This English translation is NOT an official translation. This translation is for informational purposes only and has been prepared solely for the convenience of non-Spanish speaking interested parties. The official and legally binding text is in Spanish language as published originally in the Mexican Official Journal of the Federation and its amendments. Any discrepancies or differences created by the translation are not binding. Banco de México makes no warranties or representations about accuracy or completeness of this English translation and assumes no liability for any errors, omissions, or inaccuracies in this English translation. This English translation does not have nor represent any position or interpretation from Banco de México that could be used on any type of legal procedure.

LAW TO REGULATE FINANCIAL TECHNOLOGY INSTITUTIONS

New Law published in the Official Journal of the Federation on March 9, 2018

TEXT IN EFFECT

Last amendment published in the Official Journal of the Federation on May 20, 2021

In the margin, a seal bearing the National Coat of Arms reading: United Mexican States. – Presidency of the Republic.

ENRIQUE PEÑA NIETO, 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

DECREE

"THE GENERAL CONGRESS OF THE UNITED MEXICAN STATES HEREBY DECREES:

THE LAW TO REGULATE FINANCIAL TECHNOLOGY INSTITUTIONS IS HEREBY ISSUED, ALONG WITH THE ADDITIONS AND AMENDMENTS TO THE CREDIT INSTITUTIONS LAW, THE SECURITIES MARKET LAW, THE CREDIT ORGANIZATIONS AND AUXILIARY ACTIVITIES GENERAL LAW, THE TRANSPARENCY AND FINANCIAL SERVICES ARRANGEMENT LAW, THE LAW TO REGULATE CREDIT INFORMATION CORPORATIONS, THE LAW FOR THE PROTECTION AND DEFENSE OF THE USER OF FINANCIAL SERVICES, THE FINANCIAL GROUPS LAW, THE NATIONAL BANKING AND SECURITIES COMMISSION LAW AND THE FEDERAL LAW FOR THE PREVENTION AND IDENTIFICATION OF TRANSACTIONS WITH FUNDS OF ILLICIT ORIGIN

ARTICLE ONE. – The Law to Regulate Financial Technology Institutions is hereby **ISSUED:**

LAW TO REGULATE FINANCIAL TECHNOLOGY INSTITUTIONS

TITLE I
Preliminary Provisions

Article 1.- This is a public order Law and of general observance within the United Mexican States and its objective is to regulate the financial services provided by financial technology institutions, as well as their organization, operation and functioning, and those financial services subject to any special regulations that may be offered or executed by innovative means.

Article 2.- This Law is based on the principles of financial inclusion and innovation, promotion of competition, consumer protection, preservation of financial stability, prevention of illicit transactions and technological neutrality. Said principles must be respected by all those bound by this Law, in regard with their operations, as well as by the Financial Authorities upon exercising their powers.

Article 3.- The supervision of the compliance with the provisions of this Law and any provisions derived therefrom falls, within the scope of the respective powers, to the National Banking and

Securities Commission and to Banco de México, in terms of this Law and other applicable legal provisions.

The National Insurance and Bonding Commission, the National Pension System Commission and the National Commission for the Protection and Defense of Financial Services Users shall have the powers, within the scope of their respective powers, that are conferred to them in terms of this Law and other applicable legal provisions.

The Federal Executive, through the Ministry of Finance and Public Credit, may interpret, for administrative purposes, the provisions of this Law.

Article 4.- For the purposes of this Law, in singular or plural, it shall be understood as:

I. Financial Authority, any of the Supervisory Commissions, Banco de México, or the Ministry, within the scope of their powers;

II. Client, a natural person, or legal entity who hires or carries out any Transaction with a FTI, as well as anyone hiring or using the services of Financial Entities provided for in this Law or by corporations authorized to operate with New Models;

III. CNBV, the National Banking and Securities Commission;

IV. CNSF, the National Insurance and Bonding Commission;

V. Supervisory Commissions, the CNBV, CONSAR, CNSF and CONDUSEF, within the scope of their powers;

VI. Inter-institutional Committee, the collegiate body comprised by public servants from the Ministry, Banco de Mexico and the CNBV, referred to in this Law;

VII. CONDUSEF, the National Commission for the Protection and Defense of Financial Services Users;

VIII. CONSAR, the National Pension System Commission;

IX. Consortium, a group of legal entities linked to each other by one or more natural persons which belonging to a Group of Persons, have Control of the former;

X. Control, the capacity to impose, directly or indirectly, decisions at the general assemblies of shareholders, partners or equivalent bodies, or to appoint or dismiss the majority of board members, managers or their equivalents in a legal entity; or to hold ownership, directly or indirectly, of voting rights, over more than fifty percent of the capital stock of the corporation; or to direct, directly or indirectly, the management, strategy or main policies of the corporation, be it by way of ownership of Securities or by any other legal act.

XI. Relevant Manager, the General Director of a FTI, as well as the natural persons who, holding a job, position, or commission in the former, or in the legal entities that have Control of said FTI, or that are controlled by the latter, adopt decisions that significantly influence the managerial, financial, operational, or legal situation of the FTI itself or of the Corporate Group to which it belongs, without including in this definition the board members of the FTI;

XII. Financial Entities, holder and sub-holder companies of financial groups, credit institutions, securities firms, stock exchanges, investment funds managing companies, distributing companies of investment fund shares, credit unions, auxiliary credit institutions, foreign exchange firms, multi-purpose financial corporations, popular financial companies, community financial companies with operating levels I through IV, organizations for rural

financial integration, cooperative savings and loans companies with operating levels I through IV, securities depositories, central securities counterparties, credit rating agencies, credit information corporations, insurance companies, surety companies, mutual insurance companies, retirement fund management companies, as well as other institutions and public trusts performing activities over which the CNBV, CNSF or CONSAR exercise supervisory powers;

XIII. Group of Persons, persons bound by agreements, of any kind, to make decisions in the same direction. It is presumed, except otherwise proven, that the following constitute a Group of Persons:

a. Persons related by blood, marriage, or civil kinship up to the fourth degree, spouses, and concubines, and

b. Corporations forming part of the same Consortium or Corporate Group and the person or group of persons holding Control over said corporations.

XIV. Corporate Group, a group of legal entities organized under direct or indirect capital stock ownership schemes, in which one single corporation holds Control over said legal entities, including financial groups organized under the Financial Groups Law;

XV. Technological Infrastructure, the computing infrastructure, telecommunications networks, operating systems, databases, software, and applications used by FTIs, corporations authorized to operate with New Models and financial entities, to support their operations;

XVI. FTI, the financial technology institutions regulated by this Law, which are crowdfunding institutions and electronic payment funds institutions;

XVII. New Model, a model for the provision of financial services, which uses tools or technological means that are functionally different to those existing on the market at the time in which the temporary authorization is granted, in accordance with this Law;

XVIII. Transactions, the activities of a financial or a payment nature, referred to in this Law, which an FTI may offer or perform with the public, or that may be executed through said FTI between Clients, in accordance with this Law;

XIX. Related Parties, the persons that, in relation to an FTI, fall into one of the following cases:

a) Natural persons or legal entities that hold, directly or indirectly, ownership of one percent or more of the instruments representing the capital stock of an FTI, in accordance with the most up to date shareholder records of the FTI in question;

b) The sole administrator or the members of the board of the FTI, as well as the auditors or examiners, their officers or employees or any other persons whose signature is binding for the FTI in question;

c) Spouses and relatives up to the second-degree kinship, of the persons mentioned in the above points.

d) Legal entities, as well as their board members and officers, in which the FTI holds ownership, directly or indirectly, of ten percent or more of the instruments representing the capital stock.

e) Legal entities in which any of the persons mentioned in the above points, as well as the officers, employees, external auditors, and examiners of the FTI, their forebears and

offspring to the first degree and spouses, hold ownership, directly or indirectly, of ten percent or more of the instruments representing the capital stock.

f) Legal entities in which the officers, external auditors, members of the audit committee and examiners of the FTI, are board members or administrators, or occupy any of the first three hierarchical levels in said legal entities.

