owners of goods tied to offices of the Holding Company or of the other members of the Financial Group.

IX. **Institutional Investors**, insurance and bonding companies, only when they invest their technical reserves; investment funds; companies specialized in retirement funds; pensions or employee retirement funds, supplementary to those established by the Social Security Law and to seniority premiums that comply with the requisites indicated in the Income Tax Law, as well as to the others that the Ministry expressly authorizes as such, hearing the opinion of the National Banking and Securities Commission.

X. **Related Parties,** those that fall in any of the following categories in respect to a Holding Company;

a. The persons that exercise the Control in a financial entity or legal entity that forms part of the Corporate Group or Consortium to which the Holding Company belongs, as well as the directors or administrators of the members of the Financial Group and the Relevant High Officers.

b. The persons that have Decision-Making Powers in a financial entity or legal entity that forms part of the Corporate Group or Consortium to which the Holding Company belongs.

c. The spouse, the female or male concubine and the persons that have kinship by blood, marriage, or civil relationship up to the fourth degree with individuals that fall under any of the categories indicated in subparagraph a) and b) above, as well as the partners and co-owners of the individuals mentioned in said subparagraphs with which they have business relations.

d. The financial entities and legal entities that are part of the Corporate Group or Consortium that the Holding Company belongs to.

e. The legal entities over which any of the persons referred to in subparagraphs a) to c) above exercise the Control.

XI. **Decision-Making Power**, the capacity to influence, in a decisive manner, in the agreements adopted in the shareholders' meetings or in the managing boards' sessions or in the management, conducting, or execution of the businesses of a Holding Company, or of the financial entities or legal entities in which it exercises the Control. It is assumed that the persons that fall in any of the following categories have Decision-Making Powers in a legal entity, excepting evidence to the contrary:

a. Controlling shareholders;

b. The individuals that have relations with a Holding Company or with the financial entities or legal entities that form part of the Corporate Group or Consortium that it belongs to, through lifelong or honorary posts or with any other title analogous or similar to those aforementioned.

c. The persons that transferred the Control of the legal entity under any title and for free or at a value below that of the market or book value, in favor of individuals with whom they have kinship by blood, marriage, or civil relationship up to the fourth degree, or with their spouse or female or male concubine.

d. Those who instruct directors of a legal entity or Relevant High Officers in the making of decisions or the execution of transactions in the companies or the legal entities in which they exercise control.

XII. **Service Providers**, the companies that provide supplementary or auxiliary services to the Holding Company itself or to the other members of the Financial Group.

XIII. **Ministry**, the Ministry of Finance.

XIV. **Holding Company**, the corporation authorized by the Ministry to organize as such, in terms of the present Law.

XV. **Sub-Holding Company**, the corporation whose exclusive purpose is to acquire and administer shares of financial entities and Service Providers and Real Estate Companies, in terms of what is set forth in this Law and in which the Holding Company has ownership interest of at least fifty-one percent, provided that it has the Control of the same.

The terms indicated above may be used as singular or plural, without it being understood that the meaning has changed as a result.

Article 6.- The Federal Executive, through the Ministry, may interpret the precepts of this Law for administrative effects, as well as the provisions of general nature issued by the Ministry itself in the exercise of the powers and duties that the present Law grants it.

Article 7.- Unless another term is established in the specific provisions, the latter may not exceed ninety days for the administrative authorities to resolve what corresponds. Once the applicable term has elapsed, it shall be understood that the resolution has a negative sense for the petitioner, unless the contrary is provided in the applicable provisions. At the request of the interested party, a record of such circumstance must be issued, within the two business days following the presentation of the respective request before the competent authority that must resolve it, pursuant to the respective Internal Regulations. If the mentioned record were not issued within the cited term, the applicable liability shall be applied.

The presentation and term requisites, as well as other relevant information applicable to the requests made by the Holding Companies, must be specified in the provisions of general nature issued by the Ministry.

When the initial statement does not contain the information or does not comply with the requisites set forth in the applicable provisions, the authority must alert the interested party, in writing and on only one occasion, so that within a term that may not be fewer than ten business days, it may correct the omission. Unless another term is specified in the specific provisions, said alert must be sent no later than within half of the term for response by the authority and, when this term is not specified, within the twenty business days following the presentation of the initial statement.

Once the alert has been sent, the term for the administrative authorities to resolve the situation shall be suspended and shall resume starting from the business day following the day when the interested party responds. In the event that the alert is not presented within the term indicated, the authorities shall dismiss the initial statement.

If the authorities do not make the request for information within the corresponding term, they may not reject the initial statement for being incomplete.

Excepting expressed provisions to the contrary, the terms for the authorities to respond shall start to run on the business days following the presentation of the corresponding statement.

For effects of the present Law, the terms set in days shall be understood as referring to calendar days, unless a term is expressly indicated as referring to business days.

Article 8.- The term that the article above refers to shall be applicable to the requests where, through expressed provision of this Law, the administrative authorities must hear the opinion of other

authorities, other than those related to authorizations concerning the organization, merger, split-off, and bankruptcy proceedings of the Holding Companies. In these cases, the term for the administrative authorities to resolve the request shall not exceed one hundred and eighty days, and the other rules indicated in article 7th of this law shall apply.

Article 9.- The competent administrative authorities, at the request of the interested party, may increase the terms established in the present Law, without said increase exceeding, in any case, half of the term originally established in the applicable provisions, when the issue calls for it and there is no reason to believe that the rights of third parties are infringed upon.

Article 10.- The terms that the article above refers to shall not be applicable to the authorities in the exercise of their powers and duties of supervision, inspection, and surveillance.

TITLE SECOND
On the organization of the Holding Companies and the incorporation and functioning of Financial Groups

CHAPTER I
On organization

Article 11.- Authorization from the Ministry for the organization of the Holding Companies and the incorporation and functioning of Financial Group shall be required. These authorizations shall be granted and denied at the discretion of said Ministry, hearing the opinion of the Banco de México and, where appropriate, the approval of the members of the Financial Group that intends to organize, of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission.

Due to their nature, these authorizations may not be transferred.

Once the Ministry, for its part, has granted the authorization that this article refers to, it shall notify of the respective resolution and shall issue a favorable opinion in respect to the preliminary versions of corporate bylaws and of liability agreements of the company in question, to the ends that the acts aimed toward the organization of the Holding Company be carried out, for which the petitioner shall have a term of ninety days counting from said notice to present the public instruments where the corporate bylaws and the liability agreement of the company are recorded in terms of this Law, for their approval.

These authorizations, as well as their modifications, shall be published, at the cost of the interested party, in the Federal Official Gazette.

Article 12.- The Financial Groups that the present Law refers to shall be made up of one Holding Company and some of the following financial entities that are considered members of the Financial Group: general deposit warehouses, foreign exchange firms, bonding companies, insurance companies, securities firms, commercial banks, managing companies of investment funds, distributors of investment funds shares, retirement fund management companies, multi-purpose financial companies, and popular financial companies.

The Financial Group shall be made up of at least two of the financial entities indicated in the paragraph above, which may be of the same kind. As an exception to the foregoing, a Financial Group may not be made up of only two multi-purpose financial companies.

Only those financial entities in which the Holding Company directly or indirectly keeps more than fifty percent of the representative shares of its capital stock may be members of the Financial Group.

Likewise, the Holding Company, through Sub-Holding Companies or through other financial entities, may indirectly remain a shareholder of the financial entities that are members of the Financial Group, as well as those financial entities that are not members of the Financial Group and the Services Providers and Real Estate Companies, independent of the prohibitions set forth in the respective special laws.

The financial entities in which a commercial bank, securities firm, or insurance company that forms part of a Financial Group participates in their capital stock with more than fifty percent, shall also be members of the Financial Group.

Article 13.- The financial entities that are members of a Financial Group may:

I. Act jointly before the public, offer supplementary services, and present themselves as members of the Financial Group in question.

II. Use the same or similar denominations to identify them before the public as members of the same Financial Group, or keep the denomination that they had before forming part of said Financial Group. In any case, the words Financial Group and the denomination of the same must be added.

III. Carry out the transactions that are their own through offices and branches for attention to the public of other financial entities that are members of the Financial Group, pursuant to what is established in the Only Chapter of Title Fourth of the present Law.

In no case may transactions of the financial entities, members of the Financial Group, be carried out through the offices of the Holding Company.

Article 14.- The authorization request to organize as a Holding Company and to be incorporated and function as a Financial Group must be presented before the Ministry, accompanied by the following documentation:

I. Preliminary version of the corporate bylaws, which must consider the corporate purpose, as well as the requisites that must be included in terms of the present law and the other applicable provisions. The preliminary version of the bylaws of the Holding Company must contain the general criteria to be followed to avoid conflicts of interest between the members of the Financial Group;

II. List of the persons that intend to have a direct participation in the capital stock of the Holding Company and of the persons that intend to have an indirect participation of more than 5% of said Company, that must include, pursuant to the provisions of general nature issued to the effect by the Ministry, the following;

   a. The amount of the capital stock that each of them subscribes of the percentage of the indirect participation and the origin of the resources that are used for such effect;

   b. The financial condition in case of individuals or audited financial statements in case of legal entities, in both cases, for the last three years, and

   c. Documentation verifying their economic solvency, honorability, and satisfactory business and credit history.

III. List of persons proposed as directors, general director, and main high officers of the Holding Company, accompanied by the information that attests that said persons comply with the requisites that this Law establishes for said posts;

IV. The general structure of the Financial Group that is intended to be incorporated, that includes the list of shareholders of each of the financial entities that integrate said group and the percentage of shares held by each of them;

V. The preliminary versions of the bylaws of the financial entities that integrate the Financial Group and, where appropriate, of the financial entities in which said Group intends to acquire the shareholding of fifty percent or less of the respective capital stock, as well as those of Service Providers and Real Estate Companies. In cases of incorporated financial entities or Service Providers or Real Estate Companies, the public instrument granted before a Notary Public must be presented and must include the valid bylaws, as well as

the preliminary version of the modifications that shall be applicable due to the creation of the Financial Group;

VI. The preliminary version of the liability agreement that article 119 of this Law refers to;

VII. The audited financial statements that present the condition of the incorporated financial entities or, where appropriate, the forecasted statements of the entities that were not incorporated and that shall form part of the Financial Group, as well as the financial forecasts for the integration of the Financial Group;

VIII. The agreements pursuant to which the Holding Companies, where appropriate, shall acquire the representative shares of the capital stock of the financial entities in question;

IX. The strategic financial program for its organization, administration, and internal control, and

X. The other documentation that, where appropriate, is requested by the Ministry to the effect of evaluating the corresponding request.

For effects of subsection I above, the Ministry shall be empowered to establish the measures aimed at avoiding conflicts of interest between the participants of the Financial Group through provisions of general nature, having the protection of the interests of the public as the fundamental purpose at all times.

The Ministry shall have the power to verify that the request that the present article refers to complies with what is set forth in this Law, as well as to corroborate the veracity of the provided information and, for this purpose, the offices and entities of the Federal Public Administration, as well as the other federal entities, shall deliver the requested information, without, for this case, any kind of obligations to keep the respective information confidential, reserved, or secret being applicable. Likewise, the Ministry, through the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission, as appropriate, may request that foreign organizations with similar duties of supervision or regulation corroborate the information provided to the effect.

Article 15.-The direct or indirect incorporation of financial entities as members of a Financial Group that is already incorporated shall require authorization from the Ministry. Said authorization shall be granted or denied at the discretion of the same Ministry, hearing the opinion of the Banco de México and, where appropriate, of the National Banking and Securities Commission, of the National Insurance and Bonding Commission, or of the National Pensions System Commission.

The corresponding request must be accompanied by:

I. The preliminary version of the minutes of the meeting of the shareholders of both the Holding Company and the financial entities that intend to integrate the Financial Group, that contains the agreements relative to the incorporation;

II. The general structure of the Financial Group after the incorporation;

III. The preliminary version of the bylaws of the financial entity or entities that will incorporate. In cases of entities or companies that are already incorporated, a public instrument granted before a notary public that includes the valid bylaws, as well as the preliminary versions of the modifications that would take place in view of their integration;

IV. The preliminary version of the modification to the corresponding liability agreement;

V. The audited financial statements that present the condition of the entity or entities to be incorporated, as well as a forecast of the consolidated financial statements of the Financial Group after the incorporation;

VI. The programs and agreements pursuant to which the incorporation shall be carried out;

VII. The list of shareholders of the financial entity or entities and the shareholding percentage of each of them, and

VIII. The other documentation that, where appropriate, is requested by the Ministry to the effect of evaluating the corresponding request.

Article 16.- The separation of one or some of the members of the Financial Group must be authorized by the Ministry, hearing the opinion of the Banco de México and, where appropriate, of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission.

The respective request must be accompanied by:

I. The preliminary version of the minutes of the meeting of the shareholders of both of the Holding Company and the financial entities willing to separate from the Financial Group, that contains the agreements relative to the separation;

II. The general structure of the Financial Group after of the separation;

III. A public instrument granted before a notary public that contains the valid bylaws, as well as the preliminary versions of the modifications that shall be carried out due to its separation from the Financial Group;

IV. The modifications to preliminary version of the corresponding liability agreement;

V. The audited financial statements that present the condition of the entity or entities that will separate, as well as a forecast of the consolidated financial statements of the Financial Group after the separation, and

VI. The other documentation that, where appropriate, the Ministry requests to the effect of evaluating the corresponding request.

When the authorization for the separation that this article refers to takes effect, the financial entity or entities that separated must stop representing themselves as members of the respective Financial Group.

When the Institute for the Protection of Bank Savings subscribes or acquires fifty percent or more of the capital stock of a commercial bank that is a member of the Financial Group, what is set forth in the first paragraph of the present article shall not be observed. The separation of the commercial bank from the Financial Group shall take effect starting from said subscription or acquisition, for which the sole liability agreement shall be held as modified in this sense.

The separation of the financial entities shall be carried out even if the liabilities of the Holding Company that this Law refers to, shall continue to exist for as long as the losses that, in its case, the financial entities register are not covered.

Article 17.- For the merger of two or more Holding Companies or Sub-Holding Companies, or of any company or financial entity with a Holding Company or with a Sub-Holding Company, as well as for the merger of two or more financial entities that are members of the same Financial Group, or of a financial entity that is a member of a Financial Group with another financial entity or with any company, the previous authorization or the Ministry shall be required, hearing the opinion of the Banco de México and, where appropriate, of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission.

To request the authorization that the present article refers to, the following must be presented to the Ministry:

I. Preliminary version of the minutes of the meeting of the extraordinary general shareholders of the respective companies that contains the agreements relative to the merger;

II. Preliminary version of the merger agreement;

III. Preliminary version of the modifications that, where appropriate, shall be made to the bylaws of the companies themselves that are merging and to the corresponding liability agreement;

IV. Merger program of said companies, with indication of the stages in which it must be carried out;

V. The audited financial statements that present the condition of the companies and that serve as the basis for the meeting that authorizes the merger;

VI. The forecasted financial statements of the company that will result from the merger;

VII. List of and information concerning the persons that directly or indirectly intend to participate in the capital stock of the merging company, that must include, pursuant to the provisions of general nature issued to the effect by the Ministry, the following:

  a. The amount of the capital stock that each of them shall subscribe and the origin of the resources used for such effect;

  b. The financial condition in case of individuals or audited financial statements in case of legal entities, in both cases for the last three years, and

  c. Documentation that enables verification of their honorability and satisfactory credit and business history.

VIII. List of the possible directors, general director, and main high officers of the Holding Company or of the financial entity that results from the merger, accompanied by the information that attests that said persons comply with the requisites that this law establishes for said posts;

IX. Strategic financial program for the organization, administration, and internal control of the company that results from the merger, and

X. The other related documentation and information that the Ministry requires for such effect.

The merging company shall be obligated to continue with the processes of the merger and shall assume the obligations of the merged company from the time at which the merger was agreed upon, provided that said act was authorized in the terms of the present article.

The authorization granted by the Ministry for the merger of a Holding Company or of a financial entity, as merged, shall supersede the authorization granted to these to organize, incorporate, operate, and function as such without effect, without the issuance of an explicit declaration by the cited Ministry or by the entity that granted the referred to authorization that is no longer valid being necessary. Where appropriate, from the time at which the merger of a Holding Company as merged takes effect, the financial entities that formed part of the Financial Group must stop representing themselves as members of the same, for which they must previously modify their corporate denominations.

Article 18.- The split-off of a Holding Company or of a Sub-Holding Company must be previously authorized by the Ministry, who shall hear the opinion of the Banco de México, and where appropriate, of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission.

To request the authorization that the present article refers to, the surviving entity shall present the following to the Ministry:

I. Preliminary version of the minutes of the meeting of the extraordinary general shareholders that contains the agreements relative to its split-off;

II. Preliminary version of bylaw amendments of the surviving entity;

III. Preliminary version of the corporate bylaws of the disappearing entity;

IV. Audited financial statements that present the condition of the surviving entity, as well as the forecasted financial statements of the companies that result from the split-off, and

V. The other documentation that, where appropriate, the Ministry requests to the effect of evaluating the corresponding request.

The disappearing entity of a Holding Company shall be understood as not authorized to organize and operate as a Holding Company of a Financial Group.

By reason of the split-off, active or passive transactions by the financial entities may not be transferred to the disappearing entity, except in the cases in which it is authorized by the competent authority in terms of the applicable legal provisions or, in its defect, by the Ministry.

In the event that the split-off produces the extinction of the Holding Company, the authorization granted to the latter to organize as such and function as Financial Group shall be no longer valid, without the need for the issuance of an expressed declaration by the cited Ministry. From the time in which the split-off takes effect, the financial entities that were part of the Financial Group must stop representing themselves as members of the same.

Article 19.- The corporate acts authorized in terms of articles 15, 16, 17, and 18 of the present Law shall take effect starting from the date on which the public instruments in which the meeting agreements where such acts are resolved are registered in the Public Registry of Commerce, as shall the respective authorizations.

The authorizations of the Ministry and the agreements adopted by the shareholders meeting that the paragraph above refers to shall be published in the Federal Official Gazette.

During the ninety days following the date of publication that the paragraph above refers to, the creditors of the Holding Companies, including those of the other financial entities of the Financial Group or Groups that, where applicable, the companies object of incorporation, separation, merger, or split-off belong to, may judicially oppose the same, with the sole purpose of obtaining the payment of their credits, without this opposition suspending the respective act.

The authorizations that the first paragraph of the present article refers to shall adhere to what is set forth by this Law, and what is set forth in the respective special laws shall not be applicable.

Article 20.- The bylaws of the Holding Company, of the Sub-Holding Companies, and of the Service Providers and Real Estate Companies, as well as the only liability agreement that article 119 of this law refers to, and any modifications to said document, shall be submitted for the approval of the Ministry, who shall grant or deny it, hearing the opinion of the Banco de México, and where appropriate, of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission.

Once the corporate bylaws, the only liability agreement or its modifications have been approved, the public instrument in which these are recorded must be registered in the Public Registry of Commerce.

Article 21.- The Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, shall issue the general rules that regulate the other terms and conditions for the organization of Holding Companies and the functioning of Financial Groups, pursuant to what is set forth in the present Law.

Likewise, the Ministry shall issue provisions of general nature in order to prevent the conflicts of interest that present themselves in the execution of the powers of administration or of management,

conducting, or execution of the corporate businesses of the Financial Group, in respect to the administration and management, conducting, or execution of the corporate businesses or one or more of the entities that integrate it, for which, said Ministry shall be empowered to exempt one or more entities from the application of some provisions of the present Law.

CHAPTER II
On Functioning

Article 22.- One Holding Company must have the Control of the general shareholders' meetings and of the administration of all the financial entities that are members of each Financial Group.

Likewise, the Holding Company shall have the possibility to appoint and dismiss the majority of the members of the managing board of each of the financial entities that are members of the Financial Group.

Article 23.- The Holding Companies' purpose shall be to participate, directly or indirectly, in the capital stock of the financial entities that are members of the Financial Group and to establish, through its corporate organizations, the general strategies to conduct the Financial Group, as well as to carry out the acts set forth in the present Law. In no case may the Holding Company execute transactions corresponding to the financial entities themselves that are members of the Financial Group.

The duration of the Holding Companies shall be indefinite and its corporate domicile shall be on national territory.

Article 24.- The capital stock of the Holding Companies shall be made up of an ordinary portion and, where appropriate, by an additional portion.

Series "O" shares shall conform the ordinary capital stock of the Holding Companies. Where appropriate, the additional capital stock shall be represented by series "L" shares, which may be issued for up to an amount equivalent to forty percent of the ordinary capital stock, through previous authorization of the Ministry.

The representative shares of the series "O" and "L" shall be of free subscription.

The foreign governments may not directly or indirectly participate in the capital stock of the Holding Company, except in the following cases:

I. When they do so, due to reasonable measures of temporary nature such as financial aid or rescue.

   The Holding Companies that fall under what is set forth in this subsection must deliver information and documentation to the Ministry that attests to the fulfillment of what is indicated above, within the fifteen business days following when they incur said event. The Ministry shall have a term of ninety business days, counting from when it receives the corresponding information and documentation to resolve if the participation in question falls under the category of exception set forth in this subsection.

II. When the corresponding participation implies that there shall be Control of the Holding Company, and it is done through official legal entities, such as funds and government promotion entities, among others, through previous discretional authorization of the Ministry, provided that at its judgment, said persons attest that:

   a. They do not exercise duties of authority, and

   b. Their decision bodies operate independently from the foreign government in question.

III. When the corresponding participation is indirect and does not imply that there is Control of the Holding Company. The foregoing, independent of the notices or requests for authorization that must be carried out pursuant to what is established in this Law.

Article 25.-The shares shall be of equal value; within each series, they shall grant their holders the same rights and must be fully paid in the act of being subscribed. The mentioned shares shall be kept in deposit of any of the securities depositary institutions regulated by the Securities Market Law, which in no case shall be obligated to deliver them to the holders.

The series “L” shares shall be of limited vote and shall grant the right to vote only in the issues relative to change of purpose, merger, split-off, transformation, dissolution, and bankruptcy proceedings, as well as the cancellation of its registration in any stock exchange.

Also, the series “L” shares may grant the right to receive a preferable and accumulative dividend, as well as a dividend above that of the representative shares of the ordinary capital stock, provided that it is so established in the corporate bylaws of the issuing company. In no case may the dividends of this series be below those of other series.

The companies may issue unsubscribed shares, which shall be kept in the treasury, and shall not be calculated for effects of determining the limits of shareholding that this Law refers to. The subscribers shall receive the respective proof against the total payment of their face value and of the premiums that, where appropriate, the company sets.

Article 26.- The persons that acquire or transfer series “O” shares for more than two percent of the capital stock of a Holding Company or that with said acts go over the cited percentage, must give notice to the Ministry within the three business days following to acquisition or transfer.

Article 27.- Financial entities, including those that form part of the respective Financial Group may not directly or indirectly participate in the capital stock of the Holding Company, except when they act as Institutional Investors, in the terms of this article.

Except for the case set forth in the following paragraph, insurance and bonding companies, acting as Institutional Investors, and where appropriate, any other Institutional Investor that is a member or directly or indirectly controlled by members of a Financial Group, may not acquire representative shares of the capital stock of the Holding Company or of the other members of the Financial Group.

The investments carried out, individually or jointly, by investment funds directly or indirectly controlled by financial entities that are members of a Financial Group, in shares and subordinated debentures issued by the Holding Company and other members of the Financial Group, may in no case be above ten percent of the total of such shares and debentures.

Article 28.- Any individual or legal entity may, through one or various simultaneous or successive transactions, acquire series “O” shares of the capital stock of a Holding Company, provided it/he/she adheres to what is set forth by this article.

When the intention is to directly or indirectly acquire more than five percent of the paid-in capital stock, the previous authorization of the Ministry must be obtained. The Ministry may grant said authorization at its discretion, after hearing the opinion of the Banco de México, and as the case may be, of the National Banking and Securities Commission, of the National Insurance and Bonding Commission, or of the National Pensions System Commission. In these cases, the persons that intend to carry out the mentioned acquisition must attest that they comply with the requisites established in subsection II of article 14 of this Law, as well as provide the information established for such effect through rules of general nature to the Ministry.

