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BANK SAVINGS PROTECTION LAW

New law published in the Federal Official Gazette on January 19, 1999

TEXT IN FORCE

Last amendment published in FOG 10-01-2014

At the margin a seal with the national coat of arms that reads: "United Mexican States. Presidency of the Republic".

ERNESTO ZEDILLO PONCE DE LEÓN, Constitutional President of the United Mexican States, to its inhabitants, let it be known:

That the Honorable Congress of the Union has sent me the following:

DECREE

THE CONGRESS OF THE UNITED MEXICAN STATES ENACTS THE:

BANK SAVINGS PROTECTION LAW, AND AMENDS, SUPPLEMENTS AND REPEALS SEVERAL PROVISIONS OF THE LAW OF THE BANK OF MEXICO, THE CREDIT INSTITUTIONS LAW, THE SECURITIES MARKET LAW AND THE LAW TO REGULATE FINANCIAL GROUPS.

**ARTICLE FIRST.- Issuance of the
"BANK SAVINGS PROTECTION LAW"
FIRST TITLE
PURPOSES OF THE LAW**

SINGLE CHAPTER

Article 1.- The purpose of this Law is to establish a system to protect bank savings in favor of the persons who carry out any of the secured operations, the terms and under the restrictions set forth by the Law, to regulate the financing given to commercial banks to protect the interests of the saving public, as well as to establish the basis to organize and operate the public entity in charge of these duties.

This is a public interest and social benefit law that regulates the respective constitutional provisions. Should it be required to supplement this Law, the Credit Institutions Law and the Law of Government-Controlled Entities, the Commerce Code and the Federal Law of Administrative



Procedure shall be applied.

Article 2.- The system to protect bank savings shall be managed by a decentralized body of the Federal Public Administration with legal capacity and assets of its own, which domicile shall be in the Federal District, and which shall be named Institute for the Protection of Banking Savings.

Article 3.- The creation, performance, organization, operation, control and assessment of the Institute for the Protection of Banking Savings shall be governed by the provisions of this Law

Article 4.- When in this Law an obligation to publish any document or resolution is imposed on the Institute for the Protection of Banking Savings, it shall be understood that such publication shall be made in the **Federal Official Gazette** and in two of the newspapers which are most widely distributed through the territory of the Republic. Likewise, unless, otherwise explicitly mentioned, it shall be understood that the days referred to in the periods or terms indicated in this Law shall be calendar days.

Article 5.- For purposes of this Law it shall be understood as:

- I. The Institute, the Institute for the Protection of Banking Savings.
- II. Institution, in singular or in plural, the commercial banks referred in the Credit Institutions Law.
- III. Commission, the National Banking and Securities Commission.
- IV. Government Board, the board of governors of the Institute;
- V. Executive Secretary, the incumbent who heads the executive management of the Institute, and
- VI. Property, shall be any credits, rights, shares, titles and any other property of whatever nature, which is held or owned by the Institutions and other corporations in which capital the Institute participates, in the terms provided by this Law, as well as any other sort of goods and rights which the Institute shall acquire to comply with its purposes and duties, except those directly related to its management operation.

SECOND TITLE ON THE SYSTEM TO PROTECT BANKING SAVINGS

CHAPTER I Secured Obligations

Article 6.- For purposes of this Law, secured obligations, shall be the deposits, loans and credits which are referred under sections I and II of Article 46 of the Credit Institutions Law.

Institutions are obliged to report to the persons who use their services, the type and amount of secured operations in the terms of this Law.

Article 7.- Repealed.

Article repealed FOG 07-06-2006



Article 8.- Repealed

Article repealed FOG 10-01-2014

Article 9.- Repealed

Article repealed FOG 10-01-2014

Article 10.- The Institute shall not secure the following transactions:

- I. Obligations in favor of financial entities, domestic or foreign ones;
- II. Obligations in favor of any corporation who is part of the financial group to which, when applicable, the Institution belongs;
- III. Liabilities documented in negotiable instruments, as well as bearer issued titles. Secured obligations, documented in registered titles, shall be covered in terms set forth by Article 6° of this Law, as long as their respective certificates have not been traded;
- IV. Obligations or deposits in favor of shareholders, members of the board of directors, and of officers of the first two highest ranking levels of the Institution in question, as well as general attorney-in- fact with powers for management and general managers, and
- V. Any operations that do not abide by the legal, regulatory, or administrative conditions, as well as by sound practices and banking usages, where there is bad faith from beholder and those related with unlawful actions or transactions which fall into the premises set forth in article 400 Bis of the Criminal Code for the Federal District, in Local Matters and for all the Republic in Federal Matters.

CHAPTER II
Payment of Secured Obligations

Article 11.- The Institute shall pay the balance of secured obligations, considering the amount of the principal and ancillaries, for up to an amount equivalent to four hundred thousand investment units per natural or corporate person, whatever the number and class of such obligations in favor and in charge of a same Institution is.

Article 12.- Repealed

Article repealed FOG 10-01-2014

Article 13.-. Repealed

Article repealed FOG 10-01-2014

Article 14.-Repealed.

Article repealed FOG 10-01-2014

Article 15.- Repealed.

Article repealed OGF 07-06-2006



Article 16.- Repealed.

Article repealed FOG 10-01-2014

Article 17.- By the sole payment of secured obligations, the Institute shall substitute the Institution in the collection rights, in the liquidation, payment suspension or bankruptcy proceedings of the Institution, with the privileges corresponding to the persons to whom such payment was made, for up to the amount covered, and the instrument containing the title where the aforesaid payment is evident shall be sufficient proof thereof. Such collection rights of the Institute shall have preference over the ones corresponding to the outstanding balance of secured obligations.

Article 18.- Any amount exceeding the one corresponding to secured obligations in charge of the Institution in question, which has not been paid by the Institute, may be claimed by the persons to whom the payment of such obligations was made, directly to such Institution in accordance with applicable legal, regulatory and administrative provisions.

Article 19.- If any person does not agree in receiving from the Institute the amount corresponding to secured obligations in his favor, calculated in accordance with the provisions of this Title, he may claim the amount in respect to the total of such secured obligations directly with the Institution, in accordance with the respective contract or title, as well as in terms of the applicable legal, regulatory and administrative provisions.

CHAPTER III Commissions or Fees

Article 20.- To comply with the purposes of this Law, the Institutions are obliged to pay to the Institute any ordinary and extraordinary fees set forth by the Government Board, in the terms and conditions provided in this chapter.

Article 21.- The Government Board may establish different regular fees for Institutions, depending on the risk to which they are exposed, based on the capitalization level of each of them and according to other general indicators which, according to the operation rules of the Institutions, are established by the bylaws of the Government Board of the Institute, which shall be made known to the public.

Article 22.- Regular fees may not be less than 4 to the thousandth, over the amount the Institutions' debt operations.

The Institutions must turn into the Institute, the information of their passive transactions for the calculation of the ordinary fees in accordance with the Provisions issued by the Institute, subject to the prior approval of its Governing Board. The Institute may carry out inspection visits to revise, verify, and validate the information hereof.

Paragraph added FOG 10-01-2014

Article 23.- When by cause of the conditions of the Mexican Banking System, the Institute does not have sufficient resources to fulfill its obligations, the Government Board may establish extraordinary fees, which in one year, shall not exceed 3 to the thousandth over the amount of the Institutions' debt operations.

The sum of regular and extraordinary fees may not exceed, in a year, 8 to the thousandth over the



total amount of the Institutions' debt operations.

Article 24.- The Bank of Mexico shall charge monthly to the Institutions' accounts it carries, the amounts of the fees which payment corresponds to each of them on the dates when such payments must be made. The amounts so charged shall be deposited simultaneously to the Institute, depositing the full amount in a controlling account which the Bank of Mexico shall carry for the Institute.

Article 25.- The resources set forth in the foregoing Article, must be invested, while the Institute disposes of them to comply with the purposes of this Law, in governmental securities which have extensive liquidity or in deposits with the Bank of Mexico. The Institute may only dispose of the resources referred in this Article, upon previous authorization by the Government Board.