XX. Decision-making Power, the capacity to decisively influence decisions made at shareholder or partner assemblies or at sessions of the board of directors or executives, or in the management, conduct and business dealings of the FTI or of the legal entities over whom it has Control. Unless proven otherwise, the following people are presumed to wield Decision-making Power in an FTI:

a) The shareholders that have Control;

b) Natural persons with links to the FTI or legal entities that form part of the Corporate Group or Consortium to which the former belongs, through honorary or lifelong tenures, or any other capacity similar or akin to those aforementioned;

c) Persons who have passed on the Control of the FTI, in any capacity and free of charge or at a price below its market value or book value, to persons to whom they are related by blood, affinity or civil kinship up to the fourth degree, their spouse, or concubine, and

d) Persons who instruct board members or Relevant Managers of the FTI, on decision-making or the execution of operations within the FTI itself or the legal entities over which the FTI has Control;

XXI. Ministry, the Ministry of Finance and Public Credit;

XXII. UMA, the Unit of Measure and Update, whose value in pesos is determined according to the Law for Setting the Unit of Measure and Update, and

XXIII. Securities, the stocks, shares, obligations, bonuses, options, certificates, IOUs, bills of exchange and other credit titles, named or unnamed, that are issued in series or in a single offering and which represent the capital stock of a legal entity or part thereof, a proportional share of a good or participation in a collective credit or any individual credit right, in the terms of applicable laws, both domestic and foreign.

Article 5.- The Financial Authorities will have a timeframe of no more than ninety days to resolve the procedures referred to in this Law, unless express provision that determines another timeframe. Once the applicable timeframe has expired, rulings will be deemed to be against the petitioner, unless the applicable provisions provide otherwise. At the request of the interested party, a document attesting such circumstance must be issued, within two working days following the submission of the respective request before the competent Financial Authority, that should have made the ruling. The same document must be issued when the specific provisions provide that, after the applicable timeframe, the ruling is to be considered as favorable. If said documents are not issued within the timeframe stipulated, this will be cause of administrative liability under the terms of the applicable legal provisions.

When the initial brief does not contain the information or does not comply with the requirements set forth in the applicable legal provisions, the Financial Authority must warn the interested party, in writing and only once, so that within a period of not less than ten working days they rectify the omission. Unless another timeframe is expressly given in the specific provisions, this measure must be taken at the very latest halfway through the response timeframe of the Financial Authority.

Once the measure has been notified, the timeframe for the Financial Authorities to rule shall be suspended and will be resumed from the first business day following the date on which the interested party presents the measure. If the measure is not presented within the indicated timeframe, the Financial Authorities shall dismiss the initial brief.

If the Financial Authorities do not make the information request within the appropriate timeframe, they may not reject the initial brief because it is incomplete.

The timeframes for the Financial Authorities to respond will star to count from the first working day following the submission of the corresponding brief, unless expressly provided otherwise.

Article 6.- The timeframe referred to in the first paragraph of the foregoing article will not apply to motions for which, by express provision of this Law, the Financial Authorities must obtain the opinion of other authorities or that require the consent of the Inter-institutional Committee. In such cases, the Financial Authorities must resolve the matter in hand within a timeframe of no more than one hundred and eighty days.

The opinions referred to in the above paragraph must be requested by the Financial Authority in question within at most three days following the receipt of the complete documentation of the matter to which the opinion relates. The appropriate authorities must issue their opinion within a timeframe of one hundred and fifty days counting from the date of receipt of said documentation. Should the opinion not be issued within the timeframe stipulated, the Financial Authority that requested it will resolve the matter in hand with the evidence they possess on file, without reference to the opinion in question.

The competent Financial Authorities, at the request of an interested party, may extend the timeframes set forth in this Law, without said extensions exceeding, in any case, half of the period originally provided in the applicable legal provisions, when the matter so requires and when, to the best of their knowledge, no rights of a third party would be affected.

Article 7.- The Financial Authorities, within the scope of their competences, shall issue general provisions to simplify procedures and establish forms of compliance that are simpler than the requirements of this Law, provided that no unwarranted risks be incurred.

The procedures and forms of compliance referred to in this article must be reviewed every year, except in cases in which the average time of resolution of all authorization procedures from the previous year did not exceed ninety days.

Article 8.- Articles 5, 6 and 7 of this Law shall not be applicable to the Supervisory Commissions and to Banco de México when they exercise their supervision powers in compliance with the provisions of this Law and the provisions derived therefrom.

Article 9.- For the purposes of this Law, timeframes set forth in days shall be taken as calendar days, unless it be expressly stated that they are working days. When a timeframe expires on a non-working day, the timeframe will expire on the next working day.

Article 10.- In matters not dealt with in this Law, the respective special laws applicable to the Financial Entities in question, commercial laws; banking, business, and stock exchange practices; federal civil legislation and federal criminal legislation will apply, depending on their nature and in a supplementary manner, as well as the Federal Tax Code regarding the updating of penalties.

TITLE II
On FTIs and their Transactions

Article 11.- In order to organize and operate as an FTI, authorization must be obtained from the CNBV, with the prior consent of the Inter-institutional Committee, in terms of Chapter I of Title III of this Law.

FTIs, in addition to complying with the obligations established in this Law and in the provisions derived therefrom, must take measures to prevent the dissemination of false or misleading information through themselves. Additionally, FTIs must supply information that allows their Clients to identify the risks of the Transactions they perform with or through them, in accordance with the provisions of this Law.

Neither the Federal Government nor entities from the parastatal public administration may take responsibility for or guarantee funds of the Clients that may be used in the Transactions that they enter into with FTIs or with others, nor assume any responsibility for the contractual obligations of FTIs or of any Client with another, by virtue of the Transactions that they enter into. FTIs must expressly indicate the stipulations set forth in this paragraph on their respective websites, in the messages they display on computer applications or transmit by any electronic or digital means of communication that they may use for the offering and performance of their Transactions, as well as in advertising and in any contracts that they may enter into with their Clients.

Article 12.- An FTI that obtains authorization to organize and operate as such, under the terms of this Law, will be obliged to add to its trade name the words “crowdfunding institution”, or “electronic payment funds institution”, as applicable. Likewise, FTIs will be obliged to state in a clear and obvious manner, through any means of communication they use to contact their Clients, that they are in fact authorized, regulated, and supervised by the Financial Authorities.

The expressions, “financial technology institution”, “FTI”, “crowdfunding institution”, “electronic payment funds institution” or others that express similar ideas in any language, referring to said concepts or to any trademarks and products that may correspond to them, by which the performance of the intrinsic activities of the aforementioned entities may be inferred, may not be used in the name, corporate name or advertising of persons and establishments, interfaces, computer applications, websites or any other means of electronic or digital communication, other than those belonging to FTIs authorized under the terms of this Law.

The associations that group together FTIs authorized in accordance with this Law are excepted from the provisions of the preceding paragraph.

Article 13.- Titles representing the capital stock of FTIs may be subscribed without restriction.

Credit institutions, stock exchanges, regulated multiple purpose financial companies, popular financial companies, cooperative savings and loans companies with operating levels I through IV, credit unions and insurance and surety institutions, may, as an exception to the provisions stipulated in the respective laws that regulate them, invest, directly or indirectly, in the capital stock of FTIs, subject to prior authorization by their Supervisory Commission or the Ministry, in the latter case with respect to the development banks. Said authorization must be granted under the same procedures and conditions as those applicable to investment in the capital stock of the other Financial Entities referred to in the respective financial laws.