In the event that a person or Group of Persons, shareholders or not, intend to directly or indirectly acquire twenty percent or more of the representative shares of the series “O” of the capital stock of the Holding Company or the Control, they must previously request the authorization of the Ministry, who may grant it and its discretion, for which it must hear the opinion of the Banco de México, and as the case may be, of the National Banking and Securities Commission, of the National Insurance and

Bonding Commission, or of the National Pensions System Commission. Said request must contain the following:

I. List and information of the person or persons that, where appropriate, intend to acquire the shares, which must be accompanied by the information that attests to the compliance with what is indicated in the second paragraph of the present article;

II. List of the directors and high officers that would be appointed in the Holding Company that they intend to acquire the Control of, attaching the information that attests that said persons comply with the requisites that this Law establishes for said posts;

III. Where appropriate, the modifications of the strategic program for its organization, administration, and internal control, and

IV. The other related documentation requested by the Ministry to the effect of evaluating the corresponding request.

The authorization of the Ministry shall be required. The Ministry may grant said authorization at its discretion, after hearing the opinion of the Banco de México, and as the case may be, of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, for any individual or legal entity to directly or indirectly acquire more than five percent of the paid-in capital stock of a Sub-Holding Company. The persons that intend to carry out the mentioned acquisition must attest that they comply with the requisites established in subsection II of article 14 of this Law.

The direct or indirect acquisition of twenty percent or more of the representative shares of the paid-in capital stock of a Sub-Holding Company shall adhere to what is set forth in this article for Holding Companies.

Article 29.-The Holding Company shall abstain, when appropriate, from carrying out the registration in the registry that articles 128 and 129 of the Business Associations Law refers to, of the transfer of shares that are done contrary to what is set forth by articles 24, 26, 27, 28, 74, and 75 of the present Law, and shall inform such circumstance to the Ministry and to the Supervising Commission, within the five business days following the date on which it has knowledge of this.

When the acquisitions and other legal acts through which the ownership of representative shares of the capital stock of a Holding Company are directly or indirectly obtained are done contrary to what is set forth by the articles indicated in the paragraph above, the property and corporate rights inherent to the corresponding shares of the Holding Company shall be suspended and, therefore, may not be exercised, until it is attested that the corresponding authorization or resolution has been obtained or that the requisites that this Law considers are fulfilled.

Article 30.- The Holding Companies may issue subordinated debentures adhering to what is set forth in this Law and in article 64 of the Credit Institutions Law.

Article 31.- The persons that attend in representation of the shareholders in the meeting of the Holding Company shall attest their capacity through the power granted in forms drafted by the Holding Company itself, that fulfill the following requisites:

I. Obviously indicate the denomination of the Holding Company, as well as the respective agenda;

II. Include space for the instructions indicated by the grantor for the exercise of the power, and

III. Be numbered and signed by the secretary or assistant secretary of the managing board of the Holding Company, before its delivery to the shareholders.

The Holding Company must have the forms of the powers at the disposal of the shareholders, during the term that article 173 of the Business Associations Law refers to, to the ends that the shareholders may transmit them in due time to the entities representing them.

The tellers shall be obligated to verify the observance of what is set forth in this article and announce this at the meeting, which shall be recorded in the respective minutes.

Article 32.- All the issues to be dealt with in the shareholders' meeting must be included in the agenda, including those contained in the area of general issues.

The documentation and information related to the items to be dealt with in the corresponding shareholders' meeting must be put at the disposal of the shareholders for at least fifteen days before it is held.

CHAPTER III
On Administration

Article 33.- The Holding Companies shall have entrusted to them the administration of a managing board and a general director, which shall perform the duties that the present statute establishes.

Article 34.- The managing board of the Holding Companies shall be integrated by a minimum of five and a maximum of fifteen directors, of which at least twenty-five percent must be independent. An alternate may be appointed for each regular director, on the understanding that the alternate directors for the independent directors must also be independent.

Likewise, the managing board shall appoint a secretary that shall not form part of said board, who shall be subject to the obligations and liabilities that this legal statute establishes.

An independent director must be understood as a person that is not part of the administration of the respective Holding Company, of the financial entities or Sub-holding Companies or of other companies that integrate the Corporate Group or the Consortium in question, and that fulfills all the requisites and conditions determined by the National Banking and Securities Commission through provisions of general nature that the Credit Institutions Law refers to, in which the events under which it shall be considered that a director is no longer independent shall also be established for effects of this Law.

The directors shall continue in the performance of their duties, even when the term for which they were appointed has concluded or due to resignation from the post, for a term up to thirty days, when a substitute has not been appointed or has not taken possession of the post, without being subject to what is set forth in article 154 of the Business Associations Law.

The managing board may appoint provisional directors, without the intervention of the shareholders' meeting, when any of the events indicated in the paragraph above or in article 155 of the Business Associations Law occurs. The shareholders' meeting of the Holding Company shall ratify said appointments and shall designate the alternate directors in the meeting following when the event occurs, independent of the right that the shareholders of the Holding Company have to appoint directors pursuant to what is established in article 64, subsection IV of the present legal statute.

Article 35.- The appointments of the directors of the Holding Companies must fall upon persons that demonstrate technical quality, honorability, and a satisfactory credit history, as well as broad knowledge and experience in the financial, legal, or administrative subjects.

In no case may the following be directors:

I. The officials and employees of the Holding Company, except for its general director and the high officers that occupy posts in the two administrative hierarchies immediately below the latter during the twelve months immediately before the moment in which the appointment is intended to be done, without these constituting more than one third of the managing board;

II. The spouse or the female or male concubine of any director, or persons that have kinship through blood, marriage, or civil union up to the fourth degree with more than two directors;

III. Persons that have suits pending with the Holding Company or with one or more of the financial entities or Sub-Holding Companies;

IV. Persons convicted of deceitful property crimes; those disqualified from exercising commerce or from performing a position, post, or commission in the public service, or in the Mexican financial system;

V. Those that are declared in bankruptcy or business reorganization;

VI. The public officers that carry out duties of inspection and surveillance, or duties of regulation, in the Holding Company, in the financial entities or in the Sub-Holding Companies, except if there is participation of the federal government in the capital stock of the referred to Holding Company or the entities mentioned or receive support from the Institute for the Protection of Bank Savings, and

VII. Persons that performed the post of external auditor of the Holding Company, of any of the financial entities or of the Sub-Holding Companies or that formed part of the same Consortium that said company belongs to, during the twelve months immediately prior to the date of the appointment.

The directors of the Holding Companies and of the Sub-Holding Companies that participate in the managing board of the Holding Companies of other Financial Groups or of financial entities that are or are not members of their Financial Group, must reveal such circumstance to the shareholders' meeting in the act of their appointment.

The majority of the directors must be Mexican or foreign residents on national territory, in terms of what is set forth in the Federal Tax Code.

Article 36.- The managing board of the Holding Companies, for the performance of the duties that this law determines, shall have the assistance of one or more committees that are established for such effect. The committee or committees that develop the activities in matters of corporate practices and of auditing that this Law refers to, shall be exclusively integrated by independent directors and by at least three members appointed by the board itself, at the proposal of said corporate body.

When, for any reason the minimum number of members of the committee that performs the duties in matters of corporate practices and of auditing is missing, and the managing board has not appointed provisional directors pursuant to what is established in article 134 of this Law, any shareholder may request to the chairman of said board, to call a general shareholders' meeting in a term of three days, for the latter to make the corresponding appointment. If the indicated call were not done within the term, any shareholder may resort to the judicial authority of the domicile of the Holding Company, so that it may make the call. In the case that the meeting did not meet, or once having met, the appointment were not made, the judicial authority of the domicile of the Holding Company, at the request and proposal of any shareholder, shall name the corresponding directors, who shall function until the general shareholders' meeting makes the definitive appointment.

Likewise, the managing board of the Holding Companies may have an executive committee in which the officials of the two first levels of the other entities that are members of the Financial Group and legal entities in which said Holding Company exercised the Control shall participate, with the ends of aiding in the fulfillment of the duties of management and conducting of the businesses of the financial entities that are members of the Financial Group.

Article 37.- The independent directors and, where applicable, the respective alternates, must be selected due to their experience, capacity, and professional prestige, also considering that due to their characteristics, they may perform the duties free from conflict of interest and without being subject to personal, financial, or economic interests.

The general shareholders' meeting in which the members of the managing board are appointed or ratified, or where appropriate, in which said appointments and ratifications are announced, shall determine the independence of the directors. Independent of the foregoing, in no case may the following persons act as independent directors;

I. The Relevant High Officers, the high officers of the Corporate Group or the Consortium that the Holding Company belongs to, the examiners of the entities that are members of the Financial Group or Sub-Holding Companies, or the persons that have occupied any of these posts during the twelve months immediately before the time at which the appointment is intended to be made.

II. The individuals that have Decision-Making Power in the Holding Company or in any of the financial entities or the Sub-Holding Companies that form part of the Corporate Group or the Consortium that said Holding Company belongs to.

III. The shareholders that are part of the Group of Persons that has the Control of the Holding Company.

IV. The service providers, suppliers, debtors, creditors, partners, directors, or employees of a business that is an important service provider, supplier, debtor, or creditor in the Holding Company.

It shall be considered that a service provider or supplier is important when the income that comes from the Holding Company represents more than ten percent of its total sales, during the twelve months prior to the date of the appointment. Likewise, it shall be considered that a debtor or creditor of the Holding Company is important when the amount of the credit is greater than fifteen percent of the assets of the Holding Company itself or of its counterpart.

V. The employees of a foundation, association, or non-profit organization that receive important donations from the Holding Company, or from any of the financial entities or Sub-Holding Companies that form part of the Corporate Group or Consortium that said Holding Company belongs to.
Donations that represent more than fifteen percent of the total donations received by the foundation, association, or non-profit organization in question shall be considered important donations.

VI. The general directors or high officers of a company in whose managing board a Relevant Director participates.

VII. Those that have kinship by blood, marriage, or civil relationship up to the fourth degree, as well as the spouses, female or male concubine of any of the individuals referred to in the subsections I to VI of this article.

The independent directors that stop being independent during their tenure must report this to the managing board no later than in the following session of said body.

The Supervisory Commission, after the right to be heard of the Holding Company and of the director in question, and with agreement of its Board of Directors, may contest the independence of the members of the managing board, when there are elements that show a lack of independence pursuant to what is set forth in the subsections I to VII of this article, in which case they shall loss their referred to capacity. The cited Commission may contest the independence that this article refers to when it is detected that during the assignment of some director, the latter falls in any of the categories that this article refers to.

Article 38.- The managing board must hold sessions at least four times during each fiscal year.

The chairman of the managing board or of the committee or committees that carry out the duties of auditing and corporate practices that this law refers to, as well as twenty-five percent of the

directors of the Holding Company, may call a board session and insert the points that they deem relevant into the agenda.

The external auditor of the Holding Company may be called to the session of the managing board, as a guest with voice but no vote, having to abstain from being present during discussion of those issues on the agenda for which he/she has a conflict of interest or that may compromise his/her independence.

Article 39.- The managing board must deal with the following issues:

I. Establishing the general strategies of the Financial Group, as well as the general strategies for the management, conducting, and execution of the business of the Holding Company, financial entities, and Sub-Holding Companies.

II. Surveying, through the committee on corporate practices, the managing and conducting of the Holding Company, of the financial entities, and of the Sub-Holding Companies in which said company exercises the Control, considering the relevance that the latter have for the financial, administrative, and legal conditions of the Financial Group jointly, as well as the performance of the Relevant High Officers. The foregoing, in terms of what is established in articles 56 to 58 of this Law.

III. Approving, with the previous opinion of the committee that is competent:

a. The policies and guidelines for the use and enjoyment of the goods that make up the equity of the Holding Company, as well as of the financial entities and other legal entities in which it exercises control, by part of the Related Parties.

b. The acts with Related Parties that the Holding Company intends to execute, each of them individually.

The acts that are indicated in the following shall not require approval of the managing board, provided that they adhere to the policies and guidelines approved by the board for such effect:

1. Those that based on their amount are not relevant for the Financial Group jointly, in terms of the general rules that regulate the terms and conditions for the organization of Holding Companies and functioning of Financial Groups.

2. The acts that are done between the Holding Company and the financial entities that are members of the Financial Group or Sub-Holding Companies, provided that:

i. They are of the ordinary and regular line of business of the business.

ii. They are considered events to market prices or supported in valuations done by external specialist agents.

3. Those that are done with employees of the Holding Company, of the financial entities that are members of the Financial Group or of the Sub-Holding Companies, provided that the same conditions that are carried out with any client take place or as a result of the work benefits of general nature.

c. The acts that are executed, either simultaneously or successively, that due to their characteristics may be considered jointly and that are intended to be carried out by the Holding Company or the financial entities that are members of the Financial Group or Sub-Holding Companies, during the period of time of a fiscal year, when they are unusual or not recurrent, or the amount represents, based on the

corresponding figures at the end of the quarter immediately before in any of the following events:

1. The acquisition or sale of goods with equal or greater value than five percent of the consolidated assets of the Financial Group.

2. The granting of guarantees or the undertaking of liabilities for a total amount equal to or greater than five percent of the consolidated assets of the Financial Group.

   The investments in securities of debt or in bank instruments are excluded, provided that they are done pursuant to the policies approved by the board itself to the effect.

d. The appointment and, where appropriate, the dismissal of the general director of the Holding Company and his/her integral payment, as well as the policies for the appointment and integral payment of the other Relevant High Officers.

e. The policies for the granting of credits, loans, or any type of credit or guarantee to Related Parties.

f. The exemption for a director, Relevant High Officer, or person with Decision-Making Power to take advantage of business opportunities for him/herself or in favor of third parties, that corresponds to the Holding Company, financial entities, or to the Sub-Holding Companies. The exemptions for transactions whose amount is less than that mentioned in subparagraph c) of this subsection, may be delegated to any of the committees of the Holding Company entrusted with the duties in matters of auditing or corporate practices that this Law refers to.

g. The guidelines in matters of internal control and internal audit of the Holding Company, of the financial entities and Sub-Holding Companies.

h. The accounting policies of the Holding Company, adhering to what is set forth by this Law.

i. The financial statements of the Holding Company.

j. The contracting of the legal entity that provides the services of external audit, and where appropriate, of additional or supplementary services to the external audit.

   When the determination of the managing board is not in accordance with the opinions provided by the corresponding committee, the cited committee must instruct the general director to reveal such circumstance to the general shareholders' meeting that is held after said act, as well as to the Supervisory Commission, within the ten business days following the corresponding determination.

These authorizations do not excuse the fulfillment of the obligations with related parties established in the special laws of each of the financial entities that are members of the Financial Group.

IV. Presenting the following to the general shareholders' meeting that is held due to the closing of the fiscal year:

a. The reports that article 58 of this law refers to.

b. The report that the general director drafts pursuant to what is indicated in article 59, subsection X of this Law, accompanied by the report of the external auditor.

c. The opinion of the managing board regarding the content of the report of the general director that the subparagraph above refers to.

d. The report that article 172, subsection B) of the Business Associations Law refers to, that includes the main policies and accounting criteria and instructions for the preparation of the financial information.

e. The report regarding the transactions and activities in which it has intervened pursuant to what is set forth in this Law.

V. Follow up on the main risks that the Holding Company and financial entities that are members of the Financial Group and Sub-Holding Companies are exposed to, identified based on the information presented by the committees, the general director, and the legal entity that provides the services of external auditor, as well as the accounting systems, internal control and internal audits, registry, files or information, of the former and the latter, which may be carried out by the committee that exercises the duties in matters of audit.

VI. Approving the information and communication policies with the shareholders, as well as with the directors and Relevant High Officers, to comply with what is set forth in the present legal statute.

VII. Determining the actions that correspond to the ends of correcting known irregularities and implementing the corresponding corrective measures.

VIII. Establishing the terms and conditions that the general director shall adhere to in the exercise of his/her duties in acts of ownership.

IX. Any others that this Law establishes or that are provided in the corporate bylaws of the Holding Company, in accordance with the present legal ordinance.

The managing board shall be responsible for surveying the compliance with the agreements of the shareholders' meetings, which may be carried out through the committee that exercises the auditing duties that this Law refers to.

Article 40.- The members of the managing board shall perform their post without favoring a determined shareholder or group of shareholders, to the detriment of the others. To this effect, they must act diligently, adopting reasonable decisions and complying with the other duties that are imposed upon them by virtue of this Law or of the corporate bylaws.

Article 41.- The Holding Company shall verify that the persons that are designated as directors, general director, and officials within the two hierarchies immediately below the latter, comply, previous to the beginning of their duties, with the requisites indicated in articles 35 and 60 of this Law. The Supervisory Commission shall establish the criteria through which the files that attest to the fulfillment of what is indicated in the present article must be integrated through provisions of general nature.

In any case, the persons mentioned in the paragraph above must manifest in writing:

I. That they do not fall under any of the events of prohibition that subsections I to VII of article 35 refer to, in terms of directors, and subsection III of article 60 of this Law for the case of the general director and officials that the first paragraph of this article refers to;

II. That they are up to date with their credit obligations of any type, and

III. That they are aware of the rights and obligations undertaken when accepting the corresponding post.

The Holding Companies must inform the Supervisory Commission of the appointments, resignations, and removals of directors, the general director, or officials of the two hierarchies immediately below the latter, within the ten business days following their appointment, resignation, or

removal as the case may be, expressly manifesting that the same comply with the applicable requisites.

Article 42.- The Supervisory Commission, with the agreement of its Board of Governors, may at any time authorize the removal of the members of the managing board, general directors, directors, managers, or officials that may bind the Holding Company with their signature, as well as the suspension of the mentioned persons for a period of three months up to five years, when it considers that they do not have the sufficient technical quality, honorability, and satisfactory credit history for the performance of their duties, do not fulfill all the requisites established to the effect, or seriously or repeatedly transgress the present Law or the provisions of general nature that arise herefrom. In the last two events, the Commission itself may also disqualify the cited persons from performing a position, post, or commission within the Mexican financial system, for the same period of between three months and five years, independent of the sanctions that are applicable pursuant to this or other legal statutes. Before issuing the corresponding resolution, the cited Commission must hear the interested party and the Holding Company in question.

The Supervisory Commission itself may, with the agreement of its Board of Directors, order the removal, suspension, or disqualification of the independent external auditors of the Holding Companies, as well as suspend said persons for the period indicated in the paragraph above, when they seriously or repeatedly transgress this Law or the provisions of general nature arising herefrom, independent of the sanctions that they may eventually deserve.

For the effects of this article, the following shall be understood as:

a) Suspension, the temporary interruption of the performance of the duties that the transgressor may have in the financial entity at the time at which the transgression was committed or detected; being able to carry out duties different from those that gave rise to the sanction, provided that they are not directly or indirectly related to the post or activity that gave rise to the suspension.

b) Removal, the separation of the transgressor from the position, post, or commission that he/she had in the financial entity at the time when the transgression was committed or detected.

c) Disqualification, the temporary exclusion from the exercise of a job, post, or commission within the Mexican financial system.

The resolutions of the Supervisory Commission shall be made considering, among others, the following elements: the seriousness of the transgression and the convenience of avoiding such practices; the hierarchical level, background, seniority, and other conditions of the transgressor; the external conditions and means to execute the transgression; if there is or is not recidivism, and where appropriate, the amount of the benefit, damage, or monetary loss derived from the transgression.

The resolutions that this article refers to may be challenged before the Ministry, within the fifteen days following the date on which they were notified. The Ministry may revoke, modify, or confirm the challenged resolution, through previous hearing of the parties.

Article 43.- The managing board of the Holding Company shall issue the general strategies for the management, conducting, and execution of the business of the Holding Company, as well as of the entities that integrate the Financial Group and the Sub-Holding Companies, pursuant to what is set forth in article 39, subsection I of the present legal statute. The foregoing, independent of the powers that the corporate bodies of the financial entities and other legal entities cited have to issue their own strategies, which must be consistent with the general strategy of the Financial Group.

The managing board of the Holding Company, as well as the financial entities that form part of the Financial Group and Sub-Holding Companies, must establish the mechanisms of communication and coordination necessary for the general strategies of the Financial Group to be known and adopted, as well as so the Holding Company may verify that the strategies of management,

conducting, and execution of businesses of each of the said entities and Sub-Holding Companies are consistent with the general strategy of the Financial Group.

Article 44.- To the effect that the managing board of the Holding Company establishes the general strategies for the management, conducting, and execution of the business of the Holding Company, financial entities, and Sub-Holding Companies, it may establish the mechanisms to be followed by the Relevant Directors to keep the Holding Company informed of the financial, administrative, operational, and legal condition of each of the financial entities and other legal entities controlled by the company. Among said mechanisms, direct or indirect lines of communication may be established, from the general directors of the cited entities and legal entities to the general director of the Holding Company regarding the results of its management, conducting, and execution duties for the businesses of the entity that they manage. The foregoing, independent of the powers of communication and supervision that articles 46, subsections I and II; 47; 57 subsection II, subparagraphs i), j), and l) and 61 of this Law refer to, as well as the obligations that must be fulfilled before the corporate bodies themselves.

The general director of the Holding Company, in addition to the persons that may assist him/her for the due fulfillment of his/her obligations in terms of what is established by article 61 of this Law, may request of the financial entities that are members of the Financial Group, through its general directors and other Relevant High Officers, any kind of information, documentation, and, in general, technical advice or cooperation for the due exercise of his/her duties. On their part, the financial entities must provide whatever is necessary for their general directors and other Relevant Directors to comply with the requests made by the general director of the Holding Company.

Article 45.- The Supervisory Commission may authorize that the committees constituted by the managing board of the Holding Company totally or partially carry out the duties commissioned to the administrative or surveillance committees of the entities that form part of the Financial Group, provided that the Holding Company requests it with the ends of avoiding or resolving the doubling of duties that may present between the committees of the Holding Company and said entities. Once said authorization has been granted, the committees of the Holding Company shall exercise the duties and shall assume the responsibilities of the committees of the referred to financial entities in terms of the applicable regulations, except if this implies conflicts of interest at the discretion of the Supervisory Commission.

SECTION I
On Due Diligence

Article 46.- The members of the managing board of the Holding Companies, in the diligent exercise of the duties that this law and the corporate bylaws grant said corporate body, must act in good faith and in the best interest of the Financial Group, for which they may:

I. Request information from the Holding Company and financial entities or Sub-Holding Companies that is reasonably necessary for making decisions.

   To this effect, the managing board may establish, with the previous opinion of the committee that performs the duties in matters of auditing, guidelines that establish the form in which said requests shall be made and, where appropriate, the scope of the requests for information made by the directors themselves.

II. Require the presence of Relevant Directors and other persons, including external auditing of the Holding Company and financial entities that form part of the Financial Group that may contribute or provide elements to make decisions in the boards' sessions.

III. Delay the managing boards' sessions, when a director was not called or not called on time, or where applicable, was not provided with the information that was delivered to the other directors. Said delay shall be for up to three days, at which time the board shall be able to hold sessions without the need for a new call, provided that the deficiency has been corrected;

IV. Deliberate and vote, requesting that exclusively the members and secretary of the managing board be present, if they so wish.

Article 47.- The members of the managing board, the Relevant High Officers, and the other persons that perform the duties of representation of the Holding Company, must provide whatever is necessary so that what is set forth in this Law may be fulfilled.

The information that is presented to the managing board of the Holding Company by the Relevant High Officers and other employees, both of the Holding Company and of the financial entities and Sub-Holding Companies, must be subscribed by the persons responsible for its content and preparation.

The members of the managing board and other persons that perform a position, post, or commission in any of the financial entities or Sub-Holding Companies shall not violate the discretion and confidentiality established in this and other laws, when they provide information pursuant to what is provided here to the managing board of the Holding Company, regarding the aforementioned financial entities.

Article 48.- The members of the managing board of the Holding Companies of Financial Groups violate due diligence and shall be held liable in terms of what is established in article 49 of this Law, when they cause monetary damage to the Holding Company, to the financial entities, or to the Sub-Holding Companies in virtue of the occurrence of any of the following events:

I. They do not attend the board sessions, unless there is a justified cause, at the judgment of the shareholders' meeting, and where applicable, do not attend the sessions of the committees that they are a part of, and that due to the absence, the body in question may not hold a session legally.

II. They do not reveal to the managing board or, where appropriate, to the committees that they are a part of, information that is necessary for adequate decision-making in said corporate bodies, except when they are legally or contractually obligated to keep the secret or confidentiality in this respect.