Regardless of the foregoing, the Institute may maintain, with charge to such account, in cash or in bank deposits, any amounts needed for its operation and management expenses.

Article 26.- The Institute shall publish quarterly the amounts of the payments made for each Institution on account of the fees referred in this chapter and shall send to the Congress of the Union as well as to the President of the Republic, through the Secretariat of Finance and Public Credit, the financial report of the Institute and a counterpart of the aforesaid publication.

Article 27.- The fees in favor of the Institute shall not have fiscal nature, therefore, against their collection or any other resolution issued in accordance with this Law, no legal remedies shall be applicable before the Federal Court of Fiscal and Administrative Justice.

Article amended OGF 12-31-2000

CHAPTER IV

Financing and Programs for the Financial Curing of the Institutions

Article 28.- Repealed.

Article repealed FOG 07-06-2006

Article 29.- Repealed.

Article repealed FOG 07-06-2006

Article 30.- Repealed.

Article repealed FOG 07-06-2006

Article 31.- Repealed.

Article repealed FOG 07-06-2006

Article 32.- Repealed.

Article repealed FOG 07-06-2006

Article 33.- Repealed.

Article repealed FOG 07-06-2006

Article 34.- Repealed.

Article repealed FOG 07-06-2006

Article 35.- Repealed.

Article repealed FOG 07-06-2006



Article 36.- Repealed.

Article repealed FOG 07-06-2006

Article 37.- Repealed.

Article repealed FOG 07-06-2006

Article 38.- Repealed.

Article repealed FOG 07-06-2006

Article 39.- Repealed.

Article repealed FOG 07-06-2006

Article 40.- Repealed.

Article repealed FOG 07-06-2006

Article 41.- Repealed.

Article repealed FOG 07-06-2006

Article 42.- Repealed.

Article repealed FOG 07-06-2006

Article 43.- Repealed.

Article repealed FOG 07-06-2006



Article 44.- Repealed.

Article repealed FOG 07-06-2006

Article 45.- Should the Institute not be in conditions to fulfill its obligations, the Congress of the Union shall issue the measures it deems convenient for the payment of secured obligations and financings referred under the following Article. This guaranty must be evidenced according to the provisions of applicable legislation, in credit instruments and any other instruments where such obligations are documented.

Article 46.- Whenever there is an emergency situation affecting the solvency of any Institution and the Institute does not have the necessary resources to cover the secured obligations or to carry out the capitalization acts or financial curing of any Institution, the Government Board shall immediately report it to the President of the Republic and for that purpose may contract financings which amounts may never exceed 6%, every three years over the Institutions' total liabilities as published by the Commission in the immediately previous month.

For purposes of the limits established in the foregoing paragraph, the guaranties granted by the Institute shall also be computed.

Article 47.- In accordance with Article 74, section IV of the Political Constitution of the United Mexican States, the Chamber of Deputies shall provide, in a specific section of the Expenditure Budget of the Federation, by proposal of the President of the Republic, the corresponding budget allocation which, if any, the Institute would require to be able to fulfill secured obligations and the financings contracted as provided in the foregoing article.

Article 48.- The financings and resources authorized in the Expenditure Budget of the Federation, received by the Institute according to the terms set forth in Title Fourth hereof, may never be applied to a different purpose than the authorized purpose.

CHAPTER V On the Receivership

Article 49.- Repealed.

Article repealed FOG 07-06-2006

Article 50.- Repealed.

Article repealed FOG 07-06-2006

Article 51.- Repealed.

Article repealed FOG 07-06-2006

Article 52.-Repealed.

Article repealed FOG 07-06-2006

Article 53.- Repealed.

Article repealed FOG 07-06-2006

Article 54.- Repealed.

Article repealed FOG 07-06-2006

CHAPTER VI On Liquidation, Suspension of Payments and Bankruptcy of Institutions

Article 55.- Repealed.

Article repealed FOG 06-07-2006



Article 56.- Repealed.

Article repealed FOG 07-06-2006

Article 57.- Repealed.

Article repealed FOG 07-06-2006

THIRD TITLE ON PROPERTY

CHAPTER I Property Acquisition and Regime

Article 58.- Repealed.

Article repealed FOG 10-01-2014

Article 59.- Such Property, regardless of their nature and characteristics, shall not ever be considered national property for any cause, and therefore, the corresponding administrative and legal provisions shall not be applicable thereto, and neither shall the ones in the nature of budget nor those related to government expenditure.

Article 60.- The investments made by the Institute in the Institutions, brokers and other sort of corporations and associations, considered as state owned companies shall not be computed, and therefore, shall not be subject to the legal, regulatory and administrative provisions applicable to public entities.

CHAPTER II On Property Control, Sale and Management Procedures

Article 61.- Repealed.

Article repealed FOG 10-01-2014

Article 62.- Repealed.

Article repealed FOG 10-01-2014

Article 63.- Repealed.

Article repealed FOG 10-01-2014

Article 64.- Repealed.

Article repealed FOG 10-01-2014

Article 64 Bis.- Repealed.

Article added FOG 01-06-2001. Article repealed FOG 10-01-2014

Article 65.- Once the sales have been made, or once free use has been granted, or once the donations set forth in the foregoing Articles are made, the Institute shall send a detailed report to the Secretariat of Finance and Public Credit, and to the Secretariat of Government Services, as well as to the Chamber of Deputies through its Culture Commission, within a maximum term of thirty business days immediately following the date of formal execution of the respective act.



Paragraph amended FOG 06-01-2001, 09-04-2012

Likewise, the internal control body of the Institute shall follow up in detail such transactions, and operative areas shall make detailed reports thereof.

Article 66.- The Institute shall annually send to the President of the Republic a counterpart of the report set forth in the foregoing Article, including the details of the transactions carried out as to the 31st of December so that it may be submitted to the Chamber of Deputies along with the Public Accounts of the Secretariat of Finance and Public Credit of the respective fiscal year.

FOURTH TITLE ON THE INSTITUTE FOR THE PROTECTION OF BANK SAVINGS

CHAPTER I Duties and Property

Article 67.- The purpose of the Institute is:

- I. To provide Institutions, for the benefit of the interests of the persons referred under Article 1st of this Law, a system to protect bank savings that guaranties payments, through the assumption by the Institute, in a subsidiary and limited manner, of obligations established in this Law, which are in charge of such Institutions, and
- II. To manage, in the terms provided by this Law, the financial curing programs made and executed in the benefit of savings and users of such Institutions and to safeguard the national payment system.

Article 68.- For the pursuance of this purpose, the Institute has the following powers and duties:

- I. To assume and, if applicable, to pay in a subsidiary manner, any secured obligations in charge of the Institutions, within the limits and in the conditions set forth in this Law;
- II. To receive and apply, if any, the resources authorized in the respective Expenditure Budget of the Federation, to support in a subsidiary manner, the performance of the obligations which the Institute assumes in the terms set forth by this Law, as well as to implement and manage financing programs for saving users and bank debtors;
- III. To subscribe and acquire common shares, subordinated debentures which are convertible into shares, and any other credit titles and instruments issued by the Institutions it supports;
- IV. To subscribe credit titles and instruments, carry out credit operations, grant guaranties, guaranty grantors and to assume obligations, as preventive financing and programs for the financial curing, both for the benefit of the Institutions as well as for the corporations in which capital the Institute participates directly or indirectly;
- V. To participate in corporations, execute profit-sharing agreements or create trusts, as well as to carry out, in general, commercial or civil transactions and agreements which are necessary to fulfill its purpose;



VI. To acquire from the Institutions supported by the Institute, as provided by this Law, Property other than the one indicated in section III hereinbefore;

VII. To grant financing to Institutions, as part of curing programs, or whenever by such means it can contribute to increase the recovery value of the Property and if it were not possible to obtain financings from alternative sources in better conditions;

VIII. To carry out receivership duties for the Institutions in the terms provided by chapter V of the Second Title of this Law;

IX. Act as liquidator or receiver of Institutions;

X. To obtain financings according to the limits and conditions set forth by Article 46 of this Law and exclusively to develop with the resources obtained, actions for preventive financing and programs for the financial curing of the Institutions;