In regards to credit institutions, the total sum of investments in the capital of FTIs referred to in the above paragraph, in conjunction with investments mentioned in article 89 in the Credit Institutions Law, must not exceed the equivalent of fifty percent of the basic part of the net capital of the institution, or the surplus of the basic part of the net capital of the institution over the minimum capital.

Financial Entities that invest in FTIs will be forbidden from using their own staff and promotional channels for the purposes of promoting said FTIs.

Notwithstanding the provisions set forth in the above paragraph, FTIs, where appropriate, and under the conditions set forth by the CNBV through any general provisions it issues for said purpose, may agree with the Financial Entities that acquire titles representative of their capital stock, that said Entities place at their disposal their Technological Infrastructure and auxiliary services, in support of the transactions of the FTI, as long as they obtain the authorization from the CNBV for such purposes and they enter into a service contract in which the transfer pricing is clearly stated.

The contracting of services referred to in this article will not exempt FTIs, nor their management, employees or any other persons that hold a job, position, or commission with them, from the obligation to follow the provisions of this Law and any general provisions derived therefrom.

Article 14.- Account statements with respect to credit, loans or lending related Transactions that FTIs enter into with their Clients or that their Clients enter into through them, vouched for by the certified public accountant appointed by the FTI in question, will be enforceable instruments, without the need for signature authentication or another requirement.

The account statement certified by the accountant referred to in this article shall be deemed correct, unless proven otherwise, in any respective judgments for the determination of the Clients of the FTI resulting balances.

The certified account statement referred to in this article must contain the name of the Client, the date of the contract relating to the Transaction in question and its details. Likewise, it must include any movements executed over the foregoing year, counting from the moment the last default in payment is established.

CHAPTER I
On Crowdfunding Institutions

Article 15.- Activities intended to bring members of the general public into contact with one another, for the purpose of them granting financing to one another via any of the Transactions mentioned in the following article, carried out in a regular and professional manner, over computer applications, interfaces, websites, or any other means of electronic or digital communication, may only be carried out by legal entities authorized by the CNBV, with the prior consent of the Inter-institutional Committee, as crowdfunding institutions.

Article 16.- Clients of a crowdfunding institution that take part in the activities described in the above article shall be deemed investors and applicants. The natural persons or legal entities that provide funds to applicants shall be deemed investors. The natural persons or legal entities that should make a request for such funds through a crowdfunding institution shall be deemed applicants.
The Clients of a crowdfunding institution may perform, between themselves and through said institution, the following Transactions:

I. Collective debt financing, in order for investors to grant loans, credit, or any other financing that brings a direct or contingent liability upon the applicants;

II. Collective capital financing, in order for investors to buy or acquire shares representing the capital stock of legal entities acting as applicants, and

III. Collective financing of co-ownership or royalties, in order for investors and applicants to enter into joint ventures or any other type of agreement by which the investor acquires a proportional part or share of a present or future asset, or of the income, profits, royalties or losses that may arise from the performance of one or more activities or projects of an applicant.

The legal acts that may be carried out for the performance of Transactions referred to in this article will be deemed commercial acts.
The Transactions referred to in this article shall be denominated in national currency. Likewise, crowdfunding institutions may carry out the aforementioned Transactions in foreign currency or with virtual assets, as the case may be, and subject to the terms and conditions that Banco de México establishes through any general provisions it issues for such purpose.

The titles offered through these institutions shall not be registered in the National Securities Registry.

Likewise, crowdfunding institutions may carry out those activities to facilitate the sale or acquisition of exchanged rights or titles that document the Transactions referred to in subsections I to III of this article. The CNBV, in order to protect investors, will establish general provisions for this purpose.

Article 17.- Crowdfunding institutions may act as agents or commission agents for their Clients, to carry out activities related to Transactions, among others, for operational matters, under the terms determined by the CNBV in any general provisions it issues for such purposes.

Article 18.- Crowdfunding institutions must comply with the following obligations:

I. Establish and inform potential investors in a clear and forthright manner, through the means they use to operate with them, the selection criteria for applicants and projects subject to financing; the information and documentation analyzed for such purposes and the activities it carries out, where appropriate, to verify the veracity of said information and documentation, including whether they are the recipient of any other crowdfunding, either through the same crowdfunding institution or another. The CNBV must establish the compliance requirements for these obligations through any general provisions it issues for such purposes.

   Crowdfunding institutions will be forbidden from offering projects that are being offered concurrently in another crowdfunding institution. For the fulfillment of the above, said institutions may, with the prior consent of the applicants, exchange information;

II. Analyze and inform potential investors, in a simple and clear manner, of the risk posed by applicants and projects, including general indicators on their performance and payment behavior, among others. Said risk shall be determined by means of evaluation and qualification methodologies for the applicants and projects, which must be disclosed to investors. Crowdfunding institutions should ensure that the methodologies be applied consistently and updated as necessary. The CNBV will establish the minimum elements said methodologies must include, through the general provisions it issues for such purposes;

III. Obtain from investors an electronic acknowledgement certificate to show they understand the risks inherent to their investment with the institution. The basic requirements of said certificates shall be determined by the CNBV in the general provisions it issues for such purposes;

IV. Have information available to the concerning investors, once a Transaction has been executed, on the payment behavior of the applicant, their performance, or anything else that may be relevant to them. The CNBV will establish, through general provisions that it issues for such purposes, the compliance requirements for this obligation;

V. Provide Clients with the necessary means for the formalization of Transactions;

VI. Be a user of at least one credit information corporation, having periodically to provide the information of the applicants for financing, under the terms provided in the Law to Regulate Credit Information Corporations. This obligation only applies to collective debt financing crowdfunding institutions;

VII. Deliver the funds of the investors to the applicants that the investors themselves have selected and, prior to said delivery, allow the investor to withdraw the funds destined for the investment in question, without restrictions or any charge whatsoever. The terms and conditions of the financing cannot be modified once consent has been given to their selection;

VIII. Establish schemes to share with investors the risks inherent to collective debt financing Transactions, which must include the payment agreement of a proportion of the fees, on the condition that the full settlement of the financing or the performance of the project be carried out under the terms set forth, or any other scheme that allows the alignment of incentives between the FTI and investors. Said schemes must be presented with the request for authorization to act as an FTI.

Fees charged for non-performing loans may under no circumstance be higher than those charged for current financing;

IX. Have the necessary mechanisms in place to segregate each type of Transaction, such that investors may unequivocally distinguish the type of Transaction in question, when two or more types of crowdfunding Transactions are entered into, or the sale or acquisition of the exchanged titles or rights acquired through them is made, and

X. Any other obligations for collective financing institutions provided in this Law and in the provisions derived therefrom.

Crowdfunding institutions shall be liable for any damages and losses caused to their Clients due to non-compliance with the provisions of this article.