III. They default on the duties that this Law and the corporate bylaws of the Holding Company impose on them.

Article 49.- The liability shall consist of indemnifying the damage and lost profits caused to the Holding Company of the Financial Group, financial entities, and Sub-Holding Companies due to the lack of diligence of the members of the managing board of the Holding Company, derived from acts that are performed or decisions adopted in the board or those that stop being made when said corporate body cannot legally hold a session; the liability shall be joint and several between those responsible for executing the act, adopting the decision, or causing the cited corporate body not to hold sessions. Said indemnification may be limited in the terms and conditions that the corporate bylaws expressly indicate or those that are expressly indicated in the general shareholders' meeting, provided that it is not the case of deceitful acts or bad faith, or illegal acts pursuant to this or other laws.

The Holding Companies may agree on indemnifications and contract insurances, bonds, or guarantees in favor of the members of the managing board that cover the amount of the indemnification for the damages caused by their acts on the Holding Company, financial entities, or Sub-Holding Companies, except in cases of deceitful acts or bad faith, or illegal acts pursuant to this or other laws.

SECTION II
On the duty of loyalty and illegal acts or events

Article 50.- The members and secretary of the managing board of the Holding Companies must keep confidentiality in respect to the information and the issues that they are aware of due to their post, when said information or issues are not of public nature.

The members and, where appropriate, the secretary of the managing board that have a conflict of interest in some issue must abstain from participating or being present in the deliberation and voting on said issue, without this affecting the required quorum for the constitution of the cited board.

The directors shall be jointly and severally liable with those that preceded them in the post, for the irregularities incurred by the latter if, knowing of them, they do not communicate them in writing to the committee that performs the duties in matters of auditing and to the external auditor. Likewise, said directors shall be obligated to inform the auditing committee and the external auditors of all those irregularities that they had knowledge of during the exercise of their post and that are related to the Holding Company, the financial entities, or the Sub-Holding Company.

Article 51.- The members and the secretary of the managing board of the Holding Companies exhibit disloyalty before the Holding Company and, consequently, shall be liable for the damages and lost profits caused to the same or to the financial entities or Sub-Holding Companies, when, without a legitimate cause, by virtue of their position, post, or commission, they obtain economic benefits for themselves or ensure them for third parties, including a determined shareholder or group of shareholders.

Likewise, the members of the managing board exhibit disloyalty before the Holding Company or financial entities or Sub-Holding Companies, being liable for the damages and lost profits caused to these or those, when they behave in any of the following manners:

I. They vote in the sessions of the managing board or make determinations related to the equity of the Holding Company, financial entities, or Sub-Holding Companies, when there is a conflict of interest.

II. They do not reveal, among the issues that are dealt with in the managing boards' sessions, or committees that they are a part of, the conflicts of interest that they have in respect to the Holding Company, financial entities, or Sub-Holding Companies. To that effect, the directors must specify the details of the conflict of interest, unless they are legally or contractually obligated to keep a secret or confidentiality in the matter.

III. They knowingly favor a determined shareholder or group of shareholders of the Holding Company, financial entities, or Sub-Holding Company, to the detriment of or damaging the other shareholders.

IV. They approve the acts that the Holding Company, financial entities, or Sub-Holding Companies execute with Related Parties, without abiding by or complying with the requisites established by this Law.

V. They take advantage of the use or enjoyment of the goods that form part of the equity of the Holding Company, financial entities, or Sub-Holding Companies in their favor or in favor of third parties, contrary to the policies approved by the managing board.

VI. They inappropriately use information that is not of public knowledge, relative to the Holding Company, financial entities, or Sub-Holding Companies.

VII. They take advantage of or exploit, for their own benefit or that of third parties, without the exemption of the managing board, the business opportunities that correspond to the Holding Company, financial entities, or Sub-Holding Companies.

To that effect, it shall be considered, unless there is evidence to the contrary, that a business opportunity that corresponds to the Holding Company, financial entities, or Sub-Holding companies are exploited or taken advantage of when the director indirectly or directly does any of the activities that:

a. Are of the ordinary or regular line of business of the Holding Company itself or of the financial entities or Sub-Holding Companies.

b. Imply the execution of a transaction or of a business opportunity that was originally directed to the Holding Company, financial entities, or Sub-Holding Company.

c. Are involved or intend to be involved in commercial or business projects to be developed by the Holding Company, financial entities, or Sub-Holding Companies, provided that the director had previous knowledge of this.

What is set forth in the first paragraph of this article, as well as in subsections V to VII of the same, shall also be applicable to the persons that exercise Decision-Making Powers in the Holding Company.

In cases of financial entities or Sub-Holding Companies, the liability for disloyalty shall be demanded of the members and secretary of the managing board of said company that contribute to obtaining, without a legitimate cause, the benefits that the first paragraph of this article refers to.

Article 52.-The members and secretary of the managing board of the Holding Companies must abstain from exhibiting any of the behaviors established in the following:

I. Generating, disseminating, publishing, or providing information to the public of the Holding Company, financial entities, or Sub-Holding Companies, knowing that it is false or induces to error, or, ordering said behaviors to be exhibited.

II. Ordering or causing the registrations of the acts done by the Holding Company, financial entities, or Sub-Holding Companies to be omitted, as well as altering or ordering that the records be altered to hide the true nature of the executed acts, affecting any concept of the financial statements.

III. Hiding, omitting, or causing that information be hidden or omitted, when such information, in terms of this legal ordinance, must be disseminated to the public or to the shareholders.

IV. Ordering, allowing or accepting that false information be recorded in the accounting of the Holding Company, financial entities, or Sub-Holding Companies. It shall be presumed, excepting evidence to the contrary, that the information included in the accounting is false, when authorities, in the exercise of their duties, require information related to the accounting records, and the Holding Company or financial entities where it exercises Control does not have said information, and the information that supports the accounting records cannot be attested.

V. Destroying, modifying, or ordering that the accounting systems or records or the documentation that originate the accounting entries of a Holding Company, financial entities, or Sub-Holding Companies are totally or partially destroyed or modified, before the expiration of the legal terms of conservation and with the purpose of hiding a record or evidence.

VI. Destroying or ordering the total or partial destruction of information, documents, or files, including electronic ones, with the purpose of preventing or obstructing the acts of supervision of the competent Commission.

VII. Destroying or ordering the total or partial destruction of information, documents, or files, including electronic ones, with the purpose of manipulating or hiding the Holding Company's information or data, from those that have legal interest in having access to them.

VIII. Presenting the Supervisory Commission with false or altered information or documents, with the purpose of hiding their true content or context.

IX. Altering the active or passive accounts or the conditions of the contracts, making inexistent transactions or expenses or ordering that such be recorded, exaggerating the real ones or intentionally carrying out any illegal act or transaction or that is prohibited by the law, generating a loss or damage in any of said events to the equity of the Holding Company

in question, or to the financial entities, or Sub-Holding Companies, for his/her own economic benefit, whether it be directly or through third parties.

What is set forth in this article shall also be applicable to the persons that exercise Decision-Making Powers in the Holding Company.

Article 53.- The liability that consists of indemnifying the damages or lost profits caused by reason of the acts, events, or omissions that this Section refers to, shall be joint and several between the persons that executed the act and adopted the decision, and shall be demanded with consequence of the caused damages or lost profits. The corresponding indemnification must cover the damages or lost profits caused to the Holding Company, the financial entities, or the Sub-Holding Companies, and in any case, those responsible shall be removed from their posts.

The affected Holding Company may in no case agree to the contrary, nor provide benefits or exclusions from liability in its corporate bylaws, that limit, release, substitute, or compensate for the obligations for the liability that that legal precepts mentioned in the paragraph above refer to, nor contract insurance, bonds, or guarantees in favor of any person, that cover the amount of the indemnification for the caused damages or lost profits.

SECTION III
On Liability Actions

Article 54.- The liability that derives from the acts that this Law refers to, shall be exclusively in favor of the Holding Company, the financial entity, or the Sub-Holding Company that suffers the monetary damage.

The liability action may be exercised:

I. By the Holding Company.

II. By the financial entity.

III. By the shareholders of the Holding Company that, individually or jointly represent fifteen percent or more of the capital stock of the Holding Company.

The Plaintiffs may decide the amount of the indemnification for damages or lost profits in courts, provided that the terms and conditions of the agreement of the corresponding suit are previously submitted for the approval of the Holding Company. The lack of said formality shall be cause for relative nullity.

The exercise of the actions that this article refers to shall not be subject to the fulfillment of the requisites established in articles 161 and 163 of the Business Associations Law. In any case, said actions must include the total amount of the liabilities in favor of the Holding Companies, financial entities, or Sub-Holding Companies and not only the personal interest of the plaintiff or plaintiffs.

The actions that this article refers to, exercised by the Holding Company or the shareholders of the same, that individually or jointly represent fifteen percent or more of the capital stock of the Holding Company, in favor of the financial entities or Sub-Holding Companies, shall be independent of the actions that correspond to the cited financial entities or Sub-Holding Companies to exercise or to the shareholders of any of these pursuant to what is set forth in articles 161 and 163 of the Business Associations Law.

The period to take actions whose purpose is to demand liability in terms of this article, shall expire in five years counting from the day on which the acts or event that caused the corresponding monetary damage was carried out.

In any case, the persons who at the discretion of the judge performed the actions that this article refers to, recklessly or in bad faith, shall be condemned to pay court expenses in terms of what is established in the Commercial Code.

Article 55.- The members of the managing board shall not incur, individually or jointly, liability for the damages or lost profits sustained by the Holding Company, financial entities, or Sub-Holding Companies, derived from the acts that they perform or the decisions that they adopt when, acting in good faith, any of the following liability exclusions occur:

I. They fulfill the requisites that this Law or the corporate bylaws establish for the approval of the issues that it is the responsibility of the managing board—or where appropriate, committees that they are a part of—to know.

II. They make decisions or vote in the sessions of the managing board or where applicable, in committees that they belong to, based on the information provided by the Relevant High Officers, by the legal entity that provides the services of external auditing or by independent experts, whose capacity and credibility do not offer a reason for doubt.

III. They select the adequate alternative, to their knowing and understanding, or the negative financial effects were not foreseeable, in both cases, based on the information available at the moment of the decision.

IV. They fulfill the agreements of the shareholders' meeting, provided these do not violate the law.

CHAPTER IV
On surveillance

Article 56.- The surveillance of the management, conducting, or execution of the businesses of the Holding Companies, of the financial entities that form part of the Financial Group and of the Sub-Holding Companies, considering the relevance that the latter two have in the financial, administrative, operational, and legal condition of the first, shall be under the charge of the managing board through the committees that are constituted, to carry out the activities in matters of corporate practices and auditing, as well as through the legal entity that carries out the external audit of the Holding Company, each one within the scope of its respective powers and duties, in accordance with what is indicated in this Law.

The Holding Companies shall not be subject to what is set forth in article 91, subsection V of the Business Associations Law, nor shall articles 164 to 171, 172, last paragraph, 173 or 176 of the cited Law be applicable to said companies.

Article 57.- The managing board, in the performance of its surveillance activities, shall be assisted by one or more committees in charge of the development of the following activities:

I. In the matter of corporate practices:

a. Give opinions to the managing board regarding the issues to be approved that article 39, subsection III, subparagraphs a) to h) of the present legal ordinance refer to, and others that they are responsible for pursuant to this Law.

b. Request the opinion of independent experts in the cases in which it is deemed convenient, for the adequate performance of their duties.

c. Support the managing board in the elaboration of the reports that article 39, subsection IV, subparagraphs d) and e) of this Law refer to.

d. Any others that this Law establishes or that are provided in the corporate bylaws of the company, in accordance with the duties that the present legal statute attributes to them.

II. In the matter of auditing:

a. Give opinions to the managing board regarding the issues to be approved that article 39, subsection III, subparagraph i) to j) of the present legal ordinance refer to and others that they are responsible for pursuant to this Law.

b. Evaluate the performance of the legal entity that provides the services of external auditing to the Holding Company, as well as analyze the certificate, opinions, or reports that are drafted and subscribed by the external auditor. For such effect, the committee may request the presence of the cited auditor when it is deemed convenient, independent of that there must be a meeting with the latter at least once a year.

c. Discuss the financial statements of the company with the persons responsible for their elaboration and revision, and based on this, recommend or not its approval to the managing board.

d. Inform the managing board of the condition that the internal control and internal auditing system of the Holding Company, financial entities, or legal entities that it exercises Control over has, including the irregularities that, where applicable, are detected.

e. Draft the opinion that article 39, subsection IV, subparagraph c) of this law refers to and submit it for the consideration of the managing board for its later presentation to the shareholders' meeting, relying on, among other elements, the report of the external auditor. Said opinion must at least indicate the following:

    1. If the policies and accounting and information criteria followed by the Holding Company are adequate and sufficient, taking into consideration the particular circumstances of the same.

    2. If said policies and criteria have been applied consistently in the information presented by the general director.

    3. If as a consequence of numerals 1 and 2 above, the information presented by the general director reasonably reflects the financial condition and the results of the company.

f. Support the managing board in the elaboration of the reports that article 39, subsection IV, subparagraph d) and e) of this Law refer to.

g. Survey that the acts that article 39, subsection III and 65 of this Law refer to are carried out, adhering to what is set forth to the effect in said precepts, as well as to the policies derived from the same.

h. Request the opinion of the independent experts in the cases in which it is deemed convenient, for the adequate performance of its duties.

i. Request reports relative to the elaboration of the financial information and of any other kind that is deemed necessary for the exercise of its duties from the Relevant High Officers and other employees of the Holding Company as well as of the financial entities and Sub-Holding Companies.

j. Investigate the possible defaults that it has knowledge of, in respect to the acts, guidelines, and policies of operation, internal control, internal auditing, and accounting record systems, whether it be of the same Holding Company or of the financial entities or Sub-Holding Companies, for which it must carry out a test of the documentation, records, and other evidence, in the degree and to the extent that are necessary for the correct performance of the surveillance activities of the managing board.

k. Receive observations formulated by shareholders, directors, Relevant High Officers, employees, and in general, by any third party, in respect to the issues that the subparagraph above refers to, as well as carry out the actions that, at its discretion, are appropriate in relation to such observations.

l. Request periodic meetings with the Relevant High Officers, as well as the delivery of any kind of information related to the internal control and internal auditing of the Holding Company, financial entities, or Sub-Holding Companies.

m. Inform the managing board of the important irregularities detected by reason of the exercise of its duties and, where applicable, of the corrective actions adopted, or propose those that should be applied.

n. Call shareholders' meetings and request that the points that are deemed pertinent be inserted in the agenda of said meeting.

o. Survey that the general director complies with the agreements of the shareholders' meeting and of the managing board of the company, pursuant to the instructions that, where appropriate, the meeting itself or the aforementioned board issues.

p. Monitor that mechanisms and internal control that allow verification that the acts of the Holding Company, financial entities, or Sub-Holding Companies adhere to the applicable regulations are implemented, as well as implement methodologies that allow revising the fulfillment of the foregoing.

q. Any others that this Law establishes or that are provided in the corporate bylaws of the Holding Company, in accordance with the duties that the present legal statute attributes to them.

Article 58.- The Chairs of the committees that exercise the duties in matters of corporate practices and of auditing shall be appointed and removed from their post exclusively by the general shareholders' meeting. Said chairs may not preside over the managing board and must be selected in accordance with their experience, their renowned capacity, and their professional prestige. Likewise, they must create an annual report about the activities that correspond to said bodies and present it to the managing board. The cited report shall at least include the following aspects:

I. In matter of corporate practices:

a. The observations in respect of the performance of the Relevant Directors.

b. The acts of the Relevant Directors, during the exercise that is reported, detailing the characteristics of those that are significant.

c. The salary packages or integral payments of the individuals that article 39, subsection III, subparagraph d) of this Law refers to.

d. The exemptions granted by the managing board in terms of what is established in article 39, subsection III, subparagraph f) of this law.

e. The observations carried out by the supervisory commissions of the financial entities that are part of the Financial Group, or the Supervisory Commission of the Holding Company, as a result of the supervision carried out by the same.

II. In matters of auditing:

a. The condition of the internal control and internal auditing system of the Holding Company, the financial entities, or the legal entities where it has exercised the Control and, where applicable, the description of their deficiencies and deviations, as well as the aspects that require improvement, taking into account the opinions, reports, communications, and the report of the external audit, as well as the reports

issued by the independent experts that provided their services during the period that the report covers.

b. Mention of and follow-up on the preventative and corrective measures implemented based on the results of the investigations related to the default on the guidelines and policies of operations and of accounting record, whether it be of the Holding Company itself or of the financial entities and Sub-Holding Companies.

c. The evaluation of the performance of the legal entity that grants the services of external audit, as well as the external auditor in charge of this.

d. The description and evaluation of the additional and supplementary services that, where appropriate, are provided by the legal entity in charge of carrying out the external audit, as well as those granted by the independent experts.

e. The main results of the revisions of the financial statements of the Holding Company, the financial entities, and the Sub-Holding Company.

f. The description and effects of the modifications of the accounting policies approved during the period that the report covers.

g. The measures adopted due to the observations that are considered relevant, formulated by shareholders, directors, Relevant Directors, employees, and in general, by any third party, in respect to the accounting, internal control and other themes related to the internal and external auditing or, derived from the complaints made regarding events that are deemed irregular in the administration.

h. The follow-up on the agreements of the shareholders' meeting and of the managing board.

For the elaboration of the reports that this legal precept refers to, as well as of the opinions indicated in article 57 of this Law, the corporate practices and auditing committees must hear the Relevant High Officers; in case there is a difference of opinion with the latter, such differences shall be recorded in the cited reports and opinions.

CHAPTER V
On the management, conducting, and execution of corporate businesses

Article 59.-The duties of management, conducting, and execution of the businesses of the Holding Company, the financial entities the are members of the Financial Group and of the Sub-Holding Companies shall be the responsibility of the corresponding general director, pursuant to what is established in this article, adhering for this to the strategies, policies, and guidelines approved by the managing board of the Holding Company.

The general director of the Holding Company, for the fulfillment of his/her duties, shall have the broadest powers to represent the Company in acts of administration, and lawsuits and collections, including special powers that shall require a special clause pursuant to the laws. In cases of acts of ownership, said general director shall adhere to the terms and conditions established by the managing board pursuant to what is indicated in article 39, subsection VIII, of the present legal statute.

The general director of the Holding Company, independent of what is indicated above, must:

I. Submit the business strategies of the Holding Company, financial entities that are part of the Financial Group, and Sub-Holding Companies for the approval of the managing board, based on the information that these provide.

II. Fulfill the agreements of the shareholders' meetings and of the managing board, pursuant to the instructions that, where appropriate, the same meeting or the referred to board issues.

III. Propose the guidelines for the internal control and internal auditing of the Holding Company, the financial entities that are a part of the Financial Group, and the Sub-Holding Companies, to the committee that performs control and audits, as well as execute the guidelines that to the effect are approved by the managing board of the referred to company.

IV. Subscribe, along with the Relevant Directors in charge of its preparation in the area of their competence, the information that must be revealed to the public in terms of the applicable provisions.

V. Disseminate the information that must be revealed to the public in terms of the applicable provisions.

VI. Exercise, on his/her own or through the empowered delegate, within the scope of his/her powers and duties or through instruction of the managing board, the corrective actions or those of responsibility that proceed.

VII. Verify, where applicable, that the capital contributions made by the partners are carried out.

VIII. Fulfill the legal and statutory requisites established in respect to the dividends that are paid to the shareholders.

IX. Ensure that the accounting systems, registry, file, or information of the company are kept.

X. Elaborate and present the report that article 172 of the Business Associations Law refers to, to the managing board, except for what relates to the main policies and accounting and information criteria followed in the preparation of the financial information.

XI. Establish mechanisms and internal controls that allow verifying that the acts of the Holding Company, financial entities that are members of the Financial Group, and the Sub-Holding Company, adhere to the applicable regulations, as well as follow up on the results of those mechanisms and internal controls and take the measures that are necessary, where appropriate.

XII. Exercise the liability actions that this law refers to, against the Related Parties or third parties that presumably caused damage to the Holding Company, the financial entities, or the Sub-Holding Companies, except that by the determination of the managing board of the Holding Companies, and previous the opinion of the committee in charge of the duties of auditing, the damage caused is not relevant.

XIII. Any others that this Law establishes or that are provided in the corporate bylaws of the Holding Company, in accordance with the duties that the present legal statute attributes.

Article 60.- The appointment of the general director of the Holding Company and of the officials with the two hierarchies immediately below him/her must fall on the persons that have honorability and a satisfactory credit history in terms of the provisions of general nature issued to the effect by the Supervisory Commission. Likewise, said persons shall at least have the following requisites:

I. Reside within national territory, in terms of what is set forth by the Federal Tax Code;

II. Have provided their services in positions of high-level decision-making for at least five years, where performance requires knowledge and experience in financial and administrative matters;

III. Not have any of the following impediments:

a. Have a pending lawsuit with the Holding Company in question or with one or various financial entities that form part of the Financial Group or Sub-Holding Companies;

b. Be convicted of deceitful property crimes, or be disqualified to exercise commerce or to perform a position, post, or commission in the public service, or in the Mexican financial system;

c. Be declared in bankruptcy or business reorganization;

d. Carry out duties of regulation, inspection, and surveillance of the Holding Company, or financial entities that are part of the Financial Group, or Sub-Holding Company, except if there is participation of the federal government in the capital stock of the referred to Holding Company or mentioned financial entities, or that receive aid from the Institute for the Protection of Bank Savings, or

e. Participate in the managing board of financial entities that are members of other Financial Groups, or of the Holding Companies of the same, or of other financial entities that are not grouped.

Article 61.- The general director, for the exercise of his/her duties and activities, as well as for the due compliance with the obligations that this or other laws establish, shall be assisted by the Relevant High Officers appointed for such effect and by any employee of the Holding Company, of the financial entities that are members of the Financial Group or of the Sub-Holding Companies.

The general director, in the managing, conducting, and execution of the businesses of the Holding Company, must provide what is necessary so that, for the financial entities that are members of the Financial Group and Sub-Holding Companies, the obligations considered in this law are fulfilled.

Article 62.-The general director and the other Relevant High Officers shall perform their post in terms of what is set forth in article 40 of this law in their respective powers and duties, for which they shall answer for the damages and lost profits derived from their corresponding duties. Likewise, the exclusions and limitations of liability referred to in articles 49 and 55 of this Law shall be applicable to them, in what is pertinent.

Additionally, the general director and the other Relevant High Officers shall be liable for the damages and lost profits caused to the Holding Company, the financial entities that are members of the Financial Group, or the Sub-Holding Companies for:

I. The lack of opportune and diligent attention, for causes that are attributable to them, of the requests for information and documentation that are requested of them within the scope of their powers and duties by the directors of the Holding Company.

II. Knowingly presenting or revealing false information or information that induces errors.

III. The occurrence of any of the disloyal behaviors set forth in articles 51, subsections III to VII, and 52 of this Law, the liabilities set forth in articles 53 and 54 of the present legal statute being applicable.

CHAPTER VI
On shareholders' meetings and the rights of the partners

Article 63.- The ordinary general shareholders' meeting of the Holding Companies, in addition to what is set forth in the Business Associations Law, shall meet to approve the acts that the Holding Company, financial entities, and Sub-Holding Companies intend to carry out in the period of a fiscal year, when they represent twenty percent or more of the consolidated assets of the Financial Group based on figures corresponding to the closing of the immediately previous quarter, independent of the form in which they are executed, either simultaneously or successively, but that due to their characteristics, may be considered as a single act.

Article 64.- The Holding Companies may provide stipulations in their corporate bylaws, independent of the rights of the shareholders established in article 65 of this Law, that:

I. Impose restrictions of any nature on the transfer of property or rights, in respect to the shareholders of the representative shares of the capital stock of one same series or class, different from those provided in article 130 of the Business Associations law. The foregoing, provided that said stipulations:

a. Are approved in extraordinary general shareholders' meeting in which five percent or more of the capital stock represented by the present shareholders did not vote against it.

b. Do not exclude one or more shareholders different from the person that intends to obtain the Control, from the economic benefits that, where appropriate, result from the referred to clauses.

c. Do not restrict, in an absolute manner, taking the Control of the company.

In cases of clauses that require the approval of the managing board for the acquisition of a determined percentage of the capital stock, criteria must be established for consideration by the aforementioned board when issuing resolutions, as well as the term that must be observed for this, without this exceeding three months.

d. Does not annul the exercise of the property rights of the acquirer.