XI. To participate in the corporate capital or the Property of corporations related to the operations which the Institute may carry out in the pursuance of its purpose, including the ones related with companies that provide complementary or auxiliary services to the Institute;

XII. To participate in the management of corporations or companies, in which capital or patrimony the Institute participates directly or indirectly;

XIII. To carry out auctions, bidding and public biddings to sell the Property or to entrust its management to other persons;

XIV. To engage the services of individuals and entities who can support and complement the transactions carried out by the Institute;

XV. To coordinate and participate in mergers, spin offs, transformation and liquidation processes of institutions, corporations or companies in which capital the Institute participates;

XVI. To defend its rights before the courts or outside of them and to exercise any judicial or extrajudicial acts and procedures to which it is entitled, as well as to submit to arbitration;

XVII. To communicate to the Fiscal Prosecutor of the Federation any irregularities of which it may know by cause of its competent jurisdiction and which the Institute's personnel should detect in the performance of their duties;

XVIII. To report or press charges with the Attorney General, concerning the facts known to it in the performance of its duties, which could constitute a criminal offense and to withdraw from action or grant pardon, upon previous authorization by the Government Board, when applicable;

XIX. Permanently evaluate the performance that the Institutions and the specialized third parties, if any, have about the recovery, management, and alienation of Assets, in accordance with this Law and the Credit Institutions Law, and

Subparagraph amended FOG 10-01-2014

XX. Any others conferred by this Law, as well as by any other applicable laws.

Article 69.- The patrimony of the Institute is made up of:



- I. The fees charged to the Institutions as provided in Article 21 of this Law;
- II. The proceeds and other property resulting from the operations it makes;
- III. The interests, rents, surpluses and any other profits it obtains from its investments;
- IV. Resources from financings;
- V. Personal property and real estate acquired for the performance of its purpose;
- VI. If applicable, the resources received by the Institute in the terms set forth by section II of Article 68 of this Law, and
- VII. Any other rights and obligations which the Institute shall receive, acquire or contracts under any legal title, as provided in this Law.

Article 70.- The Executive Secretary shall timely send to the President of the Republic through the Secretariat of Finance and Public Credit, upon previous resolution by the Government Board, the requirements for budget resources referred to in Article 47 of this Law.

Article 71.- The fiscal year of the Institute shall start on January 1st and shall end on December 31st of each year. The Institute shall publish its general yearly balance statement in the Federal Official Gazette and at least in two of the newspapers with the largest distribution, during the month of March of each year.

Article 72.- Articles 68, 86, and 100 of the Credit Institutions Law shall be applicable to the Institute.

Article 73.- The Institute may carry out any actions necessary to agree to the substitution of fiduciary duties in the case of institutions it manages or which have been intervened by the Commission.

CHAPTER II Governance and Management

Article 74.- The Institute's government and management shall be in charge of the Government Board and an Executive Secretary, respectively, who shall be supported by the management structure established by the Government Board.

Article 75.- The Government Board shall be composed of seven members: the Secretary of Finance and Public Credit, the Governor of the Bank of Mexico, the President of the Commission and four directors appointed by the President of the Republic and approved by two thirds of the members of the Chamber of Senators and in its adjournments, by the same proportion of members of the Permanent Committee of the Congress of the Union.

The first three directors indicated in the foregoing paragraph shall appoint their alternates.

Article 76.- The four directors referred in the foregoing Article shall be appointed for periods of four years that shall be successive, succeeding each other each year, and starting on January 1st of the respective year. The persons holding such offices may be appointed directors to the Government Board, for another period just for one single time.



Article 77.- Should an office of director be vacant, it shall be filled by the person appointed by the President of the Republic, with the respective approval set forth by Article 75 of this Law. If the vacancy should occur before the end of the respective period, the person appointed to fill it shall remain in office only for the replaced person's remaining term in office, and he may be appointed, at the end of that period, for an additional period.

Article 78.- The directors approved by the Chamber of Senators or by the Permanent Committee referred in Article 75 of this Law, shall fulfill the following conditions:

- I. To be Mexican citizens and have only Mexican nationality;
- II. To have good reputation;
- III. Not to have been condemned for the commission of a criminal offense or disqualified to hold office or commission in the public service or in the Mexican financial system, or disqualified to carry out commercial activities;
- IV. To have held for at least five years, offices of high level of decision making in financial matters, or to evidence having experience as a teacher or researcher in economics or finances, for at least ten years, in higher education institutions;
- V. Not to hold any popular election offices or offices in the direction of political parties, and
- VI. Not to be a shareholder, director, officer, examiner, attorney or agent of any Institution or a broker, and not to have any relationship therewith, that could represent a conflict of interests to act as a director.

Article 79.- The aforesaid directors shall be considered public officers, and as such, they shall be high officers of the Secretariat of Finance and Public Credit, and may not, while in office, accept or exercise any other office, job or commission, except for teaching jobs which are not remunerated, or those for public or private charities.

Article 80.- The Government Board has the following powers and duties:

- I. To decide in each case, if it is acceptable for the Institute to grant the financing set forth in this Law, as well as the terms and conditions thereof;
- II. To declare the receivership in the event provided in Article 50 of this Law, as well as to approve the liquidation or the petition to suspend payments or declare in bankruptcy an Institution;
- III. To approve the regular fees that Institutions must pay as provided in Article 22 of this Law, as well as the criteria to establish the differential fees according to the provisions of Articles 21 of such law;
- IV. To approve, upon previous opinion by the Secretariat of Finance and Public Credit, any extraordinary fees to be paid by the Institutions as provided in Articles 23 of this Law;
- V. To establish policies and guidelines to manage, maintain and dispose of the Property which constitute the assets of the Institute;
- VI. To establish the basis to manage and dispose of the Property of the Institute, abiding



by the provisions of Articles 61 to 66 of this Law;

- VII. To authorize the acts mentioned in section XIII of Article 68 of this Law;
- VIII. To decide the operations that must be submitted to its previous consideration;
- IX. To authorize the creation of committees and of other delegate bodies to support it in the performance of its duties and to appoint, for their management and coordination, the directors set forth in Article 75 of this Law, in accordance with its experience, and in the terms and conditions established by the Organic Statute of the Institute;
- X. To approve the reports that must be sent to the President of the Republic and the Congress of the Union;
- XI. To approve any necessary reserves for the operations of the Institute;
- XII. To approve the Organic Statute of the Institute, submitted to its consideration by the Executive Secretary;
- XIII. To approve the basic management structure of the Institute, and any applicable amendments thereto;
- XIV. To approve and make effective the internal regulations, services and internal regulations of the Institute;
- XV. To approve the income and expenditure program of the Institute for each year, as well as the operations through which the Institute obtains financing;
- XVI. To approve the Institute's management and operation internal control mechanisms and procedures;
- XVII. To assess from time to time the Institute's activities;
- XVIII. To require any necessary information from the Executive Secretary to carry out its assessment activities;
- XIX. To analyze and approve, if applicable, the reports by the executive secretary;
- XX. To approve annually, upon previous report by the examiners and resolution of the external auditors, the Institute's financial statements, and to authorize the publication thereof;
- XXI. To appoint, upon proposal of at least two of its directors, the Institute's Executive Secretary and to remove him according to a reasonable proposal by any of its members;
- XXII. To appoint and remove the Secretary and the Assistant Secretary of the Government Board, selecting them from among the public officers who work in the Institute;
- XXIII. To appoint and remove, upon proposal by the Executive Secretary, the public officers of immediately inferior rank to the Executive Secretary;
- XXIV. To approve, upon proposal by the Executive Secretary, the appointment of those persons



who shall act as attorneys in fact in the performance of the receivership duties in charge of the Institute, who shall act as liquidators or receivers in representation of the Institute, in the terms set forth in this law;

XXV. To approve the establishment of salaries and benefits of any other public officers of the Institute, taking into account the conditions in the financial system's working market;

XXVI. To decide any other issues that the Executive Secretary or any other member of the Government Board considers shall be approved by such Government Board, and

XXVII. In general, to carry out any acts and operations required for the better management of the Institute.

Article 81.- The meetings of the Government Board shall be regularly held every two months and in an extraordinary manner, when due to the circumstances, it were considered necessary, upon previous notice, made, upon requirement of any of its members or the Executive Secretary, by the Secretary of the Government Board.