Article 19.- Crowdfunding institutions, besides their own intrinsic activities, may only engage in the following:

I. Receive and publish the requests from applicants for crowdfunding Transactions and their projects over the interface, website or electronic or digital means of communication used to carry out their activities;

II. Let potential investors know the details of the requests of the applicants for crowdfunding Transactions and their projects over the interface, website or electronic or digital means of communication used to carry out their activities;

III. Set up and allow the use of electronic communication channels through which investors and applicants may interact with one another over the interface, website or electronic or digital means of communication used to carry out their activities;

IV. Obtain loans and credits from any person, national or foreign, intended for the fulfillment of its corporate purpose. These loans and credits may not be used to establish schemes that allow investors to share the risks of projects dealt with in this Law, unless they obtain authorization from the CNBV under the terms of the general provisions it issues for such purposes. Under no circumstance may loans and credits be obtained from an unidentified person or through mass media, nor in a routine or professional way;

V. Issue Securities on their own account. Funds obtained from the placement of debt Securities on public offer may not be used to establish schemes that allow project risks to be shared with investors;

VI. Acquire or lease the property and real estate necessary for the conduct of its business and alienate them when appropriate;

VII. Place deposits in financial entities authorized for such purposes;

VIII. Set up any trusts that may be necessary for the fulfilment of its corporate purpose under the terms of the provisions of this Law;

IX. Make permanent investments in other companies, as long as they provide them with auxiliary, complementary or real estate services;

X. Carry out extrajudicial or judicial collection of credits granted to applicants by investors, as well as to renegotiate the terms and conditions of said credits, and

XI. Carry out any acts necessary for the fulfilment of its corporate purpose.

Article 20.- Crowdfunding institutions are forbidden from ensuring returns or yields on investments made or guaranteeing the result or success of investments.

Article 21.- The following persons may not be applicants for financing through crowdfunding institutions:

I. The FTI itself, and

II. Related Parties and persons wielding Decision-making Power in the FTI.

FTIs may only participate as investors in Transactions disclosed through them or acquire the rights of the respective projects, in the case of project risk-sharing schemes with investors, under the terms of this Law.

Credit institutions, stock exchanges, credit unions, regulated multi-purpose financial corporations, popular financial corporations, community financial corporations and cooperative savings and loans companies with operating levels I through IV, may become investors through crowdfunding institutions, subject to the rules established by the CNBV for such purposes.
Crowdfunding institutions shall refrain from alienating or transferring credits, loans, civil loans, or other types of financing entered into between their respective Clients through said institutions, under any title, to Related Parties or Persons wielding Decision-making Power in said crowdfunding institutions. Likewise, Financial Entities shall refrain from alienating or transferring credits, loans, civil loans, or other types of financing that said Financial Entities may have previously granted to their respective Clients, under any title.

CHAPTER II
On Electronic Payment Funds Institutions

Article 22.- Services to the public carried out regularly and in a professional manner, consisting of the issuance, management, redemption, and transmission of electronic payment funds, by means of the acts listed below, over computer applications, interfaces, websites, or any other means of electronic or digital communication, may only be provided by legal entities authorized by the CNBV, with the prior consent of the Inter-institutional Committee, as electronic payment funds institutions:

I. To open and hold one or more electronic payment funds accounts for each Client, in which records are kept of the payments equivalent to the amount of electronic payment funds issued against the receipt of an amount of money, in national or foreign currency, or in specific virtual assets;

II. Perform electronic payment funds transfers between Clients through the respective payments and charges in the corresponding accounts referred to in subsection I of this article;

III. Perform transfers of specific amounts of money in national currency or, with the prior consent of Banco de Mexico, in foreign currency or virtual assets, through the respective payments and charges in the corresponding accounts, as referred to in subsection I of this article, between their Clients and those of another electronic payment funds institution, as well as

account holders or users of other Financial Entities or foreign entities authorized to perform Transactions similar to those referred to in this article;

IV. Deliver an amount of money, or virtual assets equivalent to the same amount of electronic payment funds in an electronic payment funds account, through the respective charge on said account, and

V. Keep the account record, referred to in subsection I of this article, up to date, as well as modify it with respect to the deposit, transfer, and withdrawal of electronic payment funds, according to the provisions of subsections I, II, III and IV of this article, as appropriate.

Article 23.- For the purposes of this Law, funds that are accounted for in an electronic registry for transactional accounts which, for such purposes, is kept by an electronic payment funds institution will be deemed as electronic payment funds and which:

I. Are referred to:

a) A monetary value equivalent to a specific amount of money, in national currency, or, with the prior consent of Banco de México, in foreign currency, or

b) A certain number of units of a virtual asset determined by Banco de México, in accordance with the provisions of Chapter III of Title II of this Law;

II. Correspond to an obligation to pay by the issuer, for the same amount of money or units of virtual assets referred to in subsection I of this article;

III. Are issued against the receipt of a quantity of money or virtual assets, referred to in subsection I of this article, for the purpose of crediting, transferring, or withdrawing said funds, in full or in part, upon the instructions given by the respective holder of the electronic payment funds, for such purposes, and

IV. Are accepted by a third party as receipt of the respective quantity of money or virtual assets.

Article 24.- The following shall not be deemed electronic payment funds:

I. Rights derived from loyalty or rewards programs offered by legal entities to their clients, that can only be accepted by said legal persons or by companies affiliated to such programs in exchange for goods, services, or benefits, as long as they cannot be converted to legal tender currency within the country or in any other jurisdiction. At no time may the affiliated companies referred to in this subsection exceed twenty percent of the total number of establishments or businesses authorized to receive electronic payments through card transactions referred to in the Transparency and Financial Services Arrangement Law. Oversight of the provisions of this subsection will correspond to Banco de México;

II. Amounts for advance payments for the procurement of goods or services that can only be accepted by the issuer or any of the companies belonging to the same Consortium or Corporate Group as the issuer, in exchange for goods, services or benefits, as long as they cannot be converted into legal tender currency within the country or in any other jurisdiction;

III. Amounts object to irregular money deposits that Financial Entities receive in accordance with the respective laws that expressly authorize carrying out of said transactions, and

IV. Resources object of money transmission that Financial Entities or money senders referred to in the Credit Organizations and Auxiliary Activities General Law, perform in accordance with the respective laws that expressly authorize them to carry out said transactions.

Article 25.- Electronic payment funds institutions, in addition to the Transactions and activities set forth to in this Law, may only carry out, in accordance with the provisions of this ordinance, the following:

I. Issue, commercialize or manage instruments for the disposal of electronic payment funds;

II. Provide the money transfer service referred to in article 81-A Bis of the Credit Organizations and Auxiliary Activities General Law;

III. Lend services related to the means of disposal networks referred to in the Transparency and Financial Services Arrangement Law;

IV. Process the information related to payment services corresponding to electronic payment funds or any other means of payment;

V. Grant credits or loans, in the form of overdrafts on the accounts that they administer pursuant to this Law, derived solely from the transmission of electronic payment funds, subject to the conditions outlined in this Law;

VI. Perform transactions with virtual assets, under the terms of the provisions of this Law;

VII. Obtain loans and credits from any person, national or foreign, destined for the conduct of its business, except for the issuance of electronic payment funds or the granting of credit pursuant to subsection V of this article. Said loans and credits cannot be obtained from an unidentified person or through mass media or in a habitual or professional manner;

VIII. Issue Securities on their own behalf. Funds derived from the placement of debt Securities may not be used for the issuance of electronic payment funds or the granting of credit, pursuant to subsection V of this article;

IX. Constitute demand or time deposits in financial entities authorized to receive them;

X. Acquire or lease the property and real estate necessary for the conduct of their business and dispose of them when appropriate;

XI. Bring third parties into contact with each other in order to facilitate the purchase, sale, or any other transfer of virtual assets, subject to the provisions of this Law;

XII. Buy, sell, or in general, transmit virtual assets on their own behalf or on behalf of their Clients, and

XIII. Carry out any acts necessary for the fulfilment of its corporate purpose.

The instruments for the disposal of electronic payment funds issued by electronic payment funds institutions will be deemed means of disposal, for the purposes of the Transparency and Financial Services Arrangement Law, only when the processing of the transactions executed with these instruments is done through the means of disposal networks referred to in said Law.