The foregoing, independent of the notices and authorizations regarding the share acquisitions or transfers for more than two percent of the capital stock of the Holding Company, and to the acquisitions of shares for more than five percent of said capital stock, pursuant to articles 26 and 28 of this Law.

Any statutory clause of those provided in this subsection that does not comply with the requisites mentioned before shall be null *ipso jure.*

II. Establish causes for exclusion of partners or to exercise rights of separation, of withdrawal, or for redemption of shares, in addition to what is set forth in the Business Associations Law, as well as in the price or bases for its determination.

III. Implement mechanisms to be followed in case the shareholders do not come to agreements in respect to the specific issues.

IV. Broaden, limit, or deny the preferable right to subscription that article 132 of the Business Associations Law refers to. In this respect, advertising means different from those indicated in said legal precept may be used.

V. Allow limiting liability on the damages and lost profits caused by its directors and Relevant High Officers, derived from the acts that are executed or for the decisions adopted, in terms of what is established in article 49 of this Law.

The certificates relative to the representative shares of the capital stock of the Holding Companies must incorporate, where appropriate, the stipulations that are agreed upon pursuant to this article.

Article 65.- The shareholders of the Holding Companies, independent of what is indicated in other laws or the corporate bylaws, shall enjoy the following rights:

I. To have at their disposal, in the offices of the company, the information and the documents related to each one of the points included in the agenda of the corresponding shareholders' meeting, for free, and at least fifteen days before the date of the meeting.

II. To prevent that issues identified under miscellaneous or equivalent are dealt with in the general shareholders' meetings.

III. To be represented in the shareholders' meeting by persons that attest their capacity through forms of powers elaborated by the company and put at their disposal at least fifteen days before the each meeting is held.

The form mentioned must have at least the following requisites:

a) Indicate the name of the company in an obvious manner, as well as the respective agenda.

b) Include space for the instructions indicated by the grantor for the exercise of the power.

The secretary of the board shall be obligated to ensure the observance of what is set forth in this subsection and inform the meeting about this, which shall be recorded in the respective minutes.

IV. To appoint or remove a member of the managing board in a general shareholders' meeting, when they individually or jointly have ten percent of the capital stock, without the percentage that article 144 of the Business Associations Law being applicable. Such appointment may only be revoked by the other shareholders when the appointment of the rest of the directors is also revoked, in which case substituted persons may not be named with such nature during the twelve months immediately after the date of the revocation.

V. To require the chairman of the managing board or of the committees that carry out the duties in matters of corporate practices and auditing that this law refers to, respecting the issues over which they shall have a right to vote, to call a general shareholders' meeting at any time, or to delay on one occasion the vote of any issues with respect to which they do not consider themselves sufficiently informed, for within three days and without the need for a new call. All the foregoing, provided that they individually or jointly have ten percent of the capital stock, without the percentages that article 184 and 199 of the Business Associations Law refers to being applicable.

VI. To judicially oppose, pursuant to article 201 of the Business Associations Law, the resolutions of the general meetings, provided that they enjoy the right to vote on the corresponding issue, when they jointly or individually have twenty percent or more of the capital stock, with the percentage that said provision refers to being applicable.

VII. To determine among themselves:

a. Obligations not to develop commercial lines of business that compete with any of the members of the Financial Group or controlled legal entities, limited in time, matter, and geographic coverage, without said limitations exceeding three years counting from the date on which the shareholder stopped participating in the Holding Company and independent of what is established in other laws that are applicable.

b. Rights and obligations that establish purchase or sale options of the representative shares of the capital stock of the company, such as:

1. That one or a few shareholders may only sell the totality or part of their shareholding, when the acquirer also commits to acquire a portion or the totality of the shares of another or other shareholders, in equal conditions.

2. That one or a few shareholders may demand that another partner sell the totality or part of his/her shareholding, when they accept an offer of acquisition in equal conditions.

3. That one or a few shareholders have the right to sell or acquire from another shareholder, who must be obligated to sell or acquire, as the case may be, the totality or part of the shareholding that is the purpose of the transaction, at a determined or determinable price.

4. That one or a few shareholders be obligated to subscribe and pay a certain number of representative shares of the capital stock of the company, at a determined or determinable price.

c. Sales and other legal acts relative to the ownership, disposition, or exercise of the preemptive right that article 132 of the Business Associations Law refers to, independent that such legal acts are carried out with other shareholders or with persons different from these.

d. Agreements for the exercise of the right to vote in shareholders' meetings, without article 198 of the Business Associations Law being applicable.

e. Agreements for the sale of their shares in a public offering.

The agreements that this subsection refers to may not be enforced against the company, except in cases of judicial resolution, for which its default shall not affect the validity of the vote in shareholders' meeting.

The members of the managing board, the general director, and the individual appointed by the legal entity that provides services of external auditing to the Holding Company, may attend the shareholders' meeting of the Holding Company itself as guests, with voice but no vote. For the case of the person that provides services of external auditing, he/she must abstain from being present in respect to those issues on the agenda in which he/she has a conflict of interest or that may compromise his/her independence.

Article 66.- The shareholders of the Holding Companies, when exercising their voting rights, must adhere to what is established in article 196 of the Business Associations Law. To that effect, it shall be presumed, except for evidence to the contrary, that a shareholder has an interest contrary to that of the Holding Company, or financial entities that are members of the Financial Group or Sub-Holding Companies, in a determined transaction, when having the Control of the company, he/she votes in favor of or against the execution of transactions obtaining benefits that exclude other shareholders of said Holding Company, or financial entities that are members of the Financial Group, or Sub-Holding Companies.

The actions of liability against the shareholders that transgress what is set forth in the paragraph above shall be exercised in terms of what is established in article 54 of this Law.

TITLE THIRD

ONLY CHAPTER
On the subsidiaries of foreign financial institutions

Article 67.- For the effects of this Law the following shall be understood as:

I. Subsidiary: The Mexican company authorized to organize and operate pursuant to the corresponding Law, as well as any of the financial entities that may be members of a Financial Group in terms of this Law.

II. Foreign Financial Institution: The financial entity incorporated in a country with whom México has executed a treaty or international agreement by virtue of which the establishment of Subsidiaries on national territory is allowed, and

III. Holding Company Subsidiary: The Mexican company authorized to organize and function as a Holding Company of a Financial Group in the terms of this Law, and in whose capital a Foreign Financial Institution participates in the terms of the present chapter.

Article 68.- The Holding Company Subsidiaries shall be governed by what is set forth in the corresponding treaties or international agreements, the present chapter, the provisions included in this Law and those that arise from it, applicable to the Holding Companies and Financial Groups, in what does not contradict the present Title, as well as the rules for the establishment of subsidiaries issued by the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission.

The Ministry shall be empowered to interpret the provisions regarding financial services that are included in the treaties or international agreements that the paragraph above mentions, for administrative effects.

Article 69.- The financial entities in whose capital a Holding Company Subsidiary participates shall be governed by the provisions applicable to the Subsidiaries of Foreign Financial Institutions.

Article 70.- To organize a Holding Company Subsidiary and function as a Financial Group, the Foreign Financial Entity shall require the authorization of the Federal Government, which is the Ministry's responsibility to grant at its discretion, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission. Due to their nature, these authorizations shall not be transferable.

The authorizations granted to this effect, as well as their modifications, shall be published in the Federal Official Gazette.

The authorization that the present article refers to shall be granted independent of the procedures that, where applicable, must be done before the Federal Antitrust Commission or any other authority.

Article 71.- The financial authorities, within the scope of their respective powers and duties, shall guarantee the fulfillment of the commitments of national treatment that where appropriate are assumed by México, in the terms established in the applicable treaty or international agreement.

The Holding Company Subsidiary may carry out the same acts as the Holding Companies, unless the applicable treaty or international agreement establishes some restriction.

Article 72.- A Financial Group may only be organized by the Foreign Financial Institution expressly authorized in the applicable treaty or international agreement, pursuant to what is indicated in the present law and the rules that article 68 of the present law refers to.

Article 73.- The request for authorization to organize a Holding Company Subsidiary must fulfill the requisites established in the present Law and in the rules that the article above refers to.

Article 74.- The capital stock of the Holding Company Subsidiaries shall be composed of series "F" shares, which shall represent at least fifty-one percent of said capital. The remaining forty-nine percent of the capital stock may be composed indistinctly or jointly of series "F" and "B" shares.

The series "F" shares may only be acquired, directly or indirectly, by a Foreign Financial Institution.

The series "B" shares shall be governed by what is set forth in this Law for the series "O" shares. The Foreign Financial Institution that is the owner of series "F" shares shall not be subject to the limits established in article 28 of this Law, in respect to its holding of series "B" shares.

The shares shall be of equal value, they shall grant their holders that same rights within each series, and they must be fully paid in the act of being subscribed. The mentioned shares shall be kept in deposit in any of the securities depositary institutions regulated in the Securities Market law, who in no case shall be obligated to deliver these to their holders. In any case, what is set forth in article 24 of the present Law shall be applicable regarding foreign governments.

Article 75.- The series “F” representative shares of the capital stock of a Holding Company Subsidiary or of a Subsidiary may only be sold by previous authorization of the Ministry.

Except in the case that the acquirer is a Foreign Financial Institution or a Holding Company Subsidiary, the corporate bylaws of the Holding Company Subsidiary whose shares are the object of the transactions must be modified to carry out the sale.

The authorization of the Ministry or modification of the bylaws shall not be required when the transfer of shares is, in guarantee or property, to the Institute for the Protection of Bank Savings.

Article 76.- The Ministry may authorize that a Foreign Financial Institution or Holding Company Subsidiary acquire shares from financial entities to incorporate into a Financial Group or for a Foreign Financial Institution to acquire shares of a Holding Company, in which case, the corporate bylaws of the financial entity or Holding Company whose shares are the object of the sale must be modified, to the effect of fulfilling what is set forth in the present Title.

Article 77.- The administration of the Holding Company Subsidiaries shall be governed by what is set forth in the Holding Companies that the present Law refers to, except for what is set forth in this article.

The shareholder of series “F” that represents at least fifty-one percent of the paid-in capital stock shall appoint half plus one of the directors and for every ten percent of shares of this series that exceeds that percentage, he/she shall have the right to appoint one more director. The shareholders of series “B” shall appoint the remaining directors. The appointment of the minority directors may only be revoked when the appointment of all the other directors of the same series is also revoked.

The appointment of independent directors shall be appointed in a proportional manner pursuant to what is indicated in the paragraph above.

In the cases of the Holding Company Subsidiaries in which at least ninety-nine percent of the representative certificates of the capital stock are property, directly or indirectly, of a Foreign Financial Institution or a Holding Company Subsidiary, it may freely determine the number of directors, which in no case may be less than five, having to observe what is indicated in the present article.

The majority of the directors of a Holding Company Subsidiary must reside on national territory.

TITLE FOURTH
On the offer of joint services

ONLY CHAPTER
On the use of facilities and on the joint offer of financial services

Article 78.- The financial entities that in terms of the present Law may represent themselves as members of a Financial Group, pursuant to the general rules issued by the Ministry, may carry out transactions that are their own through offices and branches of attention to the public of other financial entities that are part of the Financial Group.

The financial entities that are part of a Financial Group that intend to offer the products and financial services of another or other financial entities that are part of the same Financial Group must fulfill the requisites of security, operation, and training that are established for these effects in the applicable provisions.

Independent of the foregoing, it shall be understood that what is set forth in the special financial laws shall be applicable firstly to the financial entities that are members of a Financial Group.

Article 79.-The financial entities that are members of a Financial Group that, through their branches of attention to the public, offer products or financial services of another or other financial entities that are members of the Financial Group, shall reveal and inform the public of the name of

the financial entity that offers and grants the product and/or financial service in question, with the purpose that the client have full knowledge of the counterpart that is legally liable.

The advertising, that with the ends of informing the public, is issued and presented regarding the products and financial services that the paragraph above refers to shall adhere to the Financial Services Transparency and Regulation Law.

Article 80.- The financial entities that are members of a Financial Group may offer the products and/or financial services of other financial entities that are linked to the products and financial services offered by the financial entity in question.

The financial entities may offer products and/or financial services in terms of the foregoing provided that they comply with the provisions of general nature that are issued for these effects by the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission.

In any case, the explicit consent of the client shall be necessary to contract additional products and services or link to those that are contracted with a financial entity, under the premise that it is the undeniable right of the client to contract these through an independent third party. What is set forth in this paragraph must be informed to the clients through the contracts that are executed with these, as well as the advertising of the products and financial services in question.

The explicit consent of the client that the paragraph above refers to shall be recorded in a special section within the documentation that the client must sign to contract a product or service. The autograph signature of the client relative to the text of said consent must be additional to what is normally required by the financial entity that is member of the Financial Group for the execution of the product or service requested.

TITLE FIFTH
On the investments of the Holding Company

CHAPTER I
On the investments of the Holding Company in general

Article 81.- Besides the ownership interest of the Holding Company in financial entities that are members of the Financial Group, it may carry out investments that are outlined in the following, adhering to the provisions of general nature issued for these effects by the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission, and in the terms set forth in the present Law, in:

I. Representative certificates of the capital stock of financial entities that are not members of the Financial Group.

II. Representative certificates of the capital stock of the Service Providers and Real Estate Companies.

III. Representative certificates of at least fifty-one percent of the capital stock of Sub-Holding Companies, provided it has the control of the same and through previous authorization of the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission.

IV. Properties, furniture and equipment, strictly necessary to carry out its purpose.

V. Securities attributable to the Federal Government, banking instrument entries, and other investments authorized by the referred to Ministry.

VI. Representative certificates of the capital stock of foreign financial entities, through previous authorization of the Ministry, in the terms and proportions that the latter determines.

The investments in the legal entities that the subsections above refer to that are made in terms of the present article, shall not be considered members of the Financial Group in question.

Article 82.- The financial entities and legal entities in whose capital stock the Holding Company participates, that are not considered members of the Financial Group, pursuant to the present Law, shall abstain from:

I. Representing themselves as financial entities and legal entities related to the Holding Company of the Financial Group, or to any of the financial entities that are members of said Financial Group;

II. Acting in a manner that generates confusion for the users as to who the provider of the service is, for which they must clearly distinguish that their services are not provided by the financial entities that are members of the Financial Group, nor with their support;

III. Using the name, trademark, logos, or any other distinctive sign that may be associated with the financial entities or the Financial Group that they belong to in their names, advertising, and products, and

IV. Using the facilities and carrying out transactions that are their own in the offices of the financial entities that are members of the Financial Group, except when there is a contract of services or leasing, in the cases and conditions that are established through provisions of general nature issued by the Ministry, with the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission.

In the event that the financial entities or legal entities have a service contract in terms of what is set forth in subsection IV above to use the facilities and offices of an entity that is a member of a Financial Group, these must establish indications that specify, in a clear and unmistakable manner, that it is the case of a financial entity or legal entity that is independent from the Financial Group.

Article 83.- The investments made by the Holding Company through the Sub-Holding Companies must adhere, where appropriate, to what is set forth in this law in respect to the incorporation, separation, merger, and split-off of financial entities that are members of a financial group, to the provisions relative to the investments that the Holding Company carries out in financial entities that are not members of the Financial Group and in Service Providers and Real Estate Companies, as well as the other applicable provisions pursuant to this law.

Article 84.- The Services Providers and Real Estate Companies in which the Holding Company participates directly or through the Sub-Holding Companies, as well as the latter, shall adhere to the general rules issued by the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission.

Both the Service Providers and Real Estate Companies, and the Sub-Holding Companies shall be under the inspection and surveillance of the Supervisory Commission and consequently, shall cover the corresponding inspection and surveillance fees.

Article 85.- The Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission, may revoke the authorization for a Holding Company to directly or indirectly keep the investments that the present Title refers to if, at its judgment, it considers that the Holding Company has not complied with the applicable provisions.

The Holding Company shall have a term of a maximum of three hundred and seventy days, counting from the date on which the revocation of the authorization mentioned before is notified, to

withdrawal the investments that the paragraph above refers to. The foregoing, independent of the imposition of the sanctions that pursuant to this or other laws may be applicable.

CHAPTER II
On the Investments in financial entities that are not members of the Financial Group

Article 86.- For a Holding Company to directly or indirectly invest in financial entities that are not members of its Financial Group, it shall require the authorization of the Ministry. These authorizations shall be granted or denied at the discretion of said Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission.

In no case, may the direct or indirect investments of the Holding Company in representative certificates of the capital stock of financial entities that are not members of its Financial Group, be above fifty percent of the capital stock of the financial entity in question.

Likewise, in no case may the sum of the investments in financial entities that are not members of the Financial Group exceed fifty percent of the capital stock of the group of the financial entities that are members of the respective Financial Group.

Independent of what is established in the present article, it shall be understood that for the investments in financial entities made by the financial entities that are members of a Financial Group, what is set forth in their respective special financial laws shall be applicable firstly.

Article 87.- The requests for authorization for the Holding Company to directly or indirectly invest in financial entities that are not members of its Financial Group, must be presented before the Ministry, accompanied by the following documentation:

I. Authenticated copy by the secretary of the managing board of the Holding Company, of the agreement adopted by the corresponding government body, where the approval of the amount to be invested in the capital of the entity or entities in question is recorded;

II. The preliminary version of articles of incorporation of the entity or entities, in case of being newly created. In case of entities that have already been incorporated, only the public instrument granted before a notary public that includes the valid corporate bylaws;

III. The programs and agreements pursuant to which the Holding Company shall acquire the representative certificates of the capital stock of the corresponding entity or entities;

IV. The list of shareholders of the entity or entities and the percentage of shareholding of each one;

V. The financial statements that present the condition of the financial entity or entities, and

VI. The other documentation that, where appropriate, the Ministry requests to the effect of evaluating the corresponding request.

Besides the foregoing, the corresponding request must specify the total amount of the investment and the percentage of the ownership interest that this represents in the capital stock of the entity or entities in question as well as the justification of the economic and operational feasibility of making the investment in the entity or entities.

The Holding Company may acquire representative shares of capital of a commercial bank pursuant to the present chapter, provided that the last has financial solvency and strength and is not subject to minimum corrective measures or special additional ones, in terms of the Credit Institutions Law.

Article 88.- For a Holding Company to increase or decrease its direct or indirect participation in financial entities that are not members of its Financial Group, without it ever exceeding fifty percent of the capital stock of said entities, the authorization of the Ministry shall be required, hearing the

opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission.

The corresponding request shall specify the following:

I. The amount of the increase or decrease of the investment that it has, as well as the percentage of ownership interest that it represents in the capital stock of the corresponding entity:

II. The justification of the referred to increase or decrease, and

III. The list of shareholders of the entity in question, as well as the percentage of their ownership interest that would result from the increase or decrease of the investment.

To that effect, an authenticated copy by the secretary of the managing board of the agreement adopted by the corresponding administration body must be attached, where the approval of the increase or decrease of the investment in the capital of the entity in question is recorded.

CHAPTER III
On the investments in Service Providers and Real Estate Companies

Article 89.- To directly or indirectly invest in Service Providers and Real Estate Companies, the Holding Companies shall require the authorization of the Ministry. These authorizations shall be granted or denied at the discretion of the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission.

The Holding Companies that participate in the capital stock of Service Providers and Real Estate Companies pursuant to the present article shall adhere to the investment limits and requisites issued by the Ministry through rules of general nature, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission.

Independent of what is established in the present article, it shall be understood that the investments in Service Providers and Real Estate Companies carried out by the financial entities that are members of a Financial Group must firstly observe what is set forth in the special laws in financial matters that are applicable. In the absence of a special investment regime, what is set forth in this chapter shall be applicable to said financial entities.

Article 90.- For a Holding Company to increase or decrease its participation in Service Providers and Real Estate Companies, as well as in Sub-Holding Companies, it shall require the authorization of the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pension System Commission.

The corresponding request shall fulfill the requisites established in the rules of general nature issued to the effect by the Ministry, in terms of the second paragraph of article 89 of this Law, except in cases of Sub-Holding Companies, in which case it shall fulfill the requisites that article 88 of the present Law refer to.

TITLE SIXTH
On the protection of the interests of the public

CHAPTER I
On regulation and supervision

Article 91.- The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission, may jointly establish prudential provisions, over a consolidated base, oriented at preserving the stability and solvency of the Financial Groups in matters of integral administration of risks, internal control, revelation of

information and those others that are deemed convenient to ensure the adequate functioning of the Financial Groups.

The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission, shall jointly, through the provisions of general nature, issue the rules and criteria that the accounting of the Holding Company and Sub-Holding Company shall adhere to. The accounting rules and criteria issued by the cited Commissions shall establish the accounting consolidation regime that shall include, where appropriate, the criteria of reconversion for the consolidated accounting, as well as to standardize the valuation of the assets.

The Holding Companies must keep a net capital, which may not be less than the amount that results from adding up the permanent investments appraised by the method of participation that is held in the subsidiary companies of the Financial Group. The Ministry shall determine the composition of the indicated net capital through rules of general nature, having to previously hear the opinion of the Banco de México and the National Banking and Securities Commission, in cases of the net capital that the Financial Groups in which a credit institution participates must keep.

The Holding Companies shall be responsible for ensuring that the financial entities that are members of their Financial Group observe the capital requirements that are established in their respective special laws.

Article 92.- All acts or contracts that mean a variation in the asset or in the liability of a Holding Company or implies a direct or contingent obligation, must be registered in the accounting the same day it is carried out. The accounting, the books, and corresponding documents and the term that these must be kept, shall be governed by the provisions of general nature issued jointly by the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission aimed at ensuring the trustworthiness, opportunity, and transparency of the accounting and financial information of the Holding Companies.

Article 93.- The Holding Companies may microfilm or record in optic discs, or in any other means authorized by the Supervisory Commission, all those books, records, and documents in general that they have, related to the acts of the Holding Company itself, that are indicated by the Supervisory Commission through provisions of general nature, in accordance with the technical bases established by the same for the microfilming or recording in optic discs, its management, and conservation.

The original camera negatives obtained by the microfilming system and the images recorded by the system of optic discs or any other means authorized by the Commission that the paragraph above refers to, as well as the prints obtained from said systems or means, duly certified by the authorized official of the Holding Company, shall have the same supporting value in a suit as the books, records, and microfilmed or recorded documents in optic discs, or kept through any other authorized mean.

Article 94.- The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission, jointly, through provisions of general nature that ensure the transparency and trustworthiness of the financial information of the Holding Companies and entities that are members of the Financial Group, shall indicate the requisites that the approval of the financial statement by the administrators of the Holding Companies shall adhere to; its dissemination through any means of communication, including the electronic, optic, or any other means of technology; as well as the procedure that the revision done to the same by the Supervisory Commission shall adhere to.

The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission shall jointly establish, through provisions of general nature that facilitate the transparency and trustworthiness of the financial information of the Holding Companies and of the Financial Group, the form and content that the financial statements of the Holding Companies and the Financial Group must present; likewise, they may order that the financial statements be disseminated with the pertinent modifications and in the terms established to this effect.

The Holding Companies, with exception of what is set forth in article 177 of the Business Associations Law, must publish their financial statements in the terms and means established in the provisions of general nature that the first paragraph of this article refers to.

An independent external auditor must issue the annual financial statements, who shall be appointed directly by the managing board of the Holding Company in question.

The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission, jointly, through provisions of general nature that ensure the transparency and trustworthiness of the financial information of the Holding Companies and of the Financial Group, may establish the characteristics and requisites that the independent external auditor must comply with, determine the content of his/her reports and other statements, issue means to ensure an adequate rotation of said auditors in the Holding Companies, as well as indicate the information that their reports must reveal, about other services, and in general, of the professional or business relations that they provide or keep with the Holding Companies that they audit, or with related companies.

Article 95.- The Holding Companies shall be obligated to put the corporate, financial, economic, and legal information determined by the Supervisory Commission, through rules of general nature that is issued for such effects at the disposal of the general public. To issue said rules, the cited Commission must take into consideration the relevance of that information to make the solvency, liquidity, and operative security of the Companies and entities that belong to the Financial Group transparent for the public.

Article 96.- The Supervisory Commission shall have the powers of inspection and surveillance, in respect to the legal entities that provide services of external auditing in terms of this Law, including the partners, representatives, or employees of those that form part of the auditing team, to the ends of verifying the fulfillment of this Law and the observance of the provisions of general nature that arise from them.