The meetings shall take place with the attendance of at least four of its members, provided the Secretary of Finance and Public Credit, or his alternate attends.

Article 82.- The Government Board shall be chaired by the Secretary of Finance and Public Credit, and in his absence by his alternate. To be valid, the resolutions shall require the affirmative vote of the majority of the members in attendance.

CHAPTER III **The Executive Secretary**

Article 83.- To be Executive Secretary the requirements of article 78 must be fulfilled, except in the case related to experience, which must be over five years in offices of responsibility in taking decisions related to financial matters.

Article 84.- The Executive Secretary shall have the following duties:

I. To be the manager of the Institute, for which purposes he shall have the broadest powers to carry out acts of ownership, management, lawsuits and collections and to carry out any kind of court proceedings, out of court and administrative proceedings, and any other ones which require special clause or authorization according to applicable legal or regulatory provisions,, regardless of the powers which are expressly conferred on him by the Government Board.

II. To exercise the legal representation of the Institute, for which he shall have all the powers referred in the foregoing section, with powers to grant, substitute, and revoke any general and special powers with the powers pertaining thereto, including the ones which require special clause or authorization;

III. To carry out the resolutions taken by the Government Board and to see that they are carried out;

IV. To submit to the consideration, and if applicable, to the approval of the Government Board, the Institute's financial statements;



- V. To prepare the income and expenditure projects of the Institute as well as its financing requirements, to be submitted to the authorization by the Government Board;
- VI. To report to the Government Board on the execution of programs and budgets, as well as to submit to its consideration any issues and reports which it shall approve or which it shall know of;
- VII. To file any criminal charges and accusations of the kind referred to on the section XVIII article 68 Bis of this Law, as well as to grant the respective pardon, upon previous authorization by the Government Board, and to submit to arbitration;
- VIII. To propose to the Government Board, the appointment and, if applicable, the removal of any public officers of the Institute of the next immediate rank to his own rank, as well as to appoint, hire and remove all other employees;
- IX. To appoint the persons who shall act as attorneys in fact, in the performance of receiverships in charge of the Institute, as well as in those who shall act as liquidators or receivers of the Institute;
- X. To prepare and submit to the approval of the Government Board the basic structure and the Organic Statute projects of the Institute, as well as the internal regulations, service and internal control projects of the Institute, and
- XI. Any other powers explicitly conferred on him by the Government Board as well as to report to such Board in respect to the performance of his duties.

CHAPTER IV The Institute's Public Officers

Article 85.- The Executive Secretary shall have the support of the public officers designated for such purpose, by the Organic Statute of the Institute.

Article 86.- Labor relationships between the Institute and its public officers shall be governed by the Federal State Workers Law, regulatory of section B of article 123 of the Constitution, and by the general working conditions set forth for that purpose. The employees of the Institute are incorporated to the regime of the Social Security Services Institute for State Workers.

Article 87.- The Executive Secretary, the directors approved by the Senate and any public officers of the immediately following rank, shall only be obliged to answer questions or to render testimony in trial, on behalf of the Institute or by reason of their duties, when the questions are submitted to them in official communication issued by an authority of competent jurisdiction, which shall be answered in writing within the terms set forth by such authority.

CHAPTER V On Reports and Surveillance

Article 88.- Any of the Chambers may summon the Executive Secretary to appear before



them whenever they analyze or examine any business concerning the Institute's activities and also when any commissions to investigate their operations are created.

Article 89.- The President of the Republic, through the government agency of competent jurisdiction, shall appoint an examiner and an independent auditor of the Institute. Both shall have the broadest powers to render their opinions, to examine and to decide the financial statements of the Institute, as well as to review the accounting books and other documents related thereto. The examiner shall be present in the meetings of the Government Board.

The foregoing is in addition to the surveillance of the Superior Supervising Entity of the Federation and the Internal Comptroller.

FIFTH TITLE ON THE PENALTIES

Single Chapter

Article 90.- The following are infractions against this Law by the Institutions:

I. Not to provide the Institute the information and documentation that is requested in terms of this Law and of the provisions that arise from it;

Subparagraph amended FOG 10-01-2014

II. Not to deliver to the Institute the reports in the terms and times provided by this Law;

III. Not to pay in time and substance their fees, in the terms set forth in this Law;

The payment shall be deemed as done in time and form when, the term has elapsed and the conditions established in the Provisions that article 22 of the present Law refers to have been fulfilled, the Institute received the amount of fees attributable to the Institution in question, without prejudice of the power and duty of the Institute of doing inspection visits to verify and evaluate, as well as to revise and validate the information provided by the Institutions at any time. If the Institute makes observations or corrections to the information provided by the institutions, these must clarify and correct what corresponds and pay, in the given case, the differences attributable to them. In any case, the Institutions must be first given the right to be heard to deal with such observations or corrections.

Paragraph added FOG 10-01-2014

IV. Not to submit the financial curing programs to the Institute, when it is so required according to the terms of this Law;

V. To default, in its own terms, the financial curing programs approved by the Institute;

VI. To refuse, to prevent, or to obstruct the exercise of the duties and powers conferred by this Law upon the Institute, and

VII. To default any other provision set forth in this Law.

Article 91.- The Institute shall impose the following penalties for any of the infringements set forth in the foregoing Article:



I. For violating the provisions under subsections I and II of the foregoing article, penalty of 200 to 2,000 days of general minimum wage in force in the Federal District;

Subparagraph amended FOG 10-01-2014

II. For violating the provisions in section III of the foregoing Article, a fine equivalent to 30% and up to 100% of the omitted fee, regardless of the collection of the updated amount of the omitted fees;

Subparagraph amended FOG 10-01-2014

III. For violating sections IV, V, VI and VII of the foregoing Article, a fine equivalent to up to three percent of the paid capital or up to twenty thousand times the daily minimum general wage in force in the Federal District, whatever is larger.

Article 92.-To impose the penalties set forth in this Law, the procedure provided for such effects in the Credit Institutions Law must be followed, except for what is set forth in this Chapter.

The Institute, shall take the following into account to impose penalties, as the case may be:

I. The recidivism, the causes that originated it, and as the case may be, the corrective actions applied by the alleged transgressor. One shall be considered a recidivist when one has incurred in a transgression that was penalized and, in addition to that, commits the same transgression within two years immediately following the date on which the corresponding resolution was finalized.

The recidivism may be penalized with a fine whose amount is equivalent to up to twice the one originally set forth;

II. The amount of the operation;

III. The economic status of the transgressor to the effect that the penalty is not excessive;

IV. The gross negligence or the wilful misconduct and

V. The other circumstances that the Institute deems applicable for such effects.

The penalties imposed by the Institute to the Institutions shall be effective through charges of the respective amount that shall be made in the account that the Banco de México keeps of said Institutions.

The Banco de México shall do the respective charges within the three business days following when the Institute requests it, for the cases of penalties for which no legal defense no longer proceeds or the Institution manifests in writing to the Institute, as the case may be, its conformity with the referred to charge being done. In any case, the request of the corresponding charge must be done by the Institute within ten business days following when the event set forth in this paragraph takes place.

The fines shall be imposed by the public officers of said Institute who are empowered for such effects pursuant to its the Organic Statute and in terms of the regulations issued to this effect by the Federal Executive.

Article amended FOG 10-01-2014

Article 93.- Those affected due to the imposition of administrative- law penalties by the Institute, may



resort to the motion for review provided in Title Fifth "Of the Prohibitions, Administrative Penalties, and Crimes", Chapter II "Of the Administrative Penalties" of the Credit Institutions Law in defense of their interests.