Article 26.- The details of the Transactions carried out by electronic payment funds institutions, as well as the activities related to payment systems, shall be subject to the general provisions that Banco de México issues for such purposes.

Likewise, electronic payment funds institutions may issue electronic payment funds referred to foreign currency or virtual assets, as well as provide the money transfer service referred to in the above article, in foreign currency, as long as they have the prior authorization of Banco de México and they

follow the terms and conditions it sets forth with respect to said Transactions, through the general provisions it issues for such purposes.

Article 27.- Electronic payment funds institutions may only grant credits and loans via overdraft under the following conditions:

I. They may not be granted against the funds or virtual assets received or maintained on behalf of their Clients;

II. They may not charge interests, other fees, or commissions for said credits or loans;

III. The balance of the credit or loan corresponding to the amount owed by a Client must be collected at the moment in which the electronic payment funds institution receives resources, funds, or virtual assets owned by the respective debtor Client, up to the amount equivalent to that covered by said balance, and

IV. The amount of the credit or loan must not be greater than the limit determined by Banco de México through the general provisions it issues for such purposes.

Article 28.- Amounts corresponding to electronic payment funds referred to amounts of money and that are recorded in the account of the Client held by the electronic payment funds institution pursuant to this Chapter and which in the course of three years have been devoid of credit, repayment, transfer, or balance inquiry movements, must be paid into a global account that each institution must hold for such purposes. The institution must give written notice of this situation to the Client, either on paper or electronically, with ninety days in advance. For the purposes of this article, movements related to fees collections made by electronic payment funds institutions will not be considered. The electronic payment funds institution may not charge fees to the global account.

When the Client carries out a Transaction subsequent to the transfer of the balance to the global account, the electronic payment funds institution must withdraw the full amount from the global account, in order to credit it to their respective account or deliver it to them.

Rights derived from the resources without movement over the course of three years from the time the latter are deposited in the global account, the amount of which does not exceed per account the equivalent of three hundred UMA shall prescribe in favor of the assets of public charity.

Rights derived from the resources without movement over the course of seven years from the time the latter are deposited in the global account, the amount of which exceeds per account the equivalent of three hundred UMA shall prescribe in favor of the assets of public charity.

Electronic payment funds institutions will be obligated to pay the corresponding resources to public charity within a timeframe of fifteen days, at most, counting from December 31st of the year in which the case described in this article occurs.

Electronic payment funds institutions will be obligated to notify the CNBV of the compliance with this article in the first two months of every year.

Article 29.- Electronic payment funds institutions may not pay their Clients interests nor any other monetary benefit or return on the balance that they accumulate over time or hold at any given time. Notwithstanding the foregoing, Banco de México may allow electronic payment funds institutions to offer their Clients non-monetary benefits, subject to the terms and conditions set forth in the general provisions it issues for said purposes.

The resources received by electronic payment funds institutions for the issuance of electronic payment funds, under no circumstance may they be considered bank deposits of money, rather at

the same time they are delivered, the electronic payment funds will be issued, save for the cases outlined in this article.

In the event that the electronic payment funds institution, subject to the authorization of the CNBV referred to in article 45 of this Law, should agree with a third party to carry out the receipt of the funds referred through them, said institution must issue the respective electronic payment funds under the terms of the general provisions referred to in article 54 of this Law.

As an exception to the provisions set forth in the second paragraph of this article, the electronic payment funds institution may issue electronic payment funds at a date prior to that on which the resources corresponding to the Client become available to the institution itself, provided that the delivery of said resources for the issuance of said funds (i) results from services of acquisition or payment consolidation with means of disposal, provided through a card transaction network, or (ii) the resources in question be the subject of transactions with institutions located abroad that carry out transactions similar to electronic payment funds institutions. Electronic payment funds institutions, in carrying out the transactions mentioned in this paragraph, must issue the corresponding electronic payment funds no later than the date on which the respective resources become available to them.

In the cases outlined in the previous paragraph, the electronic payment funds institution must have the funds in question at its disposal no later than the fifth working day following the date on which it issues the electronic payment funds in question.

The electronic payment funds institution must be in a position to refund the respective Client, when requested to do so, the amount in national currency or, as the case may be, virtual assets equivalent to the value of the electronic payment funds issued and belonging to the Client in the respective records, as long as said electronic payment funds are not part of a payment order in process and subject to the terms of the contract with the Client.

The Client of electronic payment funds institutions must designate beneficiaries and may replace them at any time, as well as modify, in any case, the percentage corresponding to each one of them.

In the event of the death of the Client, the electronic payment funds institution shall deliver the balance of their electronic payment funds to those persons that the Client has designated as beneficiaries, expressly and in writing, at the percentages stipulated for each one of them.

If beneficiaries were not designated, the balance of the electronic payment funds of the Client must be disposed of under the terms provided in the civil legislation.

CHAPTER III
On Transactions with Virtual Assets

Article 30.- For the purposes of this Law, a virtual asset is considered to be an electronically-stored representation of value, used amongst the public as means of payment for all types of legal acts and whose transfer can only be executed by electronic means. Under no circumstance shall the national currency with legal tender, other currencies, or any other asset denominated in national or foreign currency with legal tender, be considered as a virtual asset.

FTIs may only operate with virtual assets permitted by Banco de México through general provisions. In said provisions, Banco de México may establish timeframes, terms, and conditions to be observed by FTIs for cases in which the virtual assets that have been identified by Banco de México are transformed into other types of assets or if their characteristics are altered.

FTIs must have prior authorization from Banco de México to carry out transactions with the virtual assets referred to in the above paragraph,

Banco de México, for the determination of permissible virtual assets, will take into account, among other aspects, the use that the public makes of digital units as means of exchange and storage of value, as well as, where appropriate, units of account; the treatment that other jurisdictions grant to particular digital units as virtual assets, as well as the agreements, mechanisms, rules or protocols that allow the generation, identification, subdivision and control of the creation of said units.

Article 31.- FTIs that operate with virtual assets must be able to deliver to the respective Client, upon request, the amount of virtual assets owned by the Client, or the amount in the national currency equivalent to the payment received from the transfer of the virtual assets in question. These transactions must be settled under the terms and subject to the conditions established by Banco de México through general provisions.

In purchase or sale Transactions of virtual assets that FTIs carry out with their Clients or on their behalf, the exchange value must be delivered at the same time that said Transactions are carried out, and must be settled under the terms and subject to the conditions that Banco de México establishes through general provisions.

FTIs that receive amounts of money for performing purchase Transactions of virtual assets must return such amounts to their respective Clients, in accordance with the general provisions issued by Banco de México for such purposes, in the event that these Transactions are not carried out within the timeframes stipulated in such provisions.

Article 32.- Banco de México shall define the characteristics of the virtual assets referred to in this Chapter, as well as the conditions and restrictions on Transactions and other acts that may be carried out with said assets, by means of general provisions issued for such purposes. Likewise, Banco de México shall establish the measures which FTIs must take for the custody and control which they wield over virtual assets when performing such Transactions and acts.

For the purposes of this Chapter, custody and control of virtual assets means the possession of signatures, key codes, or authorizations sufficient for the execution of the Transactions referred to in this Law.

Article 33.- FTIs shall be forbidden from selling, allocating or transferring their ownership, lending or pledging or affecting the use of the virtual assets that they guard and control on behalf of their Clients, except in the case of sale, transfer, or allocation of said assets by order of their Clients.

FTIs may only participate in the operation, design, or commercialization of derivative financial instruments with underlying virtual assets, in the cases, conditions and subject to the requirements and authorizations set forth Banco de México in general provisions.