For such effect, the cited Commission may:

I. Request all kinds of information and documentation related to the provision of this kind of service;

II. Practice inspection visits;

III. Request the appearance of partners, representatives, and other employees of the legal entities that provide services of external audit, and

IV. Issue or acknowledge norms and procedures of auditing that must be observed by the legal entities that provide services of external auditing when issuing opinions relative to the financial statements of the Holding Companies.

The exercise of the powers that this article refers to, shall be limited to the auditing reports, opinions, and practices that, in terms of this Law, the legal entities that provide services of external auditing practice, as well as their partners or employees.

Article 97.- The Holding Companies must observe what is set forth in articles 94 and 98 of this Law, in respect of the requisites that the legal entity that provides the services of external auditing must comply with, as well as the external auditor that subscribes the report and other statements that correspond to the financial statements.

Article 98.- The external auditors that subscribe the report of the financial statements in representation of the legal entities that provide the services of external auditing must fulfill the personal and professional requisites and have honorability, in terms of what is established by the Supervisory Commission through provisions of general nature, and be partners of a legal entity that provides professional services of auditing of financial statements and that complies with the requisites of quality control established to the effect by the Commission itself in the cited provisions.

Also, the cited external auditors, the legal entity of which they are partners, and the partners or persons that form part of the auditing team must not fall in any of the events of lack of independence established to the effect by the Supervisory Commission, through provisions of general nature, in which the following are considered among others; financial or economic dependency relations, provision of services additional to auditing, and maximum terms during which the external auditors may provide the services of external audit to the Holding Companies.

Article 99.- The external auditor, as well as the legal entity that he/she is a partner of, shall be obligated to keep the documentation, information, and other elements used to create the report, statement, or opinion, for a term of at least five years. For such effects, automatic or digitalized means may be used.

Likewise, the external auditors must supply the reports and other elements of the suit on which their reports and conclusions are supported to the Supervisory Commission. If during the practice or as a result of the audit, irregularities are found that affect the liquidity, stability, or solvency of any of the Holding Companies or any entity that is a member of the Financial Group to which their auditing services are provided, they must present the audit committee, and in any case to the Supervisory Commission and to the Commission that supervises the corresponding financial entity, a detailed report regarding the observed situation.

The persons that provide external auditing services shall answer for the damages and lost profits caused to the Holding Company that hires them, when:

I. Due to inexcusable negligence, the report or opinion provided contains defects or omissions that due to their profession or trade, should form part of the analysis, evaluation, or study that gave rise to the report or opinion.

II. In the report of opinion, they intentionally:

a. Omit relevant information that they are aware of, when it must be included in the report or opinion;

b. Incorporate false information or information that induces to an error, or adjust the result with the ends of feigning a situation different from what corresponds to reality;

c. Recommend the execution of some transaction, opting within the existent alternatives, for that which generates financial effects that are obviously damaging for the institution, or

d. Suggest, accept, promote, or propose that a determined transaction be recorded contrary to the accounting criteria issued by the Commission.

Article 100.- The persons that article 96 of this Law refers to shall not incur in liability for the damages or lost profits that they cause, derived from the services or opinions that they issue, when acting in good faith and without deceit, the following occurs:

I. They render their report or opinion based on information provided by the person that they grant their services to, and

II. They render their report or opinion abiding by the norms, procedures, and methodologies that must be applied to carry out the analysis, evaluation, or study that corresponds to their profession or trade.

Article 101.- The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission, shall jointly set the rules for the maximum estimate of the assets of the Holding Companies and the rules for the minimum estimate of their obligations and liabilities, in favor of ensuring the adequate valuation of said concepts in the accounting of the Holding Companies.

Article 102.- The Financial Groups shall be subject to a regime of supervision over a consolidated base. The these effects, the Holding Company and the entities that form part of the Financial Group shall be considered one same economic unit for effects of revelation of information, accounting, and execution of the acts that article 39, subsection III refer to, as well as the investments indicated in articles 63, 84, and 89 of the present Law, independent of the obligations that other laws impose on the financial entities.

The Holding Company and Sub-Holding Companies shall be subject to the supervision of the Supervisory Commission, which shall be responsible for supervising the general functioning of the Financial Group. For such effect, the Ministry shall have the power to determine who shall be the Supervisory Commission for each Financial Group, for which it shall consider, among other elements, the shareholders' equity of the entities in question.

Independent of what is established in the paragraph above, the financial entities that form part of the Financial Group shall continue to be subject to the individual supervision by the corresponding Commissions, pursuant to the regulations applicable to each financial entity.

Article 103.- The Holding Companies of the Financial Groups and Sub-Holding Companies shall be obligated to provide the Supervisory Commission with the data, reports, records, minutes books, assistants, documents, correspondence, and in general, the information that is deemed necessary, in the form and terms that the Ministry, hearing the opinion of the Banco de México, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pension System Commission determines through the norms of general nature, as well as allow the access to their offices and other facilities.

Article 104.- The Supervisory Commission shall be empowered to investigate, in the administrative scope, acts and events that presumably constitute or may constitute a transgression to what is set forth in this Law or to the provisions of general nature that derive from it.

For such effect, as well as to verify the compliance with what is set forth in this Law and other provisions of general nature that arise from it, the cited Supervisory Commission shall be empowered to:

I. Request all kinds of information and documentation to any person or authority that may contribute in the development of the corresponding investigation.

II. Practice inspection visits on any person that may contribute in the development of the investigation.

III. Request the appearance of persons that may contribute or provide elements to the investigation.

IV. Hire the services of auditors or other professionals to assist it in said duty.

Article 105.- On the occasion of the appearances that this Law refers to, the Supervisory Commission shall formulate the questionnaires that it deems pertinent, in which case the appearing parties must respond, under oath, the questions that they are asked.

The Supervisory Commission may carry out inspection visits on the Holding Company of said Financial Group, which may be ordinary, special, or of investigation.

The ordinary visits shall be those that are made pursuant to the annual program approved by the chairman of the Supervisory Commission.

Special visits shall be those that without being included in the annual program that the paragraph above refers to, are practiced in any of the following events:

I. The examination and, if applicable, correction of special operative situations.

II. Follow up on the results obtained in an inspection visit.

III. When there are changes or modifications to the accounting, legal, economic, financial, or administrative condition of the Holding Company or of the Financial Group jointly.

IV. When a Holding Company begins operations after the drafting of the annual program that the third paragraph of this article refers to.

V. When there are acts, events, or omissions in the Holding Company or in its relations with the other financial entities in which they participate, directly or indirectly, that were not originally considered in the annual program that the third paragraph of this article refers to, that motivate the visit.

VI. When they derive from international cooperation.

The investigation visits shall be made provided that the Supervisory Commission has indications from which the occurrence of some conduct that presumably violates what is set forth in this Law and other provisions of general nature that arise from it may be deduced.

Article 106.- The financial entities, the Holding Companies, and Sub-Holding Companies shall be obligated to allow the personnel appointed by the Supervisory Commission, immediate access to the place or places that are purpose of the visit, to their offices, establishments and other facilities, including the unrestricted access to the documentation and other sources of information that these deem necessary for the fulfillment of their duties, as well as provide the physical space necessary to develop the visit and put the computer, office, and communication equipment needed to this effect at their disposal.

In the documentation that the paragraph above refers to, the following is included but is not limited to, the general or specific information contained in reports, records, minutes books, assistants, correspondence, automatic processing and conservation of data systems, including any other technical procedures established for that purpose, whether they are magnetic files or microfilmed, digitalized or recorded documents, and optic procedures for their consultation or of any other nature.

Article 107.- With the purpose of preserving the financial stability, avoid interruptions, or alterations in the functioning of the financial system, as well as facilitate the adequate fulfillment of their duties, the Ministry, the National Banking and Securities Commission, the National Insurance and Bonding Commission, the National Pensions System Commission, and the Banco de México must, at the request of the interested party, and in terms of the agreements that the last paragraph of this article refers to, among themselves exchange the information that they have for having obtained it:

I. In the exercise of their powers:

II. As a result of acting in coordination with other entities, persons, or authorities, or,

III. Directly from other authorities.

To the power mentioned in the paragraph above, the restrictions regarding the reserved or confidential information shall not be enforceable in terms of the applicable legal provisions. Whoever receives the information that this article refers to shall be administratively and criminally liable, in terms of the applicable legislation, for the dissemination to third parties of confidential or reserved information.

For effects of what is set forth in the present article, the authorities indicated must execute exchange of information agreements where the information that is purpose of the exchange is specified and the terms and conditions to which these must adhere to must be determined. Likewise, said agreements must define the degree of confidentiality or reserve or the information, as well as the respective control entities to which the cases in which the delivery of information is denied or the delivery is made outside of the established terms shall be informed.

Article 108.- The Ministry, the National Banking and Securities Commission, the National Insurance and Bonding Commission, the National Pensions System Commission, and the Banco de México, within the scope of their duties and powers, shall be empowered to provide the foreign financial authorities all kinds of information that is deemed applicable to deal with the requests that are asked of them, such as documents, records, registrations, statements, and other evidence that such authorities have due to having obtained them in the exercise of their powers.

For effects of what is set forth in the paragraph above, the authorities must have an exchange of information agreement subscribed with the foreign financial authorities in question, where the principal of reciprocity is considered.

The Supervisory Commission shall be empowered to deliver the information protected by provisions of confidentiality that it has in its power due to having obtained it in the exercise of its powers to the foreign financial authorities, acting in coordination with other entities, persons or authorities, or directly from other authorities.

The Banco de México shall be empowered to deliver the information protected by provisions of confidentiality that it has in its power due to having obtained it in the exercise of its powers to the foreign financial authorities. Likewise, the Banco de México shall be empowered to deliver information protected or not by provisions of confidentiality to the foreign financial authorities, that it obtains from other authorities of the country, only in the cases in which it is expressly authorized in the exchange of information agreement, by virtue of which it received said information.

In any case, the Supervisory Commission and the Banco de México may abstain from providing the information that the two paragraphs above refer to, when the use that is intended to be given to the same is different to that for which it was requested, it is contrary to public order, to national security or to the terms agreed in the respective exchange of information agreement.

The Ministry, the National Banking and Securities Commission, the National Insurance and Bonding Commission, the National Pensions System Commission, and the Banco de México may establish coordination mechanisms for the delivery of information that this article refers to, to foreign financial authorities.

The delivery of information that is done in terms of the present article shall not imply any transgression of the obligations of reserve, confidentiality, secrecy, or analogous that must be observed pursuant to the applicable legal provisions.

Article 109.- The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pensions System Commission, at the request of the authorities cited in the article above, and based on the reciprocity principle, may carry out inspection visits on the Holding Companies Subsidiaries or Subsidiaries. At the discretion of the same, the visits may be made through them or, in cooperation with the foreign financial authority in question, may allow for the latter to carry it out.

The request that is mentioned in the paragraph above must be done in writing, at least thirty calendar days in advance, and must be accompanied by the following:

I. Description of the purpose of the visit.

II. Legal provisions applicable to the purpose of the request.

The National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pensions System Commission may request a report of the results obtained from the foreign financial authorities that carry out visits in terms of this article.

Article 110.- To the effect of strengthening and delving into their supervisions labors regarding the Financial Group and/or regarding each of the financial entities that are a part of it, the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pensions System Commission must jointly formulate a collaboration instrument whose

purpose is to achieve an effective consolidated supervision, formalizing, among others, the following commitments:

I. To provide access to the data, reports, documents, correspondence, and in general, to the information of the other supervisory commissions for the exercise of their duties of supervision, inspection, and surveillance of the Financial Group or of the entities that form part of it, where appropriate.

II. To provide access to the other supervisory Commissions to the visits that are made to the Holding Company or to the financial entities where they exercise Control, where appropriate.

III. To opportunely inform regarding any relevant situation or any factor that may potentially affect the stability or solvency of the Financial Group or of any entity that is part of it, where appropriate.

The exchange of information indicated in this article shall not be understood as a transgression to the secrets that the special laws that govern them establish.

Article 111.-The National Commission for the Protection of Users of Financial Users may order the suspension of the advertising done by the Financial Groups, when at its judgment this implies inaccuracy, ambiguity, or unfair competition among the financial entities, or that for any other circumstance may induce to error, in respect to the transactions and services done with the financial entities of the Financial Group that are supervised.

Article 112.- When at the judgment of the Supervisory Commission, by virtue of the supervision that it does, it detects acts in the Holding Company that violate the laws that regulate them or the provisions of general nature that arise from them, said Commission may:

I. Issue the necessary measures to normalize the situation of the Holding Company in question, indicating a term for said normalization to take place.

II. Order that the execution of the acts that are presumably irregular to be suspended or proceed with the settlement of the same.

Article 113.- The Holding Company and other financial entities that are members of a Financial Group may share information and documentation among themselves that is relative to the transactions and services that each of the said entities executes with its clientele, without this being understood as a violation of the secrets that the special laws that govern them establish and that due to the nature of the information and documentation that is shared may imply the obligation to keep secret. The foregoing does not release the employees and officials of the Holding Company and other financial entities that are members of the Financial Group from their liability, in terms of the applicable provisions, for violation of the secrets that the articles indicated in this paragraph establish. Each financial entity shall be obligated to repair damages and lost profits caused in case of undue revelation of the secret by its employees and officials.

The Ministry, hearing the opinion of the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pensions System Commission may issues norms of general nature through which criteria, policies, and guidelines are established with relation to what is established in the paragraph above.

Article 114.- The Holding Company and other financial entities that are members of a Financial Group that pursuant to the Only Chapter of Title Fourth of the present law, share their facilities, must guarantee the security of the information, limiting the operative areas that due to their nature require confidentiality pursuant to what is established in the legal ordinances.

Article 115.- The financial entities that are members of a Financial Group may not grant financing for the acquisition of representative shares of its capital, of the Holding Company, or of any other financial entity that is a member of the Financial Group that it belongs to. It also may not receive shares of general deposit warehouses, foreign exchange firms, bonding companies, insurance

companies, securities firms, commercial banks, managing companies of investment companies, distributors of shares in investment companies, retirement funds management companies, and financial companies of multiple purpose, and of any others that are established pursuant to the special financial legislations, of Holding Companies or credit unions in guarantee, except if they have an authorization by the Ministry, hearing the opinion of the Banco de México and the Supervisory Commission of the entity that intends to receive them in guarantee.

Article 116.- The Holding Company or Sub-Holding Company may only contract direct or contingent liabilities and give its properties in guarantee when it is the case of the only agreement of liabilities that the present law refers to, of the transactions with the Institute for the Protection of Bank Savings and with the authorization of the Banco de México, in cases of the issuance of subordinated debentures of forced conversion to representative certificates of its capital and of obtaining short term credits, until the placement of shares due to the incorporation or merger that the present law refers to takes place.

CHAPTER II
On liabilities and corrective measures

Article 117.- The Ministry, through provisions of general nature, hearing the opinion of the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pensions System Commission, shall establish the corrective measures that the Holding Companies must comply with, taking as base, the obligation to ensure that the financial entities that are members of its Financial Group comply with the requirements set forth in their respective special laws.

For effects of the paragraph above, the Ministry may establish diverse categories, depending on the degree of insufficiency that the financial entities that are members of the Financial Group have in respect to the requirements indicated in the paragraph above, as well as define the measures that shall be applicable due to the level of compliance and the criteria for its application through provisions of general nature.

The Ministry must define the measures that shall be applicable based on the compliance with the mentioned consolidated net capital, as well as the criteria for its application, through provisions of general nature.

The purpose of the corrective measures must be to prevent and, where appropriate, correct the problems that take place and that may affect the financial stability or solvency of the Holding Company or of the financial entities that are members of the Financial Group.

The adoption of any of the corrective measures imposed by the Supervisory Commission, based on this provision and in article 118 of this law, as well as in the provisions that derive from them and, where appropriate, the sanctions and revocation procedures that derive from their default, shall be considered of public order and social interest, therefore, no suspension measure shall proceed against it, this in protection of the public interest.

What is set forth in this article, as well as in article 118 shall be applied independent of the powers that are attributed to the Supervisory Commission pursuant to this Law and other applicable provisions.

The Holding Companies of Financial Groups must provide what is relative to the implementation of the corrective measures within their corporate bylaws, committing to adopt the actions that, where appropriate, are applicable.

Article 118.- In an inclusive, but not limited manner, the measures that the article above refers to may include:

I. Suspending the payment of dividends, the acquisition of own shares and any other mechanism that implies a transfer of pecuniary benefits to the shareholders.

II. Suspending the payment of the compensations and additional extraordinary bonuses to the salary of the general director and the officials of the two hierarchical levels below the latter, as well as granting new compensations in the future to the general director and officials of the Holding Company, until the insufficiencies in the financial entity that is a member of the Financial Group in question have been corrected, pursuant to the applicable provisions. These provisions must be included in the agreements and other documentation that regulates the work conditions.

    What is set forth in this subparagraph shall also be applicable in respect to the payments that are made to the Sub-Holding Companies and Service Providers and Real Estate Companies, when said companies make the payments to the officials of the Holding Company.

    The measures set forth in this subsection are independent of the labor rights acquired in favor of the persons that pursuant to the same, may be affected.

III. Suspending the payment of interest, deferring the payment of the principal and, where appropriate, converting the subordinated debentures into shares in advance that are in circulation for up to the amount that is necessary to cover the insufficiency in the financial entity that is a member of the Financial Group in question. These corrective measures shall be applicable to those subordinated debentures that, in terms of what is set forth in the provisions that article 117 of this law refers to, are calculated as part of the consolidated net capital of the Financial Group.

    The Holding Companies that issue subordinated debentures from those referred to in the paragraph immediately above, must include in the prospectus, in the informative prospectus, as well as in any other instrument that documents the issuance, the possibility that the implementation of said measure may proceed when the corresponding causes occur pursuant to the rules of general nature that the penultimate paragraph of article 91 of this law refers to, without it being a cause for default by the Holding Company.

IV. Abstaining from carrying out investments in financial entities that are members of the Financial Group, as well as in representative certificates of the capital stock of financial entities that are not members of the Financial Group.

V. Substituting officials, directors, or external auditors, the Holding Company itself appointing the persons that shall occupy the respective posts. The foregoing is independent of the powers of the Supervisory Commission set forth in article 42 of this Law to determine the removal or suspension of the members of the managing board, general directors, directors, managers, and other officials that may bind the Holding Company with their signature.

VI. Ordering the sale of assets that are property of the Holding Company or property of the financial entities that are members of the Financial Group.

When the Holding Companies of Financial Groups keep a consolidated net capital above twenty-five percent or more than is required pursuant to the applicable provisions, the corrective measures shall not be applicable to them.

Article 119.- The Holding Company and each of the financial entities that are members of a Financial Group shall subscribe an agreement pursuant to which:

I. The Holding Company shall respond in a subsidiary and unlimited manner to the fulfillment of the obligations attributable to the financial entities that are members of the Financial Group, corresponding to the activities that, pursuant to the applicable provisions, are each of their own, even in respect to those contracted by said financial entities before their integration into the Financial Group, and

II. The Holding Company shall respond unlimitedly for the losses of each of said financial entities. In the event that the equity of the Holding Company were not enough to make the liabilities effective that, in respect to the financial entities that are members of the Financial Group were presented simultaneously, said liabilities shall be covered, firstly, in respect to the credit institution that, where appropriate, belongs to said Financial Group and, later, at pro rata in respect to the other entities that are members of the Financial Group until exhausting the equity of the Holding Company.

To this effect, the relation that exists between the percentages that are represented, in the capital of the Holding Company, and its participation in the capital of the financial entities in question shall be considered.

For effects of what is set forth in this Law, it shall be understood that a financial entity that belongs to a Financial Group has losses, when the assets of the entity are not enough to cover its payment obligations.

The referred to liabilities shall be expressly set forth in the bylaws of the Holding Company.

It must also be indicated in the cited agreement that none of the financial entities that are members of the Financial Group shall be responsible for the losses of the Holding Company, nor for those of the other participants of the Financial Group.

Article 120.- The liability of the Holding Company derived from the agreement set forth in the article above, in respect to the commercial banks that are members of a financial group, shall adhere to the following:

I. The Holding Company must be responsible for the losses recorded by the commercial banks that are members of the Financial Groups that it belongs to, in terms of what is set forth in this article.

II. The Institute for the Protection of Bank Savings must determine the preliminary amount of the losses attributable to a commercial bank on the date that the Board of Governors of the Institute itself adopts any of the resolution methods set forth in the Credit Institutions Law.

The preliminary amount of the losses shall be determined based on the results of the technical study made to this effect by the Institute for the Protection of Bank Savings pursuant to the Credit Institutions Law, within the ten business days following the date on which the Board of Governors of the Institute itself adopted the corresponding resolution method pursuant to said Law. When the technical study has been formulated by a third party, in terms of the cited Law, the losses determined based on this shall be considered as definitive for the effects set forth in subsection V of this article. In those cases where there is no technical study, the Institute shall determine the preliminary amount of the losses attributable to the commercial bank, based on the report made by the receiver, regarding the comprehensive condition of the commercial bank set forth in said Law. In this case, the Institute must determine the preliminary amount of the losses within the ten business days following the date on which the elaboration of the corresponding report concludes.

III. The Institute for the Protection of Bank Savings must notify the Holding Company of the preliminary amount of the losses during the business days following its determination.

The Holding Company must constitute a reserve attributable to its capital, for an amount equal to the preliminary amount of the losses that the Institute for the Protection of Bank Savings determined pursuant to what is set forth in the subsection above. For such effects, the company shall have a term that may not exceed fifteen calendar days, counting from the date on which the Institute itself notifies the preliminary amount of the losses attributable to the commercial bank.

IV. The Holding Company must guarantee to the Institute for the Protection of Bank Savings, that it will pay the losses attributable to the commercial bank that the same Institute has determined and that it has covered through the restructuring of the bank pursuant to the Credit Institutions Law. The Holding Company must constitute the guarantee that this subsection refers to, in a term that shall not exceed fifteen calendar days counting from the date on which it receives the notice that subsection III of this article refers to, even when the definitive amount of the losses attributable to the commercial bank that is a member of the Financial Group has not been determined.

The guarantee that this subsection refers to must be for an amount equal to the preliminary amount of the losses payable by the commercial bank that the Institute notified. Said guarantee may be constituted to cover goods that are property of the Holding Company, provided that these are free of all lien, or, to cover the representative shares of the capital stock of the Holding Company itself or of any of the entities that are members of the Financial Group, considered at their book value pursuant to the last available audited financial statements.

In the event that the guarantee is constituted over the representative shares of the capital stock of the Holding Company, first the series “O” or “F” shall be encumbered, whichever the case may be. In the case of series “O,” the shares of the persons that, in terms of this law, exercise the Control of the Holding Company shall be encumbered in the first place, and in case of not being enough, the other shares of said series. In the event that the series “O” or “F” shares are not enough, those corresponding to the series “L” shall be encumbered. For the constitution of this guarantee, the shares must be transferred to the account that the Institute keeps in any of the securities depositary institutions authorized in terms of the Securities Market Law. The guarantee in favor of the Institute shall be considered of public interest and preferable to any right constituted over said goods or certificates.

The guarantee shall be granted by the general director of the Holding Company or whoever exercises these duties. To this effect, the securities depositary institution where the referred to shares are, at the written request of the general director or of who exercises these duties, shall transfer them and keep them in guarantee in terms of what is indicated in the present article, communicating this to the holders of the same.

In the event that the general director or whoever exercises these duties does not carry out the mentioned transfer, the respective securities depositary institution must carry out said transfer, the written request by the Executive Secretary of the Institute for the Protection of Bank Savings shall be enough for this effect.

When the guarantee is constituted of representative shares of the capital stock of one or some of the entities that are members of the financial group, the general director of the Holding Company or whoever exercises these duties, must transfer the shares that are property of the Holding Company that are enough to cover the amount of the guarantee to the account that the Institute for the Protection of Bank Savings has in a securities depositary institution, taking into consideration their book value pursuant to the last available audited financial statements of the corresponding entity. In case the general director of the Holding Company or whoever exercises these duties does not carry out the transfer of the shares, what is set forth in the paragraph above shall be observed.

The exercise of the property and corporate rights inherent to the shares that are object of the guarantee set forth in this subsection shall correspond to the Institute for the Protection of Bank Savings.

In case the Holding Company grants the guarantee that the present subsection refers to with goods different than the representative shares of the capital stock of the Holding Company or of the entities that form part of the Financial Group, the guarantee shall be constituted observing the provisions applicable to the legal act in question.