Article added FOG 10-01-2014

Article 94.- To protect the exercise of the right to access public governmental information, the Institute, adhering to the guidelines approved by its Board of Governors, must report to the general public, through its Internal site, the penalties that are imposed to the effect for transgressions to this Law or to the provisions that arise from it, for which it must indicate:

- I. The name and denomination of the transgressor;
- II. The provision infringed, the kind of penalty imposed, amount or term, as the case may be and the transgressing behavior, and
- III. The condition of the resolution, indicating if it is finalized or, if it is susceptible to being appealable and in this last case, if there have been submitted any available defense action and its type, when there is knowledge of such circumstance for having been duly notified by the competent authority.

In any case, if the penalty imposed is left without effects by some competent authority, such circumstance must also be published.

The information indicated above shall not be considered reserved or confidential.

TRANSITORY ARTICLES

FIRST.- This Law shall enter into force the day immediately following its publication in the **Federal Official Gazette**, with the exceptions mentioned hereunder.

SECOND.- Repealed.

Article repealed FOG 07-06-2006

THIRD.- The President of the Republic through the Secretariat of Finance and Public Credit, shall take the actions provided for by this Law and by the Expenditure Budget of the Federation authorized by the Chamber of Deputies, so that the Institute may start operations no later than fifteen days after the day when the Government Board has been installed. Likewise, within the three months following the date when such Government Board is duly constituted, such Board must approve the Organic Statute of the Institute.

FOURTH.- The provisions concerning the fees that the Institutions shall pay to the Institute, as set forth in the Second Title of this Decree, shall be issued no later than on the month of May of 1999. Until such provisions are issued, the Institutions shall pay the Institute, according to the provisions of Article 21 of this Law, their ordinary fees, calculating their amount according to the rules applicable to determine monthly ordinary contributions which they should have had to pay to the Trust mentioned in Article 122 of the Credit Institutions Law in force until this Decree enters into force.

FIFTH.- The Trust mentioned in Article 122 of the Credit Institutions Law in force, until this Decree enters into force, shall remain operational with the sole purpose of managing the



operations of the program known as “capitalization and portfolio purchase”, and to comply with the provisions set forth in the Seventh Transitory Article of this Decree, so that the audits ordered by the Chamber of Deputies may be concluded.

The President of the Republic and the Chamber of Deputies shall take any pertinent actions so that such audits may conclude in a term not to exceed six months from the date this Law enters into force.

To the extent that the Fund’s operations are audited, the following actions shall be taken:

- I. In case the audit should report irregularities, limitations to liabilities will immediately be determined, so that the infractors shall assume their full legal and pecuniary liability.
- II. Once such audits have concluded, the corresponding Institutions may elect to terminate the contracts and cancel the operations they have with the Fund, for which they must return to such Fund, the credit instruments which it previously issued in their favor, and in exchange, the Fund will return their collection rights over the portfolio subject to the Capitalization and Portfolio Purchase Program.

Simultaneously with the foregoing, the Institute shall grant such persons collateral or a payment instrument to cover the aforesaid collection rights, in the terms and conditions indicated in General Rules which the Government Board of the Institute shall issue for such purposes. The provisions of Articles 45 and 47 of this Law shall be applied to such collateral or instrument.

The Institute shall prepare and inform all interested parties the aforesaid General Rules no later than thirty calendar days after it has started operations.

In the event that during the audits any illicit credits are detected, the Institute, by a resolution issued by the Government Board, may elect to reject and return such credits to the Institutions, and such Institutions shall appoint other assets for an amount equivalent to the credits returned, to the satisfaction of the Institute. Otherwise, the Institute shall reduce the amounts of the respective collateral or the respective payment instrument.

When the illicit nature of the credit is attributable to the Institution’s management in question, such Institution shall absorb the cost of such credit, and therefore, the Institute shall reduce the amount of the collateral or payment instrument.

The General Rules shall strictly abide by the following:

- A) A mechanism shall be established so that any interested persons may contribute to the trust the collection rights returned by the Trust, as mentioned in Article 122 of the Credit Institutions Law in force, until the time when this Decree enters into force, and thus, they shall be able to issue credit instruments through the trust, with the purpose of carrying out collections and obtaining cash;
- B) The Institute and Institutions participating in the new program, shall agree on a formula that shall bind the Institutions to obtain the best possible results in the administration and collection processes of any credits devoted to the aforesaid program. The respective agreement shall provide penalties applicable to the Institutions who do not evidence to have taken the measurements and actions required to carry out a diligent management and collection of such credits;
- C) The Institute and the Institutions shall agree on an adequate mechanism so that the cost



resulting from the credits set forth in the foregoing paragraph, which are not completely covered, are preferably absorbed with charge to the Institutions and by the financial system;

D) Incentives shall be established so that the debtors may make prompt payments, and also mechanisms to foster, preferably, the payment of great debtors who have enough assets to pay their obligations resulting from the collection rights that have been guaranteed by the Institute.

To participate in the new program, the Institution in question, must comply with the capitalization levels established by applicable provisions. The Institute shall oversee that during the term of the collaterals or payment instruments, the Institutions maintain an adequate level of capitalization to promote the credit activities of the country.

SIXTH.- For purposes of these transitory provisions it shall be understood as PROPERTY or PROPERTIES:

a) The stock of commercial banks, securities firms and other corporations which are owned by the Trusts referred under Articles 122 of the Credit Institutions Law and 89 of the Securities Market Law in force until this Decree enters into force.

b) The fiduciary rights which are held by the Trust referred to in Article 122 of the Credit Institutions Law in force until the entrance into force of this Decree, to receive the proceeds of the credit recoveries designated in the agreements executed between the commercial banks according to the capitalization and curing programs of such institutions, imposed by financial authorities, as well as the rights conferred to such fund under the aforesaid agreements:

c) Any other rights and property held by the Trusts referred to in Article 122 of the Credit Institutions Law and 89 of the of the Securities Market Law in force, until the entrance into force of this Decree;

d) Any credits, rights, and any other properties owned or held by the commercial banks and any other corporations referred in section a) of this Article, and

e) Any other rights and property of whatever nature, related to the management and conclusion of the programs referred in this Article.

SEVENTH.- The Institute, abiding by the condition set fort in the following paragraph, in protecting the rights of good faith third parties and to provide for a more expedite recovery of Property, assumes the legal title of the curing programs' operations which are different form those for capitalization of portfolio purchase, carried out by the trusts referred to in Articles 122 of the Credit Institutions Law and 89 of the Securities Market Law ,in force until the entrance into force of this Decree, as well as those corresponding to the institutions that have been intervened by the Commission, except for any operations which were excepted by order from such Institutions' Technical Committees. Articles 45 and 47 of this Law shall be applicable to the operations which direction is assumed by the Institute, according to the provisions of this Article.

The provisions of the foregoing paragraph are subject to the fulfillment of the condition subsequent which requires that the respective audits to be carried out in order to establish any legal and pecuniary liabilities, if any, or the transfer to third parties of the aforesaid Properties.

If from the audits carried out there should result any loan operations or credits extended by any of the audited institutions which resources have been donated or contributed by the borrowers, directly or through a third party, to public interest entities who receive financing from the public



and who for such purpose, have produced financial losses to creditor institutions, such entities shall return the amount of the credit transactions involved, charging them to those public financings, which, according to the laws governing them, are regularly received.

EIGHT.- The Federal Government through the Secretariat of Finance and Public Credit and the Bank of Mexico, shall take any necessary actions to extinguish the Trusts referred to in Articles 122 of the Credit Institutions Law and 89 of the Securities Market Law in force until the entrance into force of this Decree, in case that the aforementioned trust, subject to the provisions set forth in the Fifth Transitory Article of this Decree.

As a result of the provisions set forth in the foregoing paragraph:

I. The Institute shall assume the credits granted by the Bank of Mexico to the Trusts referred in Articles 122 of the Credit Institutions Law and 89 of the Securities Market Law in force until the entrance into force of this Decree, the terms and conditions of such financings shall be agreed on, so that such financings be gradually extinguished without any charge for the Institute, to the extent that the results of the Bank allow it, without affecting the capital and reserves of the Bank, in accordance with its governing Law;

II. The Federal Government shall breach the credit granted by the National Financial Institution (Development Bank), acting as financing agent of the Federal Government, to the Trust set forth under Article 122 of the Credit Institutions Law in force, until this Decree enters into force, and

III. The request to consolidate in the public debt, the liabilities contracted by the aforesaid funds nor the grantors nor joint and several obligations granted for that purpose by the Federal Government, presented in the Fourth Transitory Article of Article Second of the Bill of the Federal Deposits Guaranty Law and the Commission for Property Recovery Law, is not authorized, and several provisions of the Law of the Bank of Mexico, of the Credit Institutions Law, Securities Market Law, Law to Regulate Financial Groups, and the Public Debt Law³ are hereby amended, supplemented and repealed.