Article 34.- FTIs that operate with virtual assets must reveal to their Clients, in addition to what is set forth in this Law, the risks inherent to entering into transactions with virtual assets, which should include, at least, to inform them in a simple and clear manner on their website, or whatever means they use to provide their services, of the following:

I. The virtual asset is not a legal tender currency and is not backed by the Federal Government, nor by Banco de México;

II. The impossibility of reversing the transactions, once executed, if applicable;

III. The volatility of the virtual assets value, and

IV. The technological, cyber and fraud risks inherent to virtual assets.

TITLE III
General Provisions
CHAPTER I
On Authorization

Article 35.- Those who intend to carry out the activities attributed to crowdfunding institutions or electronic payment funds institutions in Title II of this Law within Mexican territory, must request authorization to operate as an FTI from the CNBV, who will grant such authorization, when it deems that the legal and regulatory requirements are adequately met and with the prior agreement of the Inter-institutional Committee.

The Inter-institutional Committee will have six proprietary members, two of whom will be representatives of the Ministry, two from Banco de México and two from the CNBV, appointed by the respective heads of said Financial Authorities. For each proprietary member an alternate will be appointed. The president of the Inter-Institutional Committee shall be one of the CNBV representatives, appointed as such by his head and in his absence, the other CNBV member will act as such instead.

For its operations, the Inter-institutional Committee will have a secretary and an alternate, who will be appointed from amongst the public servants of the CNBV.

The Inter-institutional Committee will meet at the prior behest of its president or secretary. There will be quorum with the presence of at least three members, subject to all the Financial Authorities making up the Inter-institutional Committee being represented. Resolutions will be made by the simple majority vote of those present and the president will have the casting vote in case of deadlock. In the cases of resolutions for granting authorizations to operate as FTIs, a vote in favor from at least one representative of each of the Financial Authorities making up the Inter-institutional Committee will be required.

The Inter-institutional Committee will approve the fundamentals of its organization and operation and will be bound by the provisions of this Law and any provisions derived therefrom.

Article 36.- Parties seeking authorization to operate as an FTI must be incorporated corporations (*sociedades anónimas)* or intending to become such, according to Mexican legislation and in whose corporate bylaws they must:

I. Include in their corporate purpose, the performance, on a regular or professional basis, of one of the activities set forth in this Law;

II. Expressly provide that, in carrying out their corporate purpose, they must comply with the provisions of this Law and the applicable general provisions;

III. Establish their registered address within the Mexican territory, and

IV. Establish a minimum capital necessary to carry out their activities in accordance with the general provisions issued by the CNBV for such purposes, which may be differentiated in accordance to the type of activities they perform and the risks they face. Prior to the issuance of said provisions, the consent of the Inter-institutional Committee is required.

Article 37.- The CNBV must specifically mention in the authorization it grants, what type of FTI corresponds to said authorization, as well as the specific Transactions that it may carry out in accordance with the provisions of this Law. FTIs that have obtained authorization to carry out a type of Transaction and subsequently intend to carry out another type of Transaction within the scope of those allowed for each particular FTI, must request a new authorization and, to obtain it, they must prove their compliance with the following:

I. That the Transactions in question are expressly stipulated in their corporate bylaws under the terms of this Law;

II. That the FTIs have, as applicable, the governing bodies and corporate structure to carry out the transactions they intend to execute, according to the provisions of this Law and the general provisions that the CNBV issues for such purposes;

III. That the FTIs have the infrastructure and internal controls necessary to carry out the transactions they intend to execute, such as operating, accounting and security systems, offices, as well as the respective manuals, in accordance with the general provisions applicable under the terms of this Law, and

IV. That the FTIs are up-to-date with the payment of any penalties imposed for non-compliance with this Law that have become final, as well as with the compliance with the observations and corrective actions that, in the performance of their functions, may have been dictated by the CNBV or Banco de México.

The foregoing, notwithstanding the powers of Banco de México for authorizing FTIs to conduct their respective Transactions with virtual assets and foreign currency, which are subject to the general provisions issued by Banco de México for such purposes.

Article 38.- The CNBV must publish in the Official Journal of the Federation the authorizations granted according to this Law.

Article 39.- The applications to obtain the authorizations from the CNBV, as provided for in this Chapter, must be accompanied by the following:

I. The instrument, duly notarized before an authorized public notary, by which sufficient powers are granted to the representatives of the respective promoters submitting the request in question, as applicable;

II. The draft of corporate bylaws, or of their modification, in compliance with the requirements set forth in this Law;

III. The business plan;

IV. Account separation policies, under the terms set forth in article 46 of this Law;

V. Policies for the disclosure of risks and liabilities for the performance of Transactions in the FTI, including the information necessary for adequate decision-making, in a clear and simple language, which must include a list with the concepts and amounts of all the fees that will be charged to Clients, plus any other charges or deductions, as well as the display on the interface, website or electronic or digital means of communication used by the FTI, of the warnings regarding the use of said interface, website or means of electronic or digital communication, in compliance with the general provisions issued by the CNBV for such purposes, with the consent of the Inter-institutional Committee;

VI. Measures and policies for operative risk control, as well as for information security, including confidentiality policies, with evidence that they possess a secure, reliable, and precise digital platform for their Clients, with the minimum-security standards for ensuring the confidentiality, availability and integrity of the information and the prevention of fraud and cyber-attacks, in accordance with the applicable general provisions;

VII. The operational and Client identification control processes that establish precise and consistent criteria for the evaluation and selection of Clients;

VIII. Resolution policies for potential conflicts of interest while performing their activities;

IX. Policies for the prevention of fraud and the prevention of transactions with funds of illicit origin and funding of terrorism;

X. A list of the agreements or contracts with other FTIs or providers of technological services necessary for the performance of key business processes, database management and Technological Infrastructure necessary for the performance of its activities;

XI. A list and the details of persons who, directly or indirectly, hold or intend to hold a share in the capital stock of the legal entity, which must stipulate the amount of the capital stock that each of them will underwrite and the origin of the resources to be used for such purposes, as well as information on their patrimonial status, in the case of natural persons, or their financial statements, in the case of legal entities, in both cases for the previous three years, in addition to any other information that may demonstrate their honorability and satisfactory credit and business history, in accordance with the general provisions issued by the CNBV for such purposes;

XII. The relationship and information of the administrator or board members of the legal entity or those who intend to occupy such positions, and which must contain any other information that may demonstrate their honorability and satisfactory credit and business history, in accordance with the general provisions issued by the CNBV for such purposes;

XIII. All necessary information to verify that the FTI or its Corporate Group is the owner, or has the right to use the interface, website or electronic or digital means of communication;

XIV. The designation of a registered address within the country to hear and receive notices and, at least one representative;

XV. Information regarding the scheme to be adopted for the alignment of incentives, in the case of requests to act as crowdfunding institutions, and

XVI. Any other related documentation and information required in accordance with the general provisions issued by the CNBV, with the opinion of the Inter-institutional Committee.

Already incorporated companies requesting authorization to carry out FTI activities, must accompany their application with all relevant information and documentation, as well as the draft agreement of their governing body, including information on the consequent alteration of their corporate bylaws.

The CNBV must make available to the members of the Inter-institutional Committee, all documentation and information it may receive as part of the requests referred to in this article.

Article 40.- An FTI that receives authorization under the terms of this Chapter, must demonstrate to the CNBV, at least thirty business days in advance of the start of operations, its fulfillment of the following requirements:

I. The company is duly constituted, providing details of its registration in the Public Registry of Commerce;

II. It possesses the minimum applicable capital, subscribed, and paid;

III. Its board members and managers comply with the requirements set forth in this Law and the general provisions the CNBV issues for such purposes;

IV. It possesses the necessary Technological Infrastructure and internal controls for performing its activities and lending its services, as well as the policies, procedures, manuals, and other documentation it must have, according to this Law, and the provisions derived therefrom.