V. In the case that the preliminary losses were determined based on the report relative to the comprehensive condition of the commercial bank, that the receiver drafts in terms of the Credit Institutions Law or, using a technical study that the Institute for the Protection of Bank Savings carried out with its personnel pursuant to what is indicated in the Credit Institutions Law, said Institute must hire a specialized third party to the ends of analyzing, evaluating and, where appropriate, adjusting the results of the technical study or of the report, whichever the case, based on the financial information of the bank itself and on the applicable provisions. For effects of what is set forth in this article, the definitive determination of the losses recorded by the commercial bank shall be made based on the information of the same date than that used for the determination of the preliminary value of the losses, and shall be what results from the analysis done by the third party that the Institute hired.

    The specialized third party must comply with the criteria of independence and neutrality that the National Banking and Securities Commission determines through provisions of general nature that ensure the transparency and confidentiality of the financial information of the credit institutions pursuant to the Credit Institutions Law.

    The Institute for the Protection of Bank Savings must notify the Holding Company of the definitive amount of the losses attributable to the commercial bank, in a term that may not exceed one hundred and twenty calendar days counting from the notice that subsection III of the present article refers to. The Holding Company shall carry out the adjustments that, where appropriate, proceed to the amount of the reserve and of the guarantee that subsections III and IV of this article refer to, respectively, dealing with the definitive amount of the losses that the Institute itself notifies.

    The Holding Company may contest the determination of the definitive amount of the losses, within the ten business days following the day when said amount was notified. For such effects, the Holding Company, in joint agreement with the Institute for the Protection of Bank Savings, shall appoint a specialized third party that shall issue a report in respect to the quantification of the losses, having a term of sixty calendar days for this counting from the business day following the day on which the Holding Company presented its objection to the Institute. Until the quantification of the losses derived from the objection presented by the Holding Company is resolved, said company shall not be obligated to carry out the adjustments derived from the definitive amount of the losses that the cited Institute notified.

VI. The Holding Company must cover the definitive amount of the losses determined pursuant to what is set forth in subsection V of this article to the Institute for the Protection of Bank Savings or to the bank in bankruptcy proceedings, within the seventy calendar days following when the same Institute notified said amount. Independent of the foregoing, said Institute may authorize the Holding Company to make partial payments within the referred to term, partially releasing the guarantee that subsection IV of the present article refers to. In this case, said guarantee shall be released in the following order:

    a. The goods different from the representative shares of the capital stock of the Holding Company and of the entities that form part of the Financial Group;

    b. The representative shares of the capital stock of the entities that are members of the Financial Group, and

    c. The representative shares of the capital stock of the Holding Company. In this case, the series “L” shares shall be released first; then the series “O” shares whose holders do not exercise the Control of the Holding Company and, in the last place, the series “O” shares of the Control group or the series “F” shares, whichever the case.

    In case the Holding Company does not cover the amount that the first paragraph of this subsection refers to in the term indicated to the Institute for the Protection of Bank Savings, and the guarantee of the corresponding payment were constituted over shares, the ownership of such shares shall be transferred *ipso jure* to the referred to Institute, with

the written notice of such circumstance to the corresponding securities depositary institute by the Executive Secretary of the same Institute being enough.

VII. Independent of what is set forth in this article, the Holding Company must answer for the losses that the commercial bank that forms part of the Financial Group records after the definitive determination set forth in subsection V of this precept, provided that said losses derive from transactions executed before the date on which the Board of Governors of the Institute for the Protection of Bank Savings adopted any of the resolution methods that the Credit Institutions Law refers to, and that at the time of the determination by the same Institute, were not revealed.

VIII. The Holding Company shall adhere to a special supervision program of the Commission that supervises the financial entity that forms part of the Financial Group that the Secretary determines as preponderant.

Additionally, the Supervisory Commission may request to carry out inspection visits on the authorities in charge of the supervision of the other members of the financial group. The personnel of the Commission responsible for the inspection and surveillance of the Holding Company may attend said visits.

In case the supervision of the Holding Company is not the responsibility of the National Banking and Securities Commission, the latter may participate in the special supervision program and in the inspection visits that this subsection refers to.

IX. Independent of what is set forth in Chapter III of the Title Seventh of this Law, the Supervisory Commission may declare the intervention with the nature of management of the Holding Company, when it does not constitute the reserve and the guarantee that subsections III and IV of this article refers to respectively, and does not broaden them in terms of subsection V within the terms set forth for it. When taking the possession of the administration of the Holding Company, the managing inspector must execute the corresponding acts that are referred to in subsections III, IV, and V of this article.

X. The Holding Company may not pay dividends to the shareholders, nor carry out any mechanism or act that implies a transfer of property benefits to the shareholders, starting from the date on which the Board of Governors of the Institute for the Protection of Bank Savings determines the resolution method applicable to the commercial bank, pursuant to the Credit Institutions Law, and until the Holding Company complies with what is set forth in this article. The National Banking and Securities Commission shall notify the Holding Company of said situation.

For the protection of the interest of the saving public, of the payments system, and of the public interest, the corporate bylaws of the Holding Company and the representative certificates of its capital stock must include the content of the present article, expressly indicating that the partners, for the sole fact of being so, accept that their shares may be given in guarantee in favor of the Institute for the Protection of Bank Savings, in terms of what is set forth in subsections IV and VI of the present article, as well their approval of, in case of default in the opportune payment that the Holding Company must cover to the Institute for the Protection of Bank Savings, pursuant to what is set forth in subsection VI of this article, the ownership of their shares to be transferred in favor of the same Institute.

The Ministry shall determine, through rules of general nature, the procedure by virtue of which the Holding Company shall fulfill the responsibility assumed by it, through the only agreement of liabilities, abiding by what is set forth in this article, as well as in the article above.

Article 121.- When the Holding Company keeps an investment in financial entities that are not members of its Financial Group or in Service Providers and Real Estate Companies, the Holding Company shall not have any liabilities additional than those indicated in the applicable commercial and financial legislations.

The liabilities referred to shall be expressly set forth in the bylaws of the Holding Company.

TITLE SEVENTH
On revocation, bankruptcy proceedings, separation, and intervention of the Financial Groups

CHAPTER I
On revocation

Article 122.- The Ministry, hearing the opinion of the Banco de México and, as the case may be, of the National Banking and Securities Commission, the National Bonding and Insurance Commission, and the National Pensions System Commission, and at the request of the Holding Company in question, may revoke the authorization for the organization of the Holding Company and the incorporation and operation of the Financial Group set forth in the present legal statute, provided that the following is fulfilled:

I. The shareholders' meeting of the Holding Company has agreed to its dissolution and bankruptcy proceedings, and has approved the financial statements where the obligations attributable to the Holding Company are no longer recorded, or losses for which the financial entities that are members of the same must answer;

II. The Holding Company has presented the preliminary version of the agreement of termination to the agreement of liabilities due to its dissolution and bankruptcy proceedings to the Ministry;

III. The Holding Company has presented the financial statements approved by the general shareholders' meeting to the Supervisory Commission, accompanied by the report of an external auditor that includes his/her opinions in respect to the specific components, accounts, or entries of the financial statements, where the condition of the records that the subsection above refers to are confirmed, and

IV. The financial entities that are members of the Financial Group comply with the requirements of capitalization the must be observed in accordance with the applicable provisions, at the time at which the Holding Company requested the revocation pursuant to this article.

The foregoing, independent of the procedures that, where appropriate, must be carried out before the Federal Antitrust Commission or any other authority.

Article 123.- The Ministry, hearing the opinion of the Banco de México and, as the case may be, of the National Banking and Securities Commission, the National Bonding and Insurance Commission, or the National Pensions System Commission, as well as of the Holding Company of the Financial Group affected, may declare the revocation of the authorization granted for the organization of the Holding Company and the incorporation and operation of the Financial Group set forth in the present legal ordinance, in the following cases:

I. If the Holding Company in question does not present the public instrument where the articles of incorporation are recorded for its approval within the ninety days following the date on which the authorization in question was notified;

II. If the Holding Company in question declares itself in commercial bankruptcy in the terms of the applicable provisions;

III. If the Financial Group does not keep the minimum financial entities that are members pursuant to what is established in this Law;

IV. If the Holding Company in question does not fulfill the requirements of capitalization in terms of this Law and of the provisions that arise from it;

V. If the Holding Company in question does not comply with the corrective measures that articles 117 and 118 of this Law refer to, and that were ordered by the Supervisory Commission, and

VI. If once the nine-month term has elapsed, counting from the declaration of intervention agreed to by the Commission, the irregularities that affected the stability or solvency of the Holding Company have not been corrected.

The foregoing, independent of the procedures that, where appropriate, must be done before the Federal Antitrust Commission or any other authority.

The revocation judgment shall be published in the Federal Official Gazette, it shall be registered in the Public Registry of Commerce that corresponds to the corporate domicile of the Holding Company in question, and shall put said company in a state of dissolution and bankruptcy proceedings without the need of the agreement by the shareholders' meeting.

Once the revocation has been registered in the Public Registry of Commerce, the company must report said registration to the Ministry.

Once the authorization of the Holding Company is revoked, the financial entities that are part of the Financial Group must stop representing themselves as members of the same. Said financial entities shall have a maximum term of seventy business days counting from the publication of the revocation in the cited Official Gazette, to suspend the offer of the products and provision of the financial services in the branches of the other financial entities that formed part of the Financial Group.

Article 124.- Once the revocation resolution has been issued, the Holding Company may not dissolve until it resolves the obligations of financial, operative, or judicial nature of the financial entities that formed part of the Financial Group, that may negatively affect the interest of the public.

Article 125.- The Holding Companies whose authorization was revoked pursuant to the present Chapter, must adhere to the provisions established in Chapter II of the present Title where pertinent.

CHAPTER II
On dissolution, bankruptcy proceedings, and commercial bankruptcy

Article 126.- The dissolution, bankruptcy proceedings and commercial bankruptcy of the Holding Companies shall be governed by what is set forth in the Business Associations Law and, where appropriate, by the Business Reorganization Law, with the following exceptions:

I. It shall correspond to the shareholders' meeting to name the liquidator, when the dissolution and bankruptcy proceedings were voluntarily agreed upon by said body, pursuant to what is set forth in article 122 of this Law. Said meeting shall have a term of thirty business days to appoint the liquidator starting from the date on which the revocation was declared.

   The companies must report the appointment of the liquidator to the Supervisory Commission within the five business days following his/her appointment, as well as the start of the processing for its corresponding registration in the Public Registry of Property and of Commerce.

   The Supervisory Commission may oppose its veto in respect to the appointment of the person that shall exercise the post of liquidator, when it considers that he/she does not have enough technical quality, honorability, or a satisfactory credit history for the performance of his/her duties, that he/she does not fulfill the requisites established to this effect or that he/she has committed serious or repeated transgressions to the present Law or to the provisions of general nature that arise from it.

II. The post of liquidator may fall on credit institutions, on the Management and Transfer of Properties Agency, or on individuals or legal entities that have experience in liquidation of companies.

   In the case of individuals, the appointment must fall on persons that have technical quality, honorability, and satisfactory credit history and that fulfill the following requisites:

a) Reside on national territory in terms of what is set forth in the Federal Tax Code.

b) Be registered in the registry kept by the Federal Institute of Business Reorganization Experts.

c) Present a Report of Special Credit, pursuant to the Credit Information Bureaus Law, provided by a credit information company that includes his/her background for at least five years before the date on which the post is intended to begin.

d) Not have any pending suits with the Holding Company or with one or several of the financial entities in which he/she exercises Control.

e) Not have been convicted for property crimes nor have been disqualified from exercising commerce or from performing a position, post, or commission in the public service or in the Mexican financial system.

f) Not be declared in bankruptcy or commercial reorganization.

g) Not have performed the post of external auditor of the Holding Company or of any of the entities where he/she exercises Control, during the twelve months immediately before the date of the appointment.

h) Not be prevented from acting as visitors, bankruptcy conciliator, or receiver, nor have a conflict of interest in the terms of the Business Reorganization Law.

In cases of legal entities in general, the individuals appointed to perform the activities related to this duty must comply with the requisites that this subsection refers to. The Holding Companies must verify that the person that is appointed as liquidator complies with the requisites indicated in this subsection before the start of the exercise of his/her duties.

The Management and Transfer of Properties Agency may exercise the post of liquidator, bankruptcy conciliator, or receiver with its personnel or through attorneys-in-fact appointed for such effect. The powers may be granted in favor of credit institutions or individuals that comply with the requisites indicated in this subsection.

The institutions or persons that have interests opposed to those of the company must abstain from accepting the post of liquidator, manifesting such circumstance.

III. The Supervisory Commission shall carry out the appointment of the liquidator for the dissolution and bankruptcy proceedings of the company in question as a consequence of the revocation of its authorization in the cases set forth in article 123 of this Law.

The cited Commission may appoint any person that the subsection above refers to as liquidator, observing the requisites set forth.

In the event that the liquidator appointed by said Commission resigns from his/her post, for a justified cause or dies, or is dismissed, the Commission must appoint the person to substitute him/her within the fifteen days following the date on which the event in question is verified.

In the events that this subsection refers to, the responsibility of the Supervisory Commission shall be limited to the appointment of the liquidator, who due to the acts and results of the acts of the liquidator shall be of the exclusive responsibility of it.

IV. In the performance of his/her duty, the liquidator must:

a) Collect what is owed to the company and pay what it owes.

In case the assets are not enough to cover the liabilities of the Holding Company, the liquidator must request the commercial bankruptcy.

b) Draft a report in respect to the comprehensive condition of the Holding Company. In the event that from the report, it is deduced that the Holding Company falls in causes for commercial bankruptcy, he/she shall request the declaration of the commercial bankruptcy from the judge pursuant to what is set forth in the Business Reorganization Law, informing the Supervisory Commission of this.

c) Instrument and adopt a scheduled work plan that includes the necessary procedures and measures for the obligations attributable to the Holding Company to be settled or transferred no later than within the year following the date on which he/she swore and accepted the appointment.

d) Call the general shareholders' meeting at the conclusion of his/her management, to present a complete report of the bankruptcy proceedings. Said report must contain the final balance of the bankruptcy proceedings.

   In the event that the bankruptcy proceedings do not conclude within the immediately following twelve months, counting from the date on which the liquidator accepted and swore his/her post, the liquidator must call a general shareholders' meeting with the purpose of presenting a report in respect to the condition that the bankruptcy proceedings is in, indicating the causes for which the conclusion was not possible. Said report must include the financial statement of the Holding Company and must be at the disposal of the shareholders at all times. Independent of what is set forth in the following paragraph, the liquidator must call a general shareholders' meeting in the terms described before, for each year that the bankruptcy proceedings last, to present the cited report.

   When the liquidator has called the meeting, it does not meet with the necessary quorum, he/she must publish a notice directed to the shareholders in two gazettes of broad circulation, indicating that the reports are at their disposal, indicating the place and time when they may be consulted.

e) Promote the approval of the final balance of the bankruptcy proceedings before the judicial authority, in the cases where it is not possible to obtain the approval from the shareholders of said balance in terms of the Business Associations Law, because said meeting, notwithstanding having been called, does not meet with the necessary quorum; or, because said balance is contested by the meeting unjustifiably at the judgment of the liquidator. The foregoing independent of the legal actions that correspond to the shareholders in terms of the law.

f) Where appropriate, report to the competent judge that there is a physical and material impossibility to carry out the legal liquidation of the Holding Company, so that the judge may order the cancellation of its registration in the Public Registry of Commerce, that shall take effect once one hundred and eighty days have elapsed since the judicial writ.

   The liquidator must publish a notice directed to the shareholders and creditors regarding the request to the competent judge in two gazettes of broad circulation on national territory.

   Those interested may oppose this cancellation within a term of seventy days following the notice, before the judicial authority itself.

g) Exercise all the legal actions to determine the economic liabilities that, where appropriate, exist, and assign the liabilities that are applicable in terms of the law and other provisions.

h) Abstain from buying the goods that are property of the Holding Company in bankruptcy proceedings for him/herself or for another, without the expressed consent of the shareholders' meeting.

i) Keep the books and papers of the Holding Company in deposit during ten years after the date on which the bankruptcy proceedings conclude.

V. The Supervisory Commission must request the declaration of the commercial bankruptcy of a company, when there are elements that cause the occurrence of the events for the declaration of commercial bankruptcy.

VI. Once the commercial bankruptcy has been declared, the cited Commission may request that the procedure begins in the stage of bankruptcy or the early termination in the stage of conciliation, in defense of the interests of the creditors, in which case the judge shall declare the bankruptcy.

VII. The post of bankruptcy conciliator or receiver shall correspond to the person appointed for such effect by the Supervisory Commission in a maximum term of ten business days counting from the judgment that declares the commercial bankruptcy in a stage of conciliation or bankruptcy. Said appointment may fall upon credit institutions, the Management and Transfer of Properties Agency or, upon individuals or legal entities that comply with the requisites set forth in subsection II of this article.

Once the commercial bankruptcy has been declared, whoever has the administration of the company under its charge must present the procedures for the fulfillment of the obligations payable by the company, as well as the dates of its application for the approval of the judge. The judge, previous to his/her approval, shall hear the opinion of the Commission mentioned in the subparagraph above.

In cases of procedures of revocation, bankruptcy proceedings, or commercial bankruptcy of Holding Companies of Financial Groups where the Management and Transfer of Properties Agency acts as administrator, liquidator, or receiver, the Federal Government may assign resources to said decentralized body of the Federal Public Administration, with the exclusive purpose of carrying out the expenses associated to publications and other processes relative to such procedures, when it is informed that these may not be dealt with, payable by the equity of the group in question due to lack of liquidity, or due to insolvency, in which case, it shall be constituted as creditor of last resort.

When the Commission or the liquidator finds that there is an impossibility to carry out the bankruptcy proceedings of the company, it shall be reported to the competent judge so that he/she may order the cancellation of its registration in the Public Registry of Commerce, which shall take effect once one hundred and eighty calendar days have elapsed since the judicial writ.

Those interested may oppose this cancellation within a term of seventy days, counting from the registration of the cancellation in the Public Registry of Commerce before the judicial authority itself.

CHAPTER III
On intervention

Article 127.- The Supervisory Commission may declare the managerial intervention of the Holding Company when, at its judgment, there are irregularities of any kind that affect its stability, solvency, or liquidity and puts the interest of the public or of its creditors in danger.

Likewise, the cited Commission may declare the managerial intervention of the Holding Company when an intervention with such nature has been decreed in any of the financial entities that are part of the Financial Group that the Holding Company belongs to.

To this effect, the Chairman of the Supervisory Commission may propose the declaration of intervention with managerial nature of the Holding Company to its Board of Governors, and the

appointment of the person that shall be in charge of the administration of this with the capacity of conservator-manger, in the terms set forth in this article.

The Supervisory Commission shall keep a record of the persons that may carry out the duty of conservator-manager of the Holding Company itself, or act as member of the consulting board that article 133 of this Law refers to. To be certified or registered in the mentioned registry, the persons interested must present a request in writing to the Supervisory Commission, with the documents that attest the fulfillment of the requisites established in article 126, subsection II of this law, with previous payment of the corresponding rights, and provided that they do not fall in any of the causes for inadmissibility set forth in said article.

The Supervisory Commission shall appoint the conservator-manager and, where appropriate, the members of the consulting board that article 133 of this Law refers to, by agreement of its Board of Governors, from within those persons that are registered in the registry that the paragraph above refers to, provided that said persons comply with the requisites set forth in this law to perform such posts.

Article 128.- The persons that obtain the registration in the registry that the article above refers to, must fulfill the duties that derive from their appointment with honesty and diligence, whether it be as conservator-manager or member of the consulting board, pursuant to this Law and other applicable provisions, having to keep the due confidentiality in respect to the information that they have access to in the exercise of their duties.

Article 129.- The official letter that contains the appointment of conservator-manager and its revocation must be registered in the Public Registry of Commerce that corresponds to the domicile of the intervened Holding Company, without more requisites than the respective official letter of the Supervisory Commission where said appointment is recorded, the substitution of conservator-manager or its revocation when said Commission authorizes to cease the intervention.

In the event that, due to a justified cause, the conservator-manager or some member of the consulting board resigns from his/her post, the Supervisory Commission shall have a term of up to thirty days to appoint the person to substitute him/her. For the corresponding substitution, what is indicated in article 127 of this Law must be observed.

Article 130.- The Supervisory Commission may determine the cancellation of the registration to perform as conservator-manager or member of the consulting board when these persons:

I. Do not perform their duties adequately;

II. Are convicted through a final judgment for intentional crime that warrants imprisonment or are disqualified for a position, post, or commission in the public service or the financial system or forbidden to exercise commerce;

III. Hold a position, post, or commission in the Public Administration, or are part of the Legislative or Judicial Powers in any of the three levels of Government;

IV. Refuse the performance of the duties that are assigned to them in terms of this Law, without there being sufficient cause, to the judgment of the Management and Transfer of Properties Agency, and/or

V. Were convicted by final judgment to the payment of damages and lost profits derived from some managerial intervention that they were assigned to.

Article 131.- The conservator-manager shall have all the powers that correspond to the managing board and full general powers for acts of ownership, of administration, of lawsuits and collections, with the powers that require special clause pursuant to the law, to grant and subscribe credit titles, to present complaints and lawsuits and desist from the latter, and to grant the general and special powers that are deemed convenient, and revoke those that were granted by the intervened Holding Company and those that he/she granted.

Article 132.- The acts by the conservator-manager shall not be subjected to the shareholders' meeting or to the managing board. From the time that the managerial intervention begins, all the powers of the managing board and the powers of the persons that the conservator determines shall be subjected to the conservator-manager. The shareholders' meeting may continue to meet regularly to analyze the issues that are of their competence, and the board may do the same to be informed of the issues that the conservator-manager considers convenient regarding the functioning and transactions that the company carries out, as well as to give an opinion regarding the issues that the same conservator-manager submits for their consideration. The conservator-manager may call for shareholders' meeting and meetings of the managing board with the purposes that he/she considers necessary or convenient.

Article 133.- For the exercise of his/her duties, the conservator-manager may have the support of a consulting board, which shall be integrated by a minimum of three and a maximum of five persons, appointed by the Supervisory Commission from within those that are registered in the registry of the persons that may carry out the duty of conservator-manager of the Holding Company that said Commission shall keep for such effect.

The consulting board shall meet through previous call of the conservator-manager to give an opinion regarding the issues that he/she submits for their consideration. Circumstantiated minutes shall be kept of every session that includes the most relevant issues and the agreements of the corresponding session.

The members of the consulting board may only excuse themselves from attending the meeting that they were called for where there is a justified cause. Likewise, they may only abstain from analyzing and ruling in respect to the issues that are submitted to their consideration when there is a conflict of interest, in which case they must report it to the Supervisory Commission.

Article 134.- The conservator-manager must keep an inventory of the assets and liabilities of the intervened Holding Company and send it to the Supervisory Commission within the following thirty days from when he/she began his/her post, along with the work plan where the actions to be developed for the exercise of his/her duty are expressed.

Article 135.- The conservator-manager must draft a quarterly report of activities, as well as a certificate in respect to the integral condition of the Holding Company and of the entities that are part of it, having to inform the Holding Company and the general shareholders' meeting about the content of said documents.

When having called the meeting, it does not meet with the required quorum, the conservator-manager must publish a notice directed to the shareholders in two gazettes of broad circulation, indicating that the referred to documents are at their disposal, indicating the place and time when they may be consulted. Likewise, he/she must send a copy of the referred to certificate and report to the Supervisory Commission.

The conservator-manger must exercise all the legal actions to determine the economic liabilities that, where appropriate, may exist, and assign the liabilities that are applicable in terms of the law and other provisions.

Article 136.- The fees of the conservator-manager and the assisting personnel that said conservators hire for the performance of his/her duties, as well as those corresponding to the members of the consulting board set forth in article 133 of this Law, shall be covered by the intervened Holding Company. For such effects, the Supervisory Commission may establish the criteria pursuant to which the payment of said fees must be made through rules of general nature, considering the financial condition of the Holding Company and having the evolution of the remunerations in the financial system of the country as a guiding principle.

The Supervisory Commission shall provide the services of legal assistance and defense to the conservators-managers that are appointed by it in terms of this Law, to the assisting personnel that said conservators hire, as well as the members of the consulting board set forth in article 133 of the present legal statute, in respect to the acts that are performed in the exercise of the duties that this

Law entrusts to them, when the Holding Company in question does not have enough liquid resources to deal with said legal defense and assistance.