NINTH.- As provided in Section Fourth of the Executive Summary of the Transactions carried out by the Trust referred in Article 122 of the Credit Institutions Law in force, until the entrance into force of this Decree, delivered by the President of the Republic to the Chamber of Deputies, where all the necessary amounts to carry out the respective operations for financial curing of Banco del Atlántico, S.A., Banca Promex, S.A. and BanCreceer, S.A., are provided, and which to date have not concluded, the Institute shall asses, audit, and if applicable, conclude such transactions

For such purposes, the Institute may grant any guaranties or payment instruments required in the opinion of its Government Board, which shall be subject to the provisions set forth in Article 45 of this Law. Once such operations have concluded, the Institute shall issue a detailed report to the Congress of the Union and to the President of the Republic specifying the terms and conditions of such operations.

To conclude the operations set forth in this Article, the Institute shall abide by the following:

I. It shall apply fully the capital of the aforesaid Institutions to pay their respective losses, and

II. The sum of the warranties or payment instruments provided in the Fourth Section of the aforesaid document, in the first paragraph of this Article, may not exceed the updated total amount



according to the Inter Banking Equilibrium Rate;

III. If from the audits carried out, any unlawful operations should result, the Institute shall proceed to file the corresponding claims and accusations, so as to establish the respective pecuniary liabilities.

TENTH.- In order to conclude the financial curing programs and the liquidation of the Trusts' operations mentioned in Articles 122 of the Credit Institutions Law and 89 of the Securities Market Law in force, until the entrance into force of this Decree, the Institute shall dispose of three quarter parts of the fees paid by the institutions for the system to protect savings, as well as any fees resulting from the recovery of their assets and those resulting from the costs which, upon previous agreement, have been assumed by the Institutions that have been supported.

The President of the Republic and the Chamber of Deputies shall take any pertinent actions so that the audits are concluded in a maximum term of 6 months from the date this Law enters into force.

ELEVENTH.- The regime of secured obligations established in Chapter I, Title Second of this Law, shall enter into force no later than December 31, 2005.

Previously to the maturity of the term referred in the foregoing paragraph, the Institute shall determine the secured obligations regime, the type of secured obligations, and the amount secured may only be amended by resolution published by the Government Board, in the month of December of each year, in the **Federal Official Gazette** and in two newspapers of the widest circulation in the country, and it shall be effective for at least one year.

For a single time, no later than on the month of May of 1999, the Government Board shall publish on the **Federal Official Gazette** and in two of the newspapers of the widest circulation in the country, a program where it shall disclose the obligations that shall be secured during the term of the transition referred to in the second paragraph of this Article. Such program shall be authorized by the Government Board. The resolutions of the Government Board concerning the proposals mentioned in this paragraph and in the foregoing one, must be taken with the authorizing vote of the Secretary of Finance and Public Credit, and in his absence by his alternate.

In approving the program set forth in the foregoing paragraph, the Government Board shall seek that the transition period for the entrance into force of the secured obligations regime established in Chapter I, Second Title of this Law, be as short as possible. Besides, the Government Board shall decide whatever is needed so that the transition takes place gradually and in an orderly manner, so that in the last year of effectiveness of such regime, it may reach the coverage ceiling established in Chapter I, Title Second of this Law.

While the resolution referred in the third paragraph is published, the secured obligations by the Institute shall be the ones published in the **Federal Official Gazette** as provided in Article 122 of the Credit Institutions Law in force, until this Decree enters into force.

TWELVETH.- To express the consent set forth in Article 42 of this Decree, the institutions shall amend their by-laws, and shall also incorporate the respective explicit mention in the certificates representing their corporate capital, in a term not to exceed 180 days from the date this Law enters into force.

THIRTEENTH.- The Institute shall manage and sell the Property, so as to obtain the maximum possible recovery value. The Institute shall try to obtain the best sale conditions for the PROPERTIES, abiding by the proceedings established in Chapter II of the Third Title of this Law.



The Institute shall conclude the recovery processes in a term not to exceed five years from the date this Decree enters into force, except for the purchase or delegation of the management of the institutions' assets, which have been intervened by the Commission, and which are subject to liquidation processes, that shall be concluded in a term not to exceed three year.

For such purpose, the Executive Secretary shall prepare a program to sell such PROPERTIES for the approval from the Government Board, which shall contain at least, the following elements:

- a) A general diagnostic of the condition of the PROPERTIES to be sold;
- b) Guidelines concerning the strategy to sell or to delegate the management thereof;
- c) The objectives and purposes of the program;
- d) Criteria and guidelines for the participation of specialized third parties who may provide support in the performance of the purposes of the Institute, as well as any incentives which the contracts shall include to foster an adequate recovery and the control and surveillance mechanisms for its due supervision;
- e) Criteria and guidelines to encourage an adequate competition between the offerors in biddings or in an auction;
- f) Requirements to be fulfilled by the possible offerors and by those who may acquire the PROPERTIES;
- g) Procedures and methodologies to establish, if applicable, the reference value of PROPERTIES. Likewise, when it is decided that the value of any specific property is not recoverable by any means, the public uses that can be given thereto must be established, and
- h) Procedure to sell the PROPERTIES together, as a package.

FOURTEENTH.- In his actions and operations, the Executive Secretary must abide at all times, by the provisions set forth in the program referred in the foregoing Article.

FIFTEENTH.- The Institute shall carry a separate account of any resources, income and expenditures which are directly or indirectly, related to the liquidation of financial curing programs and it shall also disclose it in its financial statements.

SIXTEENTH.- The Executive Secretary shall prepare, to be submitted to the Government Board and to the Secretariat of Finance and Public Credit, a biannual detailed report containing its operations, income and expenditures, presenting a special chapter on its financial condition in relation to the performance of its obligations that shall be due during the next semester term.

SEVENTEENTH.- The Treasury's Accounting Bureau of the Chamber of Deputies and the Secretariat of Comptrollership and Administrative Development shall directly exercise, in respect to the activities referred in the foregoing Articles, the duties conferred upon them by the laws, concerning the corresponding supervision and control.

EIGHTEENTH.- Article 122 of the Credit Institutions Law and Article 89 of the Securities Market Law are repealed, in the terms of these Transitory Articles.



NINETEENTH.- Any references to trusts in the SEVENTH Transitory Article, in laws, regulations, resolutions, official communications, records and agreements in respect to management and operation of such trusts, shall be understood as made by the Institute to the Institute for the Protection of Bank Savings, including the ones concerning to programs for the financing of debtors. In the case of acts or agreements related to transactions indicated in Fifth, Seven and Eight Transitory Articles, the reference shall be understood as a reference to the Institute, abiding by the terms and conditions of the audits indicated in such Articles. Therefore, according to the provisions herein, it shall never be understood that the Institute is the universal beneficiary of such trusts.

TWENTIETH.- Any Institutions who are participants in the financial curing programs established by the Federal Government, who have generated trusts to manage the resources for management, recovery and collection of credits, in which the fund referred under Article 122 of the Credit Institutions Law, has been appointed as trustee, shall be required to provide the information requested by the Institute for the performance of its purpose.

TWENTY FIRST.- Any other provisions in opposition to this Law are repealed.

ARTICLE SECOND.-

TRANSITORY ARTICLES

FIRST.- Article Second of this Decree shall enter into force the day immediately following its publication in the **Federal Official Gazette**.

SECOND.- Subsections a), b), c) and d) of section III of article 7th of the Foreign Investment Law are repealed.