The CNBV may carry out the inspection visits it may deem necessary for the purposes of verifying compliance with the requirements stipulated in this article. In the case of electronic payment funds institutions, inspection visits must be performed by the CNBV and Banco de México in order to verify compliance with the provisions of this article, within the scope of their respective competences.
The CNBV may partially or totally deny the start of operations when compliance with the provisions of this article is not demonstrated.

Article 41.- The acquisition or grant in guarantee of titles representing the capital stock of an FTI via one or more simultaneous or serial transactions, by a person or Group of Persons, shall be subject to the authorizations that the CNBV is responsible for granting and in compliance with the requirements set forth in the general provisions the CNBV itself issues for such purposes.

Article 42.- FTIs will refrain from, as appropriate, registering share transfers carried out in contravention of the provisions of articles 128 and 129 of the General Law of Mercantile Corporations, and must report such circumstances to the CNBV, within five working days of the date on which it comes to their attention.

When acquisitions and other legal acts, by way of which representative title of the capital stock of an FTI is obtained, directly or indirectly, are performed without having obtained the authorization of the CNBV, in contravention of the provisions of this Law, or, evidence is forthcoming that the shareholders of the FTI failed to comply with the applicable requirements under the terms of this Law and the provisions derived therefrom, the ownership and corporate rights inherent to the corresponding shares of the corporation will be suspended and therefore may not be exercised, until the CNBV orders the lifting of said suspension in those cases where the acquisition has been regularized or the evidence has been disproven.

Likewise, persons participating in a share transfer without having obtained prior authorization from the CNBV under the terms of the foregoing article, will be sanctioned by the CNBV itself with a penalty with a value of fifty percent of the value of said shares up to one hundred and fifty percent of the value of said shares.

The CNBV, having previously heard the interested party, may determine that the shares acquired without prior authorization under the terms of this Law be sold to the FTI itself when the shareholder has been sentenced in a criminal proceeding for a willful offense punishable by corporal punishment of more than one year in prison, or, when having been authorized by the CNBV, subsequent to said authorization, the shareholder falls into the aforementioned situation. The sale will be made at fifty percent of the lowest of the following values:

I. The book value of said shares, according to the latest financial statement approved by the board of directors and reviewed by the CNBV, and

II. The market value of those shares.

The sale referred to in the foregoing paragraph must be made within ten business days following the date on which the CNBV requires it. The shares thus redeemed must be converted into treasury shares.

The foregoing, notwithstanding any disabling of natural persons which according to this or other laws, might apply.

Article 43.- The CNBV or Banco de México, according to their competence, may corroborate the veracity of the documentation and information provided alongside the request for authorization and, as such, the agencies, and entities of the Federal Public Administration, as well as other federal agencies, including institutions with constitutional autonomy, will provide relevant information, including that containing personal data. Likewise, for the same purposes, the CNBV or Banco de

México may request foreign agencies with similar oversight or regulatory functions to corroborate the information provided for such purposes.

CHAPTER II
On the Operation of FTIs

Article 44.- The CNBV, with respect to crowdfunding institutions and Banco de México, with respect to electronic payment funds institutions, with prior opinion of the Inter-institutional Committee, shall establish through general provisions the limits on the resources that the respective FTIs may hold on behalf of their Clients or that a Client may dispose of through said FTIs.

The limits may be differentiated by type of Client, type of project, if appropriate, transaction, or FTI, among others, and when establishing them, the CNBV or Banco de México will have to at least take into consideration the regulation of other institutions in the financial system, subject to compliance with the principles established in this Law and the protection of the interests of the investors. In the issuance of these provisions, said authorities shall seek to foster FTIs.

Article 45.- FTIs will only receive resources from their Clients forthcoming directly from money deposit accounts opened in a Financial Entity authorized to receive such deposits in accordance with the regulations applicable to them. Likewise, FTIs will be obligated to deliver the resources to their Clients by means of payments or transfers to the respective accounts that they keep open in Financial Entities and that they designate for such purpose. As an exception to the above, the CNBV may authorize FTIs to receive or deliver cash amounts to Clients, as well as transfers of resources from or to deposit accounts opened in foreign financial entities or other entities abroad empowered to carry out transactions similar to those to which this Law refers to, as appropriate and within the limits established in its general provisions.

Article 46.- FTIs, with respect to the amounts of money that they receive from their Clients to carry out contracted Transactions, will be obligated to keep their own resources separately from those of their Clients, as well as to keep the latter identified by each Client. In any case, as long as the FTI keeps such amounts under their control without having delivered them to the beneficiary or recipient, or, transferred them to any other entity authorized to operate payment services, they must deposit said amounts at the latest by the end of the day they receive them, on demand deposit accounts opened in the name of the institution in question, in a Financial Entity authorized to receive money deposits, which must be different from those where the own operating resources of the FTI are held, or be used in repurchase transactions only with Securities issued by the Federal Government or Banco de México with credit institutions, with a one-day renewable term, in accordance with the terms agreed for that purpose, or be encumbered upon a management trust constituted for such purpose, specialized in the aforementioned repurchase transactions.

In the case of electronic payment funds institutions, the total amount that each one of them can maintain in one or more sight deposit accounts, in respect of the money they receive from their Clients, may at no time exceed the equivalent of the greater between one million UDIS and the equivalent of double the largest sum of electronic payment funds that said institution has redeemed to its Clients within 24 consecutive hours within the last three hundred and sixty-five days.

The resources that Clients give to crowdfunding institutions to perform or fulfill particular Transactions, may at no time be considered direct or contingent liabilities for said institutions and they may not become available to them until they comply with the conditions agreed for freeing them.

In the case of currency transactions, FTIs will be bound by the provisions of article 32 of the Banco de Mexico Law and the latter, in turn, shall be bound by the provisions of article 22, section II of said Law.

FTIs, as well as other persons that enter into transactions with Financial Entities, will not be the subject to discrimination under the terms of the Transparency and Financial Services Arrangement Law.

Article 47.- Every FTI must keep an account record of transactional movements that allows it to identify every owner of the resources and balances that, as a result of said movements, they hold with the FTI itself, including the electronic payment funds and virtual assets of every Client of the electronic payment funds institutions in question.

FTIs must place at the disposal of their Clients, through their platforms, receipts for every transaction performed or account statements that back up, among other things, the rights of payment of their holders and any instructions given, electronically.

Owners of resources held in FTIs, that have not been delivered to any beneficiary or recipient will have the right of separation of accounts and assets of the FTI in question, in compliance with the bankruptcy regulations regarding potential claims from other FTI creditors.

The Ministry may authorize FTIs to perform transactions that are analogous, linked, or complementary to the ones they have been authorized to perform, hearing the opinion of the CNBV and Banco de México.

Article 48.- The CNBV must issue general provisions aimed at preserving the stability and proper functioning of FTIs in terms of the internal controls and risk management to which they shall be subject when carrying out Transactions, segregation of duties with respect to the kinds of Transactions that they carry out and other services they offer, prevention of conflicts of interest, Client identification, corporate and auditing practices, accounting, disclosure of information, transparency and fairness in activities and services related to the activity in question. Likewise, in the case of crowdfunding institutions, it may issue general provisions regarding security of information, including confidentiality policies, use of electronic and optical media, or of any other technology, automated data processing systems and telecommunications networks, be they private or public, and operational continuity.

In the case of electronic payment funds institutions, the CNBV and Banco de México will jointly issue general provisions on information security, including policies of confidentiality and account registration on transactional movements, the use of electronic and optical media or of any other technology, automated data processing systems and telecommunications networks, be they private or public, and operational continuity.