The legal defense and assistance that this article refers to shall be provided, payable by the resources that the Supervisory Commission has for these ends, in accordance with the guidelines of general nature approved by the Board of Governors. For such effects, the Ministry, hearing the opinions of the Supervisory Commission, shall establish the mechanisms necessary to cover the expenses that derive from the legal defense and assistance set forth in this article.

Article 137.- The conservator-manager may only obtain loans or acquire the capacity of debtor from the Holding Company or from any of the entities that are members of the Financial Group for any title in the same terms that, where appropriate, the Board of Governors of the Supervisory Commission approves for its employees.

Article 138.- The Supervisory Commission must agree on ceasing the intervention when the irregularities that affected the stability or solvency of the company have been corrected.

In case that in an non-extendable term of nine months, counting from the declaration of intervention, it was not possible to correct the irregularities, the Supervisory Commission, considering the result of the report formulated by the conservator-manager, must report this to the Ministry so that it may proceed to its revocation.

When the Supervisory Commission ceases the intervention with managerial nature, it must inform it to the person in charge of the Public Registry of Commerce that made the entry that article 129 of this law refers to, to the effect that the respective registration be cancelled.

Article 139.- The conservator-manager must draft a final report of his/her management, which must include the actions taken during the intervention and the financial condition of the Holding Company in question.

The cited report must be presented to the general shareholders' meeting in terms of what is set forth in article 135 of this Law and a copy must be sent to the same Supervisory Commission.

The conservator-manager shall continue in the performance of his/her post as long as the appointment of a new administrator, liquidator, or receiver, whichever the case, has not been registered in the Public Registry of Commerce and the latter has not starting his/her duties.

Article 140.- In cases of intervened Holding Companies, the Supervisory Commission shall continue with the exercise of its powers of supervision that this Law and the other applicable provisions grant it.

TITLE EIGHTH
On administrative procedures

CHAPTER I
Preliminary provisions

Article 141.- In the administrative procedures of imposition of sanctions set forth in this Law, all types of evidence shall be admitted. In the case of the depositions required from the authorities, the answer to the interrogatories must be presented in writing.

Once the right to be heard before courts mentioned by article 143 of this Law has been complied with, or, the statement has been presented through which the motion for review is lodged, only subsequent new evidence shall be admitted, provided the corresponding resolution has not been issued.

The Supervisory Commission may procure the means of evidence that it considers necessary, being able to agree on the admissibility of the evidence offered. The evidence that was provided by the interested parties may only be rejected when it was not offered pursuant to law, it is not related to the substance of the matter, or it is inadmissible, unnecessary, or contrary to morals or to the law.

The valuation of the evidence shall be done pursuant to what is established by the Federal Code of Civil Proceedings.

Once the submittal of evidence has concluded, the corresponding resolution shall be issued, without the need of previous notice to the interested party.

Article 142.- The power of the Supervisory Commission may impose the sanction of administrative nature set forth in this Law, as well as the provisions that arise from it, shall expire in a term of five years, counting from the business day following when the behavior was done or the event of transgression took place.

The expiration term indicated in the paragraph immediately above shall be interrupted when the relative procedures begin. It shall be understood that the procedure in question has begun starting from the notice to the alleged transgressor of the official letter through which the right to be heard is granted to manifest what is in his/her best interest pursuant to subsection I of article 143 of this Law.

To calculate the amount of the penalties in those events considered by this Law based on days of wages, the general daily minimum wage in force in the Federal District on the day that the penalized behavior is done or the event that motivates the corresponding sanction takes place shall be used as the base.

The penalties that the Supervisory Commission imposes must be paid within the fifteen business days following their notice. When the penalties are not paid within the term indicated in this paragraph, their amount shall be updated from the month on which it should have been paid up to when the same is done, in the same terms established in the Federal Tax Code for this kind of events.

In case the transgressor pays the penalties imposed by the Supervisory Commission within the fifteen day referred to in the paragraph above, a reduction of twenty percent shall be applied to the amount, provided that no means of defense was lodged against said penalty.

CHAPTER II
On the imposition of administrative sanctions

Article 143.- The Supervisory Commission, in the imposition of sanctions of administrative nature that this Law refers to, shall adhere to the following:

I. A hearing shall be granted to the alleged transgressor who, in a term of ten business days counting from the business day following when the corresponding notice takes effect, must manifest what is in his/her best interest in writing, offer evidence and formulate allegations. The referred to Commission, at the petition of the party, may broaden the term that this subsection refers to on only one occasion, for up to same amount of time, for which it shall consider the particular circumstances of the case. The notice shall take effect the business day following when it is practiced, and

II. In case the alleged transgressor does not use the right to hearing within the terms granted or, having exercised it, is unable to dispel the accusations made against him/her, the accused transgressions shall be held as attested and the imposition of the corresponding administrative sanction shall proceed.

III. In the imposition of the sanctions, the following aggravating circumstances shall be taken into consideration, where appropriate:

   a. The effect on third parties or on the financial system;

   b. Recidivism, the causes that originated it and, where appropriate, the corrective actions applied by the alleged transgressor. One shall be considered a recidivist when he/she incurs a transgression that was previously penalized and, in addition to that, commits the same transgression within the two years immediately following the date on which the corresponding resolution became unappealable;

c. The amount of the operation, and

d. The intention of carrying out the behavior.

Article 144.- The sanctions shall be imposed by the Board of Governors of the Supervisory Commission, which may delegate this power, due to the nature of the transgression or the amount of the penalty, to the Chairman or to the other public officers of the Supervisory Commission.

Article 145.- The National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, as appropriate, may abstain from penalizing the Holding Companies regulated by this Law and subject to the supervision of said Commissions, provided the cause of such inaction is justified in accordance with the guidelines issued by the corresponding Board of Governors, and the inaction refers to events, acts, or omissions that are not serious, recidivism does not exist, crimes are not constituted and the interest of third parties or of the same financial system are not put in danger.

Article 146.- The penalties that this law refers to may be imposed on the Holding Companies of Financial Groups and on the Sub-Holding Companies, as well as on the members of the managing board, general directors, high officers, officials, employees, or respective attorneys-in-fact that directly incurred or ordered for the behavior that is matter of the transgression to be made. Independent of the foregoing, the Supervisory Commission, dealing with the circumstance of each case, may proceed pursuant to what is set forth in article 147 of this Law. Said Commission may impose an equivalent penalty for up to double what is set forth in this Law in case of recidivism.

Article 147.- In addition to the imposition of the corresponding sanction, the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission may, in accordance with the case, reprimand the transgressor or, only reprimand the latter, considering his/her personal background, the seriousness of the behavior, that there are no elements that demonstrate that the interests of third parties or the same financial system is affected, that having caused damage, this was repaired, as well as the existence of mitigating factors.

Article 148.- The National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission shall consider the following as mitigating factor in the imposition of administrative sanctions; when the alleged transgressor attests before the Commission in question to have repaired the damaged caused, as well as the event of providing information that contributes to the exercise of the powers and duties of the Commission, to the effect of assigning liabilities.

Article 149.-The procedures for the imposition of the administrative sanctions that this Law refers to shall be started independent of the opinion on the crime that, where appropriate, the Supervisory Commission issues in terms of article 161 of the present legal statute, as well as of the corresponding criminal procedures, where appropriate. Likewise, said administrative sanctions shall be independent of the revocation that, where appropriate, proceeds of the authorization granted to the Holding Company of Financial Groups to organize and operate as such that, in the given case, the affected persons for the acts in question demand, as well as of the managerial or administrative interventions and of the repair of the damage that, where appropriate, the persons affected by the acts in question demand.

Article 150.- To ensure the exercise of the access to the government public information right, the Supervisory Commission, adhering to the guidelines approved by the Board of Governors, must report the sanctions imposed to the effect for transgressions to this law or to the provisions that arise from it to the general public, through its internet site, for which it must indicate:

I. The name, denomination or corporate name of the transgressor;

II. The transgressed legal precept, the type of sanction imposed, amount or term, as the case may be, the transgressing behavior, and

III. The condition of the resolution, indicating if it is finalized or, if it is vulnerable to being challenged or in this last case, if some means of defense has been lodged and what kind, when there is knowledge of such circumstance due to being duly notified by the competent authority.

In any case, if the imposed sanction is left without effect by some competent authority, this circumstance must also be published.

The information indicated above shall not be considered reserved or confidential.

Article 151.- The Holding Companies regulated by this law and subject to the supervision of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, whichever the case may be, through their general director or equivalent, and with the opinion of the person or area that exercises the duties of surveillance of the company itself, may submit to the authorization of the Supervisory Commission, an auto-correction program when the company in question, when carrying out its activities, or the person or area that exercises the duties of surveillance as a result of the duties that are granted onto it, detects irregularities or defaults of what is set forth in this law and other applicable provisions.

The following may not be subject of an auto-correction program in the terms of the present article:

I. The irregularities or defaults that are detected by the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission in the exercise of their powers of inspection and surveillance, before the presentation by the Holding Company regulated by this Law, of the respective auto-correction program.

   It shall be understood that the irregularity was previously detected by the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, in the case of the powers of surveillance, when the company was notified of the irregularity; in the case of the powers of inspection, when it was detected in the course of the inspection visit or corrected after there was a request in the course of the visit; or

II. When the violation of the norm in question corresponds to any of the crimes established in this Law.

Article 152.- The auto-correction programs that the article above refers to shall adhere to the provisions of general nature issued by the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, whichever the case may be. Additionally, these must be signed by the person or area that exercises the duties of surveillance of the Holding Company regulated by this Law and subject to the supervision of the Commission in question, and be presented to the managing board or equivalent body in the session immediately following when the authorization request is presented before the Supervisory Commission. Likewise, these must include the irregularities or defaults committed, indicating the provisions that were considered violated; the circumstances that originate the irregularity or default committed, as well as indicate the actions adopted or that are intended to be adopted by the company to correct the irregularity or default that motivated the program.

In case that Holding Company regulated by this Law and subject to the supervision of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, whichever the case may be, requests a term to correct the irregularity or default committed, the auto-correction program must include a detailed calendar of activities to be done for this effect.

If the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, as appropriate, shall not order the company in question to modify or correct the auto-correction program within the twenty business days following its presentation, the program shall be held as authorized in all its terms.

When National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission orders the Holding Company to make modifications or corrections with the purpose that the program adheres to what is established in the present article and other applicable provisions, the corresponding company shall have a term of five business days counting from when the respective notice to correct such deficiencies. Said term may be extended on one occasion for up to five additional business days, with previous authorization of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, as appropriate.

If the deficiencies that the paragraph above refers to were not corrected, the auto-correction program shall be held as not presented and, consequently, the irregularities and defaults committed may not be the object of another auto-correction program.

Article 153.- During the validity of the auto-correction programs authorized by the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission in terms of articles 151 and 152 above, these shall abstain from the sanction set forth in this law and other laws on the Holding Companies subject to their supervision, for irregularities or defaults whose correction is considered in said programs. Likewise, during such period, the expiration term to impose sanctions shall be interrupted, being renewed until it is determined that the irregularities or defaults that are object of the auto-correction program were not corrected.

The person or area that exercises the duties of surveillance in the Holding Companies regulated by this law and subject to the supervision of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, shall be obligated to follow up on the instrumentation of the authorized auto-correction program and inform on its advancement both to the managing board and general director or to the equivalent bodies or persons of the company and to the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, where appropriate, in the form and terms that it establishes in the provisions of general nature that article 152 of this Law refers to. The foregoing, independent of the powers of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission to supervise, at any time, the degree of advancement and compliance with the auto-correction program.

If as a result of the reports of the person or area that exercises the duties of surveillance in the Holding Companies or of the labors of inspection and surveillance of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, these determine that the irregularities or defaults that are object of the auto-correction program were not corrected in the provided term, these shall impose the corresponding sanction, increasing the amount of this up to forty percent; said amount being updatable in terms of the applicable fiscal provisions.

The individuals or other legal entities subject to the supervision of the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, may submit an auto-correction program for the authorization of the same Commissions, when irregularities or defaults to what is set forth in this Law and in other applicable provisions are detected when carrying out these activities, adhering to what is set forth in article 151 to 153 of this law, in accordance with what is applicable.

Article 154.- Those affected by the acts issued by the Commission that ends the authorization, suspension, and imposition of administrative sanctions procedures, may resort in defense of their own interest, filing a motion for review before the Board of Governors of the Commission itself, when the acts was issued by this or by the Chairman of the same, of before the latter when it is the case of acts done by other public officers, in the terms set forth by the Federal Law of Administrative Procedure.

The filing of the motion for review that the present article refers to shall be optional for the affected individual.

The resolution of the motions for review must be issued in a term that shall not exceed ninety business days from the date that the motion was filed, when it must be resolved by the chairman of the commission, or one hundred and twenty business days when it is the cases of motions that are of the competence of the Board of Governors.

Article 155.- The transgressions to this Law or to the provisions of general nature that arise from it, determined by the Supervisory Commission, shall be penalized with an administrative penalty imposed by the same Supervisory Commission, based on the general minimum wage days in force for the Federal District, provided that another form of sanction is not expressly established, pursuant to the following:

I. Penalty of 200 to 10,000 days of wages:

    a. For the Holding Companies or financial entities that form part of the Financial Group, that do not provide the information or documentation that this Law or the provisions that arise from it refer to, to the financial authorities within the established terms, as well as for not providing what is requested by the Ministry or by the National Banking and Securities Commission, the National Insurance and Bonding Commission, and the National Pensions System Commission.

    b. For the independent external auditors and other professionals or experts that render or provide reports or opinions to the Holding Companies or to the authorities contrary to what is set forth by the present Law or the provisions that arise from it.

    c. For the Holding Companies that do not issue financial statements approved by the general shareholders' meeting, accompanied by the report of an external auditor, pursuant to article 122, subsection II of this Law and other provisions of the same.

    d. For the Holding Companies, Sub-Holding Companies, and Service Providers and Real Estate Companies that do not submit their articles of incorporation or any modification to this for the approval of the Ministry, in terms of article 20 or subsection I of article 123 of the present Law, whichever the case may be, independently that, in the last case, the declaration of the revocation of the authorization that the Ministry granted to organize as a Holding Company and operate as a Financial Group proceeds.

    e. For the Holding Companies that do not inform the Ministry and the National Banking and Securities Commission, the National Insurance and Bonding Commission, or the National Pensions System Commission, where appropriate, in respect to the transfer of shares done in terms of article 29 of this same legal statute.

    f. For the members of the committees that exercise the duties in matters of auditing or corporate practices, that abstain from issuing an opinion to the managing board of the Holding Companies of Financial Groups, regarding the issues that subsection I, subparagraph a) and II, subparagraph a) of article 57 of this Law refer to, as well as the general directors of the kinds of companies that do not subscribe the information that in terms of the legal provisions, must be revealed to the public, or that do not disseminate it pursuant to what is set forth in article 59, subsections IV and V of the present legal statute.

II. Penalty of 3,000 to 20,000 days of wages for:

    a. The members of the managing board of Holding Companies of Financial Groups that:

        1. Do not present any of the reports that subsections a) to e) of subsection IV of article 39 of this Law refer to, to the general shareholders' meeting that is held due to the closing of the fiscal year.

2. Abstain from determining the actions that correspond to the ends of correcting irregularities that are known to them and implementing the corresponding corrective measures, contrary to subsections VII or IX of article 39 of this Law.

3. Act with a lack of diligence when not revealing information that they know and that is necessary for adequate decision-making by the managing board or, where applicable, by the committees that they form part of, in contradiction of subsection II of article 48 of this Law.

b. The chairs of the committees that exercise duties in matters of corporate practices or of auditing in the Holding Companies of Financial Groups that do not draft the annual report of its activities and do not present it to the managing board of the company, contrary to what is established in article 58, subsections I and II, of this Law.

c. The members of the committee that exercise duties in the matter of auditing, as well as general directors of Holding Companies of Financial Groups that do not comply with any of the obligations set forth in articles 57, subsection II, subparagraphs b), j), m), and o), and 59, third paragraph, subsections II, VI, and XI of this Law, where appropriate.

d. The Holding Companies that contrary to what is set forth in article 25 of this law, do not keep the shares of the company in deposit in any of the securities depositary institution regulated by the Securities Market Law.

e. The members and secretary of the managing board that contrary to what is set forth in article 50 of this Law, do not excuse themselves from participating in the deliberation or voting of any issue that implies a conflict of interest for them.

III. Penalty of 10,000 to 100,000 days of wages for:

a. The members of the managing board of Holding Companies of Financial Groups that approve, without having the previous opinion of the respective committee, any of the issues set forth in subsection III, subparagraph a), c), and d) of article 39 of this Law.

b. The members and secretary of the managing board, as well as the Relevant High Officers that act disloyally or that act illegally against the company or legal entities where they exercise Control, contrary to what is established in articles 50, first paragraph, 51, 51, or 62, subsections II or III of this Law.

c. The members of the committee that exercise the duties in matters of auditing of the Holding Companies of Financial Groups, that do not draft an opinion regarding the content of the report of the general director, and do not submit it to the managing board for its presentation to the general shareholders' meeting and survey that the acts that article 39, subsection III, subparagraphs c) and d) and 65, last paragraph of this Law refer to, pursuant to the cited legal provisions.

d. The Holding Companies of Financial Groups that provide clauses in their corporate bylaws that establish measures aimed at preventing the acquisition of shares that grant the Control of the company, contrary to what is established in article 64, subsection I of this Law.

e. The shareholders that are present or deliberate in a transaction where they have interests conflicting with those of the company, contrary to article 66 of this Law.

f. The Holding Companies and other persons regulated by this Law that oppose or obstruct the exercise of the powers that this and other applicable provisions grant the Ministry or the Supervisory Commission as well as those that, through previous notice of the Supervisory Commission, do not appear without a justified cause.

g. The persons that acquire shares contrary to what is established in articles 24, 26, 27, and 28 of this law.

IV. Penalty of 20,000 to 130,000 days of wages:

a. For the Holding Companies that give news or information of the deposits, services, or any type of acts done by the financial entities that are part of the Financial Group, to persons different from the members of its managing board and of the financial entities that form part of the Financial Group, contrary to what is set forth by the various special laws that record the obligation to keep a secret.

b. For the Holding Companies that do not comply with the preventative and corrective actions ordered by the Supervisory Commission, in the exercise of their powers and duties in matters of inspection and surveillance.

c. For the Holding Companies that make investments in financial entities that are not part of the Financial Group or in Service Providers and Real Estate Companies without having the authorizations referred to in articles 86 and 89 of this Law as well as in the provisions that arise from it.

V. Penalty of 50,000 to 150,000 days of wages:

a. For the Holding Companies that provide, in a deceitful manner, false, imprecise, or incomplete information to the financial authorities, whose consequence is that the real financial, administrative, economic, or legal condition of the Financial Group is not reflected, provided that it is proven that the general director or some member of the managing board of the corresponding Holding Company have knowledge of such act.

b. For the Holding Companies that do not comply with any of the corrective measures that articles 117 and 118 of this Law or the provisions that arise from it refer to.

VI. Penalty of 200 to 100,000 days of wages, for the transgressors of any other provision of this Law or of the provisions of general nature that derive from it, different from the foregoing ones and that do not have a sanction specially indicated in this statute.

The penalties that this Law refers to are independent of the suspensions, disqualifications, cancellations, interventions, and revocations that may proceed.

At the proposal of the Chairman of the Supervisory Commission, the administrative penalties may be partially or totally remitted by the Board of Governors of the same.

Article 156.-The legal entities and financial entities that use the words Financial Group of others that express similar ideas in any language, for which it may be inferred that they belong to a specific Financial Group, without being a part of it, shall be penalized with a penalty of 1,000 to 5,000 days of wages.

The persons that, without having the respective authorization, organize and operate as a Financial Group, shall be penalized with a penalty of 30,000 to 100,000 days of wages.

CHAPTER II
On crimes

Article 157.- The members of the managing board, high officers, officials, employees, or external auditors of the Holding Company of the Financial Group shall be penalized with prison for two to ten years, when they commit any of the following behaviors:

I. Not recording the acts done in the accounting or altering the accounting records or artificially increasing or decreasing the assets, liabilities, order accounts, capital, or results of the Holding Company to hide the true nature of the act done or their

accounting record, affecting the composition of assets, liabilities, contingent accounts, or results.

II. Generating, disseminating, publishing, or providing information to the public of the Holding Company, financial entities or Sub-Holding Companies, knowing that it is false or induces to an error, or ordering for any of the said behaviors to be carried out.

III. Hiding, omitting, or causing for information to be hidden or not revealed that, in terms of this legal statute, must be disseminated to the public or to the shareholders.

IV. Ordering or accepting that false data be recorded in the accounting of the Holding Company or financial entities or Sub-Holding Companies.

V. Destroying, modifying or ordering the total or partial destruction or modification of the accounting systems or records of the documentation that originates the accounting entries of a Holding Company or of the financial entities or Sub-Holding Companies, before the expiration of the legal terms of conservation and with the purpose of hiding its record or evidence.

VI. Destroying or ordering the total or partial destruction of information, documents, or files, including electronic ones, with the purpose of preventing or obstructing the acts of supervision of the Supervisory Commission.

VII. Destroying or ordering the total or partial destruction of information, documents, or files including electronic ones, with the purpose of manipulating or hiding data or information of the Holding Company from those who have a legal interest in analyzing them.

VIII. Presenting false or altered information or documents to the Supervisory Commission, with the purpose of hiding the real content or context.

IX. Altering the conditions of the contracts, making or ordering that inexistent acts or expenses be recorded, exaggerating the real ones or intentionally carrying out any act or transaction that is illegal or prohibited by law, generating in any of said events, a loss or damage in the equity of the Holding Company in question or of the financial entities or Sub-Holding Companies, for their own economic benefit, whether it be directly or through a third party.

Article 158.- Anyone who having been removed, suspended, or disqualified through final resolution of the Supervisory Commission shall be penalized with prison for two to seven years, in terms of what is set forth in article 42 of this Law, that continues to perform the duties in respect to which they were removed or suspended or, to occupy a position, post, or commission within the Mexican financial system, in spite of being suspended or disqualified from doing so.

Article 159.- The persons or members of the managing board of legal entities that on their own or through a third party or through commercial names, through any publicity means represent themselves before the public as Financial Groups without having the authority of the competent authority pursuant to this or other laws, shall be penalized with prison for one to two years.

Article 160.- Prison for three to twelve years shall be imposed on the members of the managing board, general director, and other high officials or legal representatives of the Holding Companies of Financial Groups that, through the alteration of the active or passive accounts, make or order the registration of illegal acts or transactions or those prohibited by law, generating in any of said events, a loss or damage in the equity of the Holding Company in question or of the financial entities or Sub-Holding Companies, in their own economic benefit, whether it be directly or through a third party.

The penalty that this article refers to shall be of one to three years of prison when it is attested that the damage has been repaired or the loss caused has been compensated.

Article 161.- The crimes set forth in this Law shall only be indictable at the petition of the Ministry, through previous opinion of the Supervisory Commission, except in cases of the crime set forth in the article above of the present legal statute, which may only be indictable upon complaint of the victims or offended parties that are holders of at least thirty-three percent of the capital stock of the Holding Company of the Financial Group or of the financial entities where it exercises the control, or, at the request of the Ministry, with the previous opinion of the Supervisory Commission, provided that the victims or offended parties that are holders of at least ten percent of the capital stock of the company in question request it.

Said Commission may abstain from issuing the opinion that this article refers to, when it is the case of crimes where the damages and lost profits caused do not exceed 25,000 days of the general daily minimum wage in force in the Federal District, provided the damage has been repaired and the losses have been compensated to the victim or offended party, without there being any act by any authority; when it is the case of events where persons participate that were not previously related to illegal events that affect the financial system; when it is not the case of a serious crime in terms of article 194 of the Federal Code of Criminal Proceedings, and that at the judgment of the referred to Commission, the possibly responsible parties collaborated effectively, providing true information for the respective investigation.

In the issues in which the Supervisory Commission abstained from issuing the opinion that the first paragraph of this article refers to, it must inform the Ministry about its determination.

Article 162.- The crimes set forth in this Law shall only admit willful commission. The criminal action in the cases set forth in this Law indictable at the request of the Ministry, by the offended Financial Group, or by whoever has legal interest, shall expire in three years counting from the day on which said Ministry or Financial Group or whoever has a legal interest, has knowledge of the crime and of the possibly responsible party and, if it does not have this knowledge, in five years as calculated pursuant to the rules established in article 102 of the Federal Criminal Code. Once the requisite of admissibility has been covered, the term of the statute of limitations shall continue in accordance with the rules of the Federal Criminal Code.