THIRD.- Shares series "A" and "B", representing the corporate capital of any holding companies of financial groups, commercial banks, securities firms and securities specialists, shall be converted into series "O", shares, with the characteristics contained in Article 18 of the Law to Regulate Financial Groups, 13 of the Credit Institutions Law, and 17-bis of the Securities Market Law, without requiring the authorization of the shareholders' meeting, and as from the entrance into force of this Decree. Therefore, the financial entities mentioned above, shall carry out the respective exchange as provided in the following Article.

FOURTH.- The exchange of shares which shall be carried by the holding companies of financial groups, credit institutions, securities firms, and securities specialists, shall abide by the following:

I.- They shall be formalized upon petition made by the aforesaid financial institutions to the institution for the deposit of securities where the shares to be exchanged are to be kept in deposit.

The chairman and the secretary of Board of Directors of the financial entities mentioned in the first paragraph of this Article, shall have a term of five years, from the date this Decree enters into force, to submit the petition set forth in this section, in order to cancel the series "A" and "B" share certificates and to issue the shares corresponding to the new series "O", and to deposit the latter ones in any institution for the deposit of securities, as provided in Articles 18-bis, first paragraph of the Law to Regulate Financial Groups, 12, first paragraph of the Credit Institutions Law, 17-bis, penultimate paragraph, 67 and 74 of the Securities Market Law;



II.- The shares resulting from the exchange, shall represent the same ownership percentage in the paid capital as the shares had before such exchange;

III.- It shall not be considered as share sale for purposes of the Income Tax Law, provided the exchange referred in this Article does not imply a change in the ownership of the shares, and

IV.- For purposes of the above section, the average cost of the shares resulting from the exchange, shall be the one corresponding to the shares which were exchanged.

FIFTH.- Once the term set forth in section I of the foregoing Article has elapsed, without having complied with the provisions set forth therein, the shareholders may not exercise the corporate and pecuniary rights corresponding to their shares, and the holding company, commercial bank, securities firm, or securities specialist in question, may not register any transfers in respect to such series "O" shares which they shall attempt to record in the stock transfer book, until the exchange and deposit provided in the afore said section I of the foregoing Article is carried out.

SIXTH.- Financial corporations of financial groups, credit institutions, securities firms, and securities specialists, as well as the Affiliates of the sort of the aforesaid financial entities, which shares, if any, were listed in the National Registry of Securities and Brokers before the date this Decree enters into force, shall notify the National Registry of Securities of the exchange carried out according to the terms and conditions set forth in the Third and Fourth Transitory Articles hereinbefore, for purposes of maintenance and any other legal consequences pertaining thereto.

SEVENTH.- Holding companies of financial groups, commercial banks, securities firms, securities specialists and Affiliates of the sort of the aforesaid entities, shall have a term of three years as of the date in which this Decree enters into force, for their Board of Directors and their surveillance body to make any adjustment required to comply with the provisions set forth in Articles 24 and 27-L of the Law to Regulate Financial Groups, 22, 26 and 45-K of the Credit Institutions Law, and 17 bis 1 and 28 bis 11 of the Securities Market Law, as applicable.

The directors and examiners of series "A", "B" and "F" shares of the aforesaid financial entities shall continue performing their duties, while the respective appointments are made, as set forth in the provisions established in the above paragraph, and the individuals appointed take office.

Mexico, Federal District, December 13, 1998.- Deputy **Luis Patiño Pozas**, Chairman.- Senator **José Ramírez Gamero**, Chairman.- Deputy **Horacio Veloz Muñoz**, Secretary.- Senator **Gabriel Covarrubias Ibarra**, Secretary.- Signatures.

In compliance with the provisions of section I of Article 89 of the Political Constitution of the United Mexican States, and for its proper publication and execution, I issue this Decree in the residency of the President of the Republic, in Mexico City, Federal District, on December thirty one of one thousand ninety- eight.- **Ernesto Zedillo Ponce de León**.- Signature.- The Secretary of Internal Affairs, **Francisco Labastida Ochoa**.- Signature.



DECREES OF AMENDMENT TO TRANSITORY ARTICLES

DECREE Amending Several Tax Provisions.

Published in the Federal Official Gazette on December 31st, 2000

Transitory Provisions of the Organic Law of the Fiscal Court of the Federation

Article Eleventh. In respect to the amendments referred under Article Tenth of this Decree, the provisions hereunder must be applied:

- I. The amendment to Article 28 of the Organic Law of the Fiscal Court of the Federation, shall enter into force on February 1st, 2001.
- II. For purposes of Article 31 of the Organic Law of the Fiscal Court of the Federation, any claims filed before January 1st, 2001, shall be brought before the jurisdiction of the corresponding Regional Chamber as provided in the aforesaid Article 31, in force until December 31st of 2000.
- III. The name Fiscal Court of the Federation shall be changed to Federal Court of Fiscal and Administrative Justice. Consequently, the Organic Law of the Fiscal Court of the Federation shall be amended, both, in respect to its name and its provisions, as well as in any other provisions contained in the Federal Tax Code and in any other federal, tax and administrative laws, where the Fiscal Court of the Federation is quoted, to replace such name by the name Federal Court of Fiscal and Administrative Justice.

Transitory Articles

First. This Decree shall enter into force on January 1st of 2001.

Second. Any mentions made in this Decree to the Secretariats which names have been changed as a consequence of the Decree published in the **Federal Official Gazette** on Thursday November 30 of 2000, through which the Organizational Law of the Federal Public Administration was amended, shall be understood according to the name which was established for each of them in this last Decree.

Mexico, Federal District., December 28, 2000.- Sen. **Enrique Jackson Ramírez**, Chairman.- Dep. **Ricardo Francisco García Cervantes**, Chairman.- Sen. **Yolanda González Hernández**, Secretary.- Dep. **Manuel Medellín Milán**, Secretary.- Signatures".

In compliance with the provisions of section I of Article 89 of the Political Constitution of the United Mexican States, and for its proper publication and execution, I issue this Decree in the residency of the President of the Republic, in Mexico City, Federal District, on December twenty-ninth of two thousand.- **Vicente Fox Quesada**.- Signature.- The Secretary of Internal Affairs, **Santiago Creel Miranda**.- Signature.



DECREE Amending Article 65 and Supplementing Article 64-Bis of the Bank Savings Protection Law.

Published in the Federal Official Gazette on June 1st, 2001

Sole Article.- The first paragraph of Article 65 is amended and Article 64 Bis is supplemented, both of the Bank Savings Protection Law, to be worded as follows:

.....

TRANSITORY ARTICLE

Sole Article.- This decree shall enter into force the day immediately following its publication in the Federal Official Gazette .

Mexico, Federal District, April 30th, 2001.- Dep. **Ricardo García Cervantes**, Chairman.- Sen. **Enrique Jackson Ramírez**, Chairman.- Dep. **Manuel Medellín Milán**, Secretary.- Sen. **Yolanda González Hernández**, Secretary.- Signatures".

In compliance with the provisions of section I of Article 89 of the Political Constitution of the United Mexican States, and for its proper publication and execution, I issue this Decree in the residency of the President of the Republic, in Mexico City, Federal District, on May thirtieth of two thousand one.- **Vicente Fox Quezada**.- Signature.- The Secretary of Internal Affairs, **Santiago Creel Miranda**.- Signature.



DECREE Amending, Supplementing, and Repealing Several Provisions of the Credit Institutions Law, the Law to Regulate Financial Groups and the Bank Savings Protection Law.

Published in the Federal Official Gazette on July 6, 2006

ARTICLE THIRD.- The following articles are repealed 7, 15, 16, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 49, 50, 51, 52, 53, 54, 55, 56, 57 and Second Transitory, all of them of the Bank Savings Protection Law, to be worded as follows:

.....

TRANSITORY ARTICLES

ARTICLE FIRST.- This Decree shall enter into force the day immediately following its publication in the Federal Official Gazette.

ARTICLE SECOND.- Commercial banks shall take any necessary corporate actions to provide in their By-laws and certificates representing their corporate capital, the provisions and acts mentioned in articles 29 Bis 1, 29 Bis 2, 29 Bis 4 and 122 Bis 15 of the Credit Institutions Law, within a maximum term of one hundred and eighty calendar days, from the date the aforesaid Decree enters into force.