Article 163.- The penalties set forth in this Law shall be reduced by one third when it is attested that the damage has been repaired or the loss caused has been compensated.

Article 164.- The Supervisory Commission, in the exercise of the powers that this law refers to, may indicate the form and terms in which the financial entities and individuals or legal entities from which it requests information must fulfill the requisites.

Likewise, the Supervisory Commission, to ensure that their determination is complied with, may employ the following enforcement measures at its discretion:

I. Reprimand with a warning;

II. Penalty of 2,000 to 5,000 days of wages;

III. Additional penalty of 100 days of wages for each day that the transgression persists, and

IV. The assistance of the police force.

If the enforcement is insufficient, the competent authority may be requested to proceed against the non-conformer for disobedience of a legitimate mandate by a competent authority.

For effects of this article, the judicial authorities or federal ministries and the bodies of security or federal or local police must provide the support that the Supervisory Commission requests in an expedited manner.

In the cases of the bodies of public safety of the federal or municipal entities, the support shall be requested in terms of the statutes that regulate public safety or, where appropriate, pursuant to the agreements of administrative collaboration that are executed with the Federation.

CHAPTER IV
On notices

Article 165.- The notices of the requests, ordinary and special inspection visits, requests for information and documentation, summons, services of process, resolutions of imposition of administrative sanctions or any other act that ends the procedures of revocation of the authorities that the present Law refers to, as well as the authorizations that the present legal ordinance refers to and the administrative resolutions comprised within the revocation motions filed pursuant to this Law, may be notified in the following ways:

I. In person, pursuant to the following:
   a. In the offices of the financial authorities, in accordance with what is set forth in article 168 of this Law.

   b. In the domicile of the interested party or of its/his/her representative, in terms of what is set forth in articles 169 and 171 of this law.

   c. In any place where the interested party or its/his/her representative is found, in the events established in article 170 of this Law.

II. Through an official letter delivered by messenger or by certified mail, both with an acknowledgment of receipt;

III. Through edicts, in the events indicated in article 172 of this Law, and

IV. Through electronic means, in the event set forth in article 173 of this Law.

In respect to the information and documentation that must be presented to the inspectors of the Supervisory Commission in virtue of an inspection visit, what is set forth in the regulations issued by the Federal Executive must be followed, in the matter of supervision.

For effects of this Chapter, financial authorities shall be understood as the Ministry and the Supervisory Commission.

Article 166.- The revocations of authorizations requested by the interested party or by its/his/her representative and other acts different from those indicated in the article above, may be notified through the delivery of the official letter where the corresponding act is recorded, in the offices of the authority that makes the notice, with the signature and name of the person that receives it on the copy of said official letter.

Likewise, the financial authorities may carry out said notices through ordinary mail, telegram, fax, e-mail, or courier service when the interested party or its/his/her representative request it in writing, indicating the data necessary to receive the notice, leaving a record in the respective file, of the date and time at which it was done.

The acts referred to in the first paragraph of the present article may also be notified through any of the form of notice indicated in article 165 of this Law.

Article 167.- The notices of investigation visits and of the declaration of intervention that this Law refers to shall be delivered in only one act and pursuant to what is set forth in the supervision regulations issued by the Federal Executive to the effect, in terms of the penultimate paragraph of article 165 of this law.

Article 168.- The personal notices may be submitted in the offices of the financial authorities, when the interested party or its/his/her representative attend the same, for which the person in charge of carrying out said notice must draft an act in duplicate, which must be signed by two witnesses appointed by the interested party or its/his/her representative, and where it shall be recorded that the same was informed of the content of the official letter where the administrative act that must be notified is recorded; likewise, it shall be recorded, where pertinent, the other circumstances that take place in case the cited party does not appear, in terms of the

antepenultimate paragraph of article 169 of this law. The duplicate of the act shall be delivered to the interested party or to its/his/her representative.

If the witnesses are not appointed by the interested party or by its/his/her representative or those appointed do not accept to serve as such, whoever carries out the notice shall appoint them; likewise, if the interested party or its/his/her representative refuses to sign or receive the official letter mentioned before or the notice act, said circumstance shall be recorded in the act, without this affecting the validity of the notice.

Article 169.- The personal notices may only be carried out with the interested party or with its/his/her representative, in the last domicile that was provided to the corresponding financial authority or in the last domicile that was indicated before the same authority in the administrative procedure in question, for which an act shall be drawn up in the terms that the penultimate paragraph of this article refers to.

In the event that the interested party or its/his/her representative is not in the mentioned domicile, the person appointed to carry out the notice shall deliver a summons to the person then present, so that the interested party or its/his/her representative awaits him/her at a set time on the following business day, warning the cited party that if it/he/she were not to appear at the time and date set, the notice shall be done with whomever assists him/her, or that in case that said domicile is closed or that he/she refuses to receive the respective notice, the notification shall be done by leaving a letter pursuant to what is set forth in article 171 of this Law. Whoever carries out the notice shall draw up an act in the terms set forth in the penultimate paragraph of this article, recording that the aforementioned summons was delivered.

The mentioned summons shall de drafted in duplicate and be addressed to the interested party or its/his/her representative, indicating the place and time of issuance, date and time when the process server shall be expected, who must record their name, position, and signature on said summons, the purpose of the appearance and the respective warning, as well as the name and signature of who receives it. In case this last person does not want to sign, such circumstance shall be recorded in the summons, without it affecting its validity.

On the day and time set to carry out the administrative-law proceedings subject matter of the summons, the person in charge of carrying out the administrative-law proceedings shall appear in person at the corresponding domicile, and finding the cited person, proceed to draw up the act in terms of what the penultimate paragraph of this article refers to.

In the case that the cited party does not appear, the notice shall be made with any person that is at the domicile where the administrative-law proceedings are carried out; for such effect, an act shall be drawn up in the terms of this article.

In any case, whoever carries out the notice shall draw up an act in duplicate, where beside the circumstances indicated before, the following shall be recorded: his/her name, position, and signature, that he/she came and appeared in person at the relevant domicile, that he/she notified the interested party, its/his/her representative, or the person then present, after previous identification of such persons, the official letter where the administrative act that must be notified is recorded; likewise he/she shall attest to the appointment of the two witnesses, the place, time, and date when it is drawn up, identification data of the mentioned official letter, the means of identification presented, and the names of the interested party, legal representative, or person then present and of the appointed witnesses. If the persons that intervene refuse to sign or receive the notice act, such circumstance shall be recorded in the act, without this affecting its validity.

For the appointment of the witnesses, whoever carries out the notice shall request the interested party, its/his/her representative, or the person then present to appoint them; if this does not happen or if the appointed witnesses do not accept the appointment, the process server shall do it him/herself.

Article 170.- In the event that the person in charge of delivering the notice searched for the interested party or its/his/her representative in the last domicile that was provided to the corresponding financial authority of the last one indicated before the same authority in the

administrative procedure in question, and the person with whom the process server dealt denies that such is the domicile of said interested party or of its/his/her representative, such process server shall draw up an act to record such circumstance. The following shall be recorded in said act; his/her name, position, and signature, that he/she made sure to go and appear in person at the domicile in question, that he/she notified the interested party, its/his/her representative, or the person then present, after previous identification of such persons, the official letter where the administrative act that must be notified is recorded; likewise he/she shall attest to the appointment of the two witnesses, the place, time, and date when it is drawn up, identification data of the mentioned official letter, the means of identification presented, and the names of the interested party, legal representative, or person then present and of the appointed witnesses. If the persons that intervene refuse to sign or receive the notice act, such circumstance shall be recorded in the act, without this affecting its validity, pursuant to the penultimate paragraph of the article above.

In the case provided in this precept, whoever carries out the notice may carry out the notice personally at any place where the interested party or its/his/her representative is found. For the effects of this notice, whoever carries it out shall draw up an act where it is recorded that the notified person is personally known by him/her or was identified by two witnesses, besides recording, where appropriate, what is set forth in the paragraph above or record the act before a notary public.

Article 171.- In the event that on the day and time indicated in the summons that was delivered in terms of article 169 of this law, whoever carries out the notice found the corresponding domicile closed or the interested party, its/his/her representative or that the person present thereat refuses to receive the official letter subject matter of the notice, he/she shall make the warning effective that is indicated in the aforementioned summons. For such effects, he/she shall carry out the notice, through fixing a letter in a visible place in the domicile, annexing the official letter where the act to be notified is recorded, before the presence of two witnesses appointed to that effect.

The letter of reference shall be drafted in duplicate and shall be addressed to the interested party or to its/his/her representative. The circumstance for which it was necessary to practice the notice for that means shall be documented in said letter, place and time of issuance; the name, position, and signature of who draws the letter up; the name, identification data and signature of the witnesses; the mention that who carries out the notice made sure to appear in person at the relevant domicile, and the information data of the official letter where the administrative act that must be notified is documented.

The letter shall provide proof of the existence of the act, events, or omissions that are recorded in it.

Article 172.- Notice by edict shall be carried out in the event that the interested party disappeared or died, his/her domicile is unknown, or it is impossible to have access to him/her, and there is no known representative or domicile on national territory or he/she is abroad without leaving a representative.

For such effects, a summary of the respective official letter shall be published three consecutive times in a newspaper of national circulation, independent of notice by the financial authority, which disseminates the edict on an electronic page of the World Wide Web denominated Internet that corresponds to the notifying financial authority. The official letter must indicate that the original official letter is at the reader's disposal at the domicile that shall also be indicated in said edict.

Article 173.- The notices by electronic means, with acknowledgment of receipt, may be done provided that the interested party or its/his/her representative accepted this or expressly requested it in writing to the financial authorities through the automatic systems and security systems that the same establish.

Article 174.- The notices that were not done pursuant to this Chapter, shall be understood as legally done and shall take effect the business day following that in which the interested party or its/his/her representative manifests having knowledge of its content.

Article 175.- For the effects of this Law, the domicile to hear and receive notices related to acts relative to the performance of their position as members of the managing board, general directors,

examiners, directors, managers, officials, high officers that occupy the hierarchy immediately below the general director, and other persons that may bind the companies regulated by this law with their signature, shall be understood as the place where the company that they provide their services to is located, except if said persons indicate a different domicile in writing to the competent Commission, which must be located within the national territory.

In the events indicated in the paragraph above, the notification may be done with any person found at the cited domicile.

For what is set forth in this article, the last domicile provided before the Supervisory Commission or in the administrative procedure in question shall be considered as the domicile.

Article 176.- The notices that this chapter refers to shall take effect on the following business day when:

I. The notice was carried out personally;

II. The respective official letter was delivered in the means set forth in articles 169 and 170;

III. The notice was carried out through official letter delivered by courier service or certified mail, with acknowledgement of receipt:

IV. The last publication that article 172 refers to was carried out, or

V. The notice was carried out through ordinary mail, telegram, fax, electronic means, or courier service.

TITLE NINTH
On the coordination boards of financial authorities

CHAPTER I
On the coordination boards for the development of the financial system

Article 177.- The President of the Republic may constitute boards whose purpose is to facilitate the coordination of the measures and actions in matters of the financial system that, within the scope of their respective powers and duties, the Ministry, the offices or entities of the respective Federal Public Administration and the Banco de México shall carry out or implement.

Said boards may be constituted to deal with matters related to the development and stability of the financial system where the coordination of those involved is required. The coordination of these boards shall not imply an invasion of the powers and duties that the legal framework grants each of the called authorities.

The boards may be transitory or permanent and shall be presided over by whoever is determined by the President of the Republic.

CHAPTER II
On the Financial System Stability Board

Article 178.- The financial system stability board is the permanent coordination, evaluation, and risk analysis entity for the financial stability among the authorities that form part of it, to the effect of avoiding substantial interruptions or alterations in the functioning of the financial system and, where appropriate, minimizing the impact when these take place.

Article 179.- The financial system stability board shall have the following duties:

I. Identifying and analyzing the potential risks to the financial stability of the country with opportunity.

II. Making recommendations and acting as a forum for coordinating the measures and actions that, within the scope of their respective powers and duties, it corresponds to the financial authorities represented by the members of the same Board to carry out or implement, through previous analysis of the identified risks.

III. Drafting an annual report regarding the condition of the financial stability of the country and regarding the diagnostics and other activities done by the same Board.

IV. Issuing the rules of operation for its functioning, as well as for the functioning of the Committees that are required for its operation.

The Financial System Stability Board must respect the powers and duties that the legal framework grants each of the authorities that it represents at all times.

Article 180.- The Financial System Stability Board shall be composed of the following officials:

I. The Secretary of Finance;

II. The Undersecretary of Finance;

III. The Chairman of the National Banking and Securities Commission;

IV. The Chairman of the National Insurance and Bonding Commission;

V. The Chairman of the National Pension System Commission;

VI. The Executive Secretary of the Institute for the Protection of Bank Savings, and

VII. The Governor of the Banco de México, as well as the deputy governor that the same Governor appoints.

The members of the Board shall have no alternates.

Article 181.- The sessions of the Financial System Stability Board shall be presided over by the Secretary of Finance, and in his/her absence, by the Governor of the Banco de México and, in the absence of both, by the Undersecretary of Finance.

The Financial System Stability Board may gather at any time at the request of the Secretary of Finance or of three of its members. The sessions must be held with the presence of the majority of its members.

The agreements of the Board shall be taken by majority of votes of the present members. Whoever presides over the session shall have the tie-breaking vote.

In case the nature of the issues to be dealt with so require, representatives of the offices and entities of the Federal Public Administration or of public or private organizations may be invited to participate in the sessions of the Board, with voice but no vote.

All the information contained in the minutes of the Board and, in general, that other information that is presented by the authorities in the Board, or that in exchanged among them by reason of their participation in said Board, must be classified as reserved for effects of the Federal Law of Transparency and Access to Public Government Information, except for that of which the Board expressly authorizes its dissemination.

Article 182.- The Board shall have an Executive Secretary appointed by the Banco de México, who must be a public officer of said institution and the exercise of the powers and duties that the Board establishes in its rules of operation shall correspond to him/her.

The Executive Secretary shall be assisted in his/her duties by an alternate secretary, who shall also be a public officer of the Banco de México and shall cover his/her absences.

CHAPTER III
On the National Board of Financial Inclusion

Article 183.- The National Board of Financial Inclusion is the entity of consultation, advisory, and coordination, whose purpose is to propose the measures for the planning, formulation, instrumentation, execution, and follow-up on a National Policy of Financial Inclusion.

Article 184.- The National Board of Financial Inclusion shall have the following powers:

I. Knowing, analyzing, and formulating proposals in respect to the policies related to the financial inclusion and issue opinions regarding their compliance;

II. Formulating the guidelines of the National Policy of Financial Inclusion;

III. Proposing criteria for the planning and execution of the policies and programs of financial inclusion at the federal, regional, state, and municipal levels;

IV. Determining medium- and long-term goals of financial inclusion;

V. Coordinating with the Financial Education Committee, presided over by the Undersecretary of Finance, the actions and efforts in matters of financial education;

VI. Proposing the changes necessary in the financial sector, pursuant to the analysis done on the matter, as well as of the regulatory federal framework, of the federal entities and of the municipalities;

VII. Proposing general organization schemes for the effective attention, coordination, and correlation of the activities related to financial inclusion at the different levels of the Federal Public Administration, with the federal entities and the municipalities, and with the private sector of the country;

VIII. Establishing mechanisms to share information that refers to the financial inclusion between the public offices and entities that make programs and actions related to financial inclusion;

IX. Obtaining information from the private sector regarding programs and actions related to financial inclusion;

X. Issuing the guidelines for the operation and functioning of the Board, and

XI. Any others that are necessary for the achievement of its purpose.

The National Board of Financial Inclusion must respect the powers and duties that the legal framework grants each of the authorities that are represented at all times.

Article 185.- The National Board of Financial Inclusion shall be integrated by the following officials:

I. The Secretary of Finance;

II. The Undersecretary of Finance;

III. The Chairman of the National Commission for the Protection of Users of Financial Services;

IV. The Chairman of the National Banking and Securities Commission;

V. The Chairman of the National Insurance and Bonding Commission;

VI. The Chairman of the National Pension System Commission;

VII. The Executive Secretary of the Institute for the Protection of Bank Savings;

VIII. The Federal Treasurer, and

IX. The Governor of the Banco de México, as well as a Deputy Governor of the Banco de México that the same Governor appoints.

The members of the Board shall have no alternates.

Article 186.- The sessions of the National Board of Financial Inclusion shall be presided over by the Secretary of Finance, and in his/her absence, by the Governor of the Banco de México and, in the absence of both, by the Undersecretary of Finance.

The National Board of Financial Inclusion must meet at least twice a year. The Chairman of the Board or three of its members may call for extraordinary meetings. The sessions must be held with the presence of the majority of its members.

The agreements of the Board shall be taken by majority of votes of the members present. Whoever presides over the session shall have the tie-breaking vote in case of a tie.

In case the nature of the issues to be dealt with so requires, representatives of the offices and entities of the Federal Public Administration or of public or private organizations may be invited to participate in the sessions of the Board, with voice but no vote.

All the information contained in the minutes of the Board and, in general, that other information that is presented by the authorities in the Board, or that is exchanged among them by reason of their participation in said Board, must be classified as reserved for effects of the Federal Law of Transparency and Access to Public Government Information, except for that which the Board expressly authorizes its dissemination.

Article 187.- The Board shall have an Executive Secretary appointed by the National Banking and Securities Commission, who shall be a public officer of said Commission and the exercise of the following powers and duties shall correspond to him/her:

I. Communicating the corresponding calls to the members and guests of the sessions of the Board;

II. Drawing up, recording, and subscribing the minutes of the sessions of the Board;

III. Communicating and following up on the agreements of the Board;

IV. Receiving all the proposals and documents directed to the Board, and

V. Certifying the excerpts or copies of the minutes of the sessions, with the previous authorization of its Chairman.

The Executive Secretary shall be assisted in his/her duties by an alternate secretary, who shall also be a public officer of the National Banking and Securities Commission and shall cover his/her absences.

CHAPTER IV
On the Financial Education Committee

Article 188.- The Financial Education Committee shall be the entity of coordination of the efforts, actions and programs in matters of financial education of the members that form part of it, with the ends of reaching a National Strategy of Financial Education, avoiding duplication of efforts and providing the maximization of the resources.

Article 189.- The Committee shall have the following duties:

I. Defining the priorities of the financial education policy.

II. Preparing the national strategy of financial education.

III. Drafting guidelines regarding the financial education policy.

IV. Identifying new work areas and proposing new actions, efforts, and programs in matters of financial education.

V. Being opportunely informed of the annual programs and/or activities of financial education planned by the members of the Committee, with the ends of avoiding duplication of efforts.

VI. Planning the activities of the National Financial Education Week.

VII. Making an inventory of all the materials related with Financial Education and of related studies, and put the relevant information at the disposal of the population.

VIII. Establishing measuring methodologies and indicators of financial education and of the financial abilities of the population.

IX. Forming the work groups necessary to carry out its duties.

X. Presenting the work plan of the Committee annually to the National Board of Financial Inclusion, as well as the results obtained.

XI. Preparing the contributions regarding the Financial Education for the drafting of the National Development Plan and for the National Development Financing Program.

XII. Approving its operation rules and its modifications.

XIII. Knowing of the follow-up group' work and of the work group that forms part of it.

XIV. Any others necessary for the achievement of its purpose.

The Financial Education Committee must respect the powers and duties that the legal framework grants each of the authorities that are represented at all times.

Article 190.-The Financial Education Committee shall be integrated pursuant to what is established in its rules of operation.

Article 191.- The sessions of the Financial Education Committee shall be presided over by the Undersecretary of Finance, and in his/her absence, by the Executive Secretary.

The Financial Education Committee must meet to hold ordinary sessions at least every semester or in extraordinary sessions when it is so requested by the Chairman of the Committee, through the Executive Secretary.

The sessions must be held with the presence of the majority of its members and its resolutions shall be taken by majority of votes of the members present, the Chairman having the tie-breaking vote in case of a tie.

All the information contained in the minutes of the Board and, in general, that other information that is presented by the authorities in the Board, or that is exchanged among them by reason of their participation in said Board, must be classified as reserved for effects of the Federal Law of Transparency and Access to Public Government Information, except for that which the Board expressly authorizes its dissemination.

Article 192.- The Financial Education Committee shall have an Executive Secretary who shall be the Head of the Banking, Securities, and Savings Unit, as well as a Technical Secretary who shall be representative of the National Commission for the Protection of Users of Financial Services.

The exercise of the power and duties established by the Committee in its rules of operations shall correspond to the Executive Secretary and Technical Secretary.

CHAPTER V
On the exchange of information

Article 193.- The exchange of information among themselves by the authorities that participate in the coordination boards, Financial System Stability Board, National Board of Financial Inclusion or Financial Education Committee, shall not imply any transgression of the obligations of reserve, confidentiality, secrecy, or analogous that must be observed pursuant to the applicable legal provisions and, therefore, the restrictions relative to the reserved or confidential information in terms of the applicable legal provisions shall not be enforceable in that respect.

Whoever receives the information that this article refers to shall be administratively and criminally liable in terms of the applicable legislation, for the dissemination of confidential or reserved information to third parties.

If potential risks to the financial stability of the country are discussed, the exchange of information between the mentioned authorities must be considered critical.

Transitory Provisions

FIFTY-SECOND ARTICLE.- In relation to the modifications that Article Fifty-First of this Executive Order refers to, the following shall be followed:

I. From the date on which the present Law becomes effective, the Financial Groups Law published in the Federal Official Gazette on July 18, 1990 shall be repealed, as shall all the provisions that contradict the present Law. Notwithstanding the foregoing, the processes that were started before the present law became effective shall continue to be held pursuant to said Law, until their conclusion.

II. Until the provisions of general nature that this Law refers to are issued, those issued before it becomes effective shall continue to be applied, where they do not contradict what is set forth in the same.

III. The Holding Companies shall have a term of one hundred and eighty days counting from when the present Executive Order becomes effective to modify their corporate bylaws and the representative certificates of their capital stock, pursuant to what is set forth in the same. In cases of the modification of the corporate bylaws, these must be submitted for the approval of the Ministry.

IV. The Holding Companies and Financial Groups that when the present Law becomes effective have the authorization to incorporate and operate as such pursuant to the Financial Groups Law that is repealed, shall be authorized in terms of article 11 of this Law.

V. The Supervisory Commissions must create the collaboration instrument indicated in article 110 within the sixty days following when the present Law becomes effective.

VI. To the National Board of Financial Inclusion created through Agreement published in the Federal Official Gazette on October 3, 2011, the rules of operations issued in terms of the cited Agreement shall be applicable, where they do not contradict the present Law, until the Board itself issues new rules.

While the Financial System Stability Board does not issues the rules of operation for its functioning, those that result applicable in terms of the Agreement published in the

Federal Official Gazette on July 29, 2010 shall continue to be applied, where they do not contradict the present Law.

The Financial Education Committee shall continue to apply the valid rules of operation, where they do not contradict the present Law, until new rules are issued.

VII. The transgressions and crimes committed before this Law becomes effective shall be penalized pursuant to the Law in force when the cited transgressions or crimes were committed.

FIFTY-THIRD AND FIFTY-FOURTH ARTICLES.-……

TRANSITORY

ONLY. The present Executive Order shall become effective the day following its publication in the Federal Official Gazette, except for what is set forth in ARTICLES TWENTY-FIFTH, subsection I; THIRTIETH, subsections IV and VI; FORTIETH, subsections I and II and; FIFTIETH, subsections I and II, which shall become effective on the dates on which said provisions are established.

Mexico, Federal District, on November 26, 2013.- Rep. **Ricardo Anaya Cortes**, Chairman.- Sen. **Raul Cervantes Andrade**, Chairman.- Rep. **Javier Orozco Gomez**, Secretary.- Sen. **María Elena Barrera Tapia,** Secretary.- Signatures.

In compliance with what is set forth in subsection I of Article 89 of the Political Constitution of the United Mexican States and for its due publication and observance, the present Executive Order issued in the Residence of the Federal Executive Power, in Mexico City, Federal District, on January ninth, two thousand fourteen.- **Enrique Peña Nieto**.- Signature.- The Secretary of the Interior, **Miguel Angel Osorio Chong**.- Signature.