Holding companies of financial groups shall have the term set forth in the foregoing paragraph to take the corporate actions required to adjust the single responsibility agreement, their By-laws and certificates representing their corporate capital, as provided in Articles 28 and 28 Bis of the Law to Regulate Financial Groups.

Any defaults to the provisions of this Article shall be penalized by the National Banking and Securities Commission with a fine in an amount equivalent to one thousand to thirty thousand times the daily minimum general wage in force in the Federal District.

ARTICLE THIRD.- Commercial banks who at the date of entrance into force of this decree are undergoing liquidation or insolvency proceedings, shall be governed in accordance to the provisions in force at the moment when the respective proceedings were started.

Mexico, Federal District, April 27th, 2006.- Dep. **Marcela González Salas P.**, Chairman.- Sen. **Enrique Jackson Ramírez**, Chairman.- Dep. **Marcos Morales Torres**, Secretary.- Sen. **Sara I. Castellanos Cortés**, Secretary.- Signatures."

In compliance with the provisions of section I of Article 89 of the Political Constitution of the United Mexican States, and for its proper publication and execution, I issue this Decree in the residency of the President of the Republic, in Mexico City, Federal District, on June twenty-eighth of two thousand six.- **Vicente Fox Quezada**.- Signature.- The Secretary of Internal Affairs, **Carlos Maria Abascal Carranza**.- Signature.

DECREE amending various federal laws in order to update all those articles that refer to the Secretaries of State whose the denomination was modified and to the Federal District Government in the leading; as well as remove the mention of administrative departments that are no longer valid.



Published in the Federal Official Gazette on April 9th, 2012

ARTICLE TWENTY-FIRST.- Amending articles 65, first subparagraph and 89 of the Banks Savings Protection Law, as follows:

TRANSITORY ARTICLES

ARTICLE FIRST.- This Decree shall enter into force the day immediately following its publication in the Federal Official Gazette.

ARTICLE SECOND.- From the date that this Decree enter into force, the provisions that defy or oppose the Decree will be declared null and void.

Mexico, Federal District, February 21th, 2012.- Dep. **Guadalupe Acosta Naranjo**, Chairman.- Sen. **José González Morfin**, Chairman.- Dep. **Laura Arizmendi Campos**, Secretary.- Sen. **Renán Cleominio Zordea Novelo**, Secretary.- Signatures."

In compliance with the provisions of section I of Article 89 of the Political Constitution of the United Mexican States, and for its proper publication and execution, I issue this Decree in the residency of the President of the Republic, in Mexico City, Federal District, on February twenty-first of two thousand twelve.- **Felipe de Jesús Calderón Hinojosa**.- Signature.- The Secretary of Internal Affairs, **Alejandro Alfonso Poiré Romero**.- Signature.

DECREE Amending, Supplementing, and Repealing Several Provisions of the Credit Institutions Law, the Law to Regulate Financial Groups and the Bank Savings Protection Law.

Published in the Federal Official Gazette on January 10, 2014

ARTICLE THIRTY-THIRD.- Subsection XIX of article 68; subsection VI of article 80; the first subsection of article 90; the first and second subsections of article 91 and article 92 are **AMENDED**, a second paragraph is **ADDED** to article 22, as well as a second paragraph to the third subsection of article 90; a second, third, fourth, and fifth paragraph to article 92; articles 93 and 94 are also added and articles 8,9,12,13,14,16,58,61 to 64 Bis of the Bank Savings Protection Law are **REPEALED**, to be as follows:

....

Transitory Provisions

ARTÍCULO TRIGÉSIMO QUINTO.- En relación con las modificaciones a que se refieren los Artículos Trigésimo Primero a Trigésimo Cuarto de este Decreto, se estará a lo siguiente:

ARTICLE THIRTY- FIFTH.- Regarding the amendments referred on Articles Thirty- first to Third-fourth of this Decree, to be as follows.



I. The offences and crimes committed prior the day that the present Decree entered into force, shall be prosecuted according to the law in force at the time the hereof crimes and offences were committed.

In the pending administrative procedures, the interested party may opt for its resumption under the current procedure during its initiation or by the implementation of the applicable provisions to the administrative procedures set forth by this Decree.

II. While the Secretary of Finance and Public Credit, the National Banking and Securities Commission, Banco de México and the Institute for the Protection of Bank Savings issue the general provisions referred to the articles that amends or adds the Decree hereof, it will continue to apply the issued prior to its entry into force as not contrary to the provisions contained in the present.

III. The special commercial insolvency proceedings of commercial banks that had been initiated prior to the entry into force of this Decree, will continue to be governed by the Commercial Insolvency Law, published in the Federal Official Gazette on May 12, 2000.

IV. Commercial banks will have one hundred twenty days deadline following the date of its entry into force to amend their bylaws and the securities representing the company capital, in accordance with the present Decree. In case of the modification of the bylaws, these should be subjected to the National Banking and Securities Commission's approval.

V. Commercial banks that at the date of entry into force of the Decree hereof, are dealing with a bankruptcy proceeding or commercial insolvency proceedings may agree with the Management Service and Assets Disposal (SAE), the replacement of trust obligations arising under article 185 of the Credit Institutions Law that are amended by the present Decree.

VI. Commercial banks shall implement the necessary corporate actions to expressly include in its bylaws and in the shares representing the capital stock, the provided by articles 29 Bis 13, to 29 Bis 15 of the Credit Institutions Law, within no later than sixty calendar days from the date this Decree entry into force.

VII. Commercial banks shall contemplate in the agreements signed after the entry into force of the Decree hereof, as well as other relating documentation, the restrictions provided on subsections IV) and V) of article 29 Bis 14 of the Credit Institutions Law.

VIII. When the law, regulations, decrees, agreements or other legal instruments make reference to the commercial insolvency proceedings or bankruptcy of credit institutions, such reference shall be constructed as reference to the procedures provided in Title VII, Chapter II, Section Two of the Credit Institutions Law.

IX. The amendment contained in the Decree hereof to the seventh paragraph of article 73 Bis of the Credit Institutions Law shall not apply to the amount of the transactions or credits provided by related people, held prior the entry into force of the present Decree, until they restructure or renew.

In view of the foregoing, commercial banks may only execute after the entry into force of the present Decree transactions on behalf of related people by the amount that shall not exceed the rate provided by the seventh paragraph of Article 73 Bis of the Credit Institutions Law, once considered the referred transactions in the preceding paragraph.

The provided by the first paragraph of the article hereof, will only apply regarding the amount that prior to the entry into force of this Decree has already been prepared by the borrower, in the case



with regard to loans or revocable credits; or the full amount of such loan or credit; in the case of loans or irrevocable credits executed prior to its entry into force.

X. The Governing Board of the Institute for the Protection of Bank Savings, shall issue the general provisions referred in article 22 of the Bank Savings Protection Law, within a period no longer than twelve months from the date this Decree enter into force. Until those provisions are issued, the Institutions must follow the procedure established in the provisions published in the Federal Official Gazette on May 31st, 1999.

TRANSITORY ARTICLE.

Sole Article.- This decree shall enter into force the day immediately following its publication in the Federal Official Gazette, **except as provided in articles TWENTY-FIFTH, subsection I; THIRTIETH, subsections IV and VI; FORTIETH, subsections I and II; FIFTIETH, subsections I and II, which shall enter into force on the dates that each provisions establish.**

Mexico, Federal District, November 26th, 2013.- Dep. **Ricardo Anaya Cortes.**, Chairman.- Sen. **Raul Cervantes Andrade**, Chairman.- Dep. **Javier Orozco Gómez**, Secretary.- Sen. **María Elena Barrera Tapia**, Secretary.- Signatures."

In compliance with the provisions of section I of Article 89 of the Political Constitution of the United Mexican States, and for its proper publication and execution, I issue this Decree in the residency of the President of the Republic, in Mexico City, Federal District, on November twenty-sixth of two thousand fourteen- **Enrique Peña Nieto** .- Signature.- The Secretary of Internal Affairs, **Miguel Ángel Osorio Chong**.- Signature.