FTIs must keep their original Transaction receipts for a minimum period of ten years, duly filed and in printed form, or on electronic, optical or any other technological media, as long as such media comply with the stipulations of the applicable official Mexican standards on digitization and preservation of data messages, in such a way that they may be relatable to said Transactions and to records made therefrom.

Electronic payment funds institutions must, in accordance with the general provisions issued jointly by the CNBV and Banco de México for such purposes, evaluate with the periodicity stipulated in said provisions, by means of independent third parties, the compliance with the requirements on information security, use of electronic media and operational continuity that these institutions must follow according to said provisions. Likewise, FTIs and credit institutions must evaluate, through the independent third parties mentioned in this article, compliance with the general provisions issued by Banco de México in the exercising of the powers bestowed to it by this Law.

In the provisions mentioned in the foregoing paragraph, the appropriate Financial Authorities will establish the requirements to be followed by independent third parties, the legal entity through which they lend such services, as well as anyone else relating to the professional or business relations they provide or maintain with the FTIs they audit or evaluate, as the case may be.

Likewise, the Financial Authorities mentioned in the foregoing paragraph shall have the same supervisory and surveillance powers with respect to the independent third parties mentioned in this article, as those bestowed upon the CNBV for the external auditors referred to in this Chapter.

Article 49.- The annual financial statements of an FTI must be approved by an independent external auditor, which will be appointed directly by its governing body. The CNBV, through general provisions on the transparency and reliability of financial information of FTIs, shall indicate the approval requirements for financial statements, issued by the administrators of FTIs.

Likewise, the CNBV may establish, through general provisions, the characteristics and requirements that independent external auditors, the legal entity they belong to, as well as the persons making up the auditing team, must comply with; determining the content of the expert reports and other reports that independent external auditors must render; pass measures to ensure adequate rotation of said auditors in the FTIs, as well as set forth requirements for quality control and the general professional or business relations they lend or keep with the FTIs they audit or evaluate, as the case may be.

Article 50.- The CNBV will have inspection and surveillance powers over the legal entities that lend external auditing services to FTIs under the terms of this Law, including members or employees of those making up the auditing team, in order to check compliance with this Law and the general provisions derived therefrom. For such purposes, the CNBV will have the following powers:

I. Require any type of information or documentation related to the lending of auditing services;

II. Carry out inspection visits;

III. Summon partners, representatives and other employees of legal entities that lend external auditing services, and

IV. Issue or approve auditing standards and procedures that must be followed by legal entities that provide external auditing services on issuing expert reports or opinions on the financial statements of FTIs.

The exercising of the powers mentioned in this article will be confined to the expert reports, evaluations, opinions, and auditing practices that, under the terms of this Law, are performed by legal entities providing external auditing services, as well as their partners or employees.

Article 51.- FTIs must comply with the stipulations in the foregoing articles, in respect of the requirements to be followed by the legal entity that lends them external auditing services, as well as the external auditor that endorses the expert reports and other reports relating to financial statements or other items they may audit or evaluate, as the case may be.

Article 52.- The external auditor, as well as the legal entity to which they belong, will be obliged to keep the documentation, information and any other items used for preparing their expert report, evaluation, report, or opinion, for a period of at least five years. For such purposes, automated or digitized means may be used.

Likewise, the external auditors in question must provide the CNBV, as appropriate, the reports and other items of evidence upon which their expert reports, evaluations and conclusions are founded. If during the practice, or as a result of the audit, they find irregularities that put at risk the operation and functioning of the FTI to which auditing services are being provided by them, a detailed report of the situation in hand must be presented to the auditing committee, or the statutory auditor, and to the CNBV or to Banco de México as applicable. The foregoing notwithstanding, external auditors will answer for any damages and losses they may bring upon the FTI that hired them, when:

I. By inexcusable negligence, the expert report or opinion they provide contains flaws or omissions that, as befits of their profession or trade, should form part of the analysis, evaluation or study that gave rise to the expert report or opinion, or

II. In their expert report or opinion, they willfully:

a) Omit relevant information in their knowledge, which should be contained in the expert report or opinion;

b) Insert false or misleading information or, they alter the result with the intention of creating an impression of the situation which is different to the actual situation;

c) Recommend the performance of some operation, choosing within the options available, one that gives rise to notoriously harmful patrimonial effects for the institution, or

d) They suggest, accept, assist, or propose that a certain transaction be recorded in contravention of applicable accounting regulations.

Article 53.- The legal entity that provides external auditing services, as well as the external auditor that endorses the expert report or evaluation and other reports relating to the financial statements or items to be checked or evaluated, as the case may be, will not incur in liability for any damages or losses that it may cause, resulting from the services or opinions that it issues, when acting in good faith and without intent to defraud they carry out the following:

I. They issue their expert report or opinion based upon the information provided to them by the FTI that hired them, and

II. They issue their expert report or opinion following the standards, procedures and methodologies that must be applied for carrying out the analysis, evaluation or study that befit their profession or trade.

Article 54.- FTIs may agree with third parties, located within the country or abroad, the provision of services necessary for their operation, in accordance with the general provisions issued by the CNBV on crowdfunding institutions and jointly with Banco de México on electronic payment funds institutions. Said Financial Authorities may indicate in these provisions the type of services that shall require authorization.

The hiring of the services referred to in this article shall not exempt FTIs, nor their directors, employees and other persons who hold a job, position, or commission with them, from the obligation to follow the provisions contained in the present statute and any general provisions derived therefrom.

The CNBV, with respect to the provisions that issues individually, as well as the provisions it issues jointly with Banco de México in accordance with this Law, and Banco de México, with respect to the other provisions it issues under the terms of this Law, shall be empowered at all times to carry out oversight activities on service providers hired by the FTIs under the terms of the first paragraph of this article, or, to order FTIs to carry out audits on said third parties, being obliged to report to the CNBV or to Banco de México. The CNBV or Banco de México shall specify the purpose of the inspections or audits, which shall be limited to the service being hired and the compliance with the provisions of this Law and any provisions derived therefrom. For this purpose, FTIs shall stipulate upon the contracts by which the provision of these services is agreed, the express condition that the contracted third party agrees to abide by the provisions of this article.

Article 55.- FTIs shall maintain a net capital to be expressed by means of an index related to the operational risk and any other risks incurred during their operation, which may not be less than the amount resulting from adding together the capital requirements for each type of risk, under the terms of the general provisions issued by the CNBV for such purposes, with the prior consent of the Inter-institutional Committee.

In the case of electronic payment funds institutions, the capital requirements may be referred to the following:

I. The average balance of the electronic payment funds they have issued during the period established by the CNBV in the provisions referred to in the first paragraph of this article;

II. The number and amount of electronic payment funds transfers made during the period established by the CNBV in the provisions referred to in the first paragraph of this article, and

III. The number and amount of incoming resources carried out during the period established by the CNBV in the provisions referred to in the first paragraph of this article.

The capital requirements established by the CNBV shall be intended to safeguard the financial stability and solvency of FTIs, as well as protect the interests of public users.

The net capital shall be composed of capital contributions, as well as retained earnings and capital reserves, notwithstanding that the CNBV may allow the inclusion or subtraction on said capital of other forms of equity, subject to the terms and conditions established by the CNBV in the general provisions referred to in the first paragraph of this article.

The CNBV, in the provisions referred to in this article, shall establish the procedure for calculating the required net capital, as well as the information on each FTI that may be made known to the public.

When the CNBV, exercising its supervisory power, requires FTIs to make adjustments to the accounting records related to its net capital as a corrective measure that, at the same time may derive in changes to their capital, it must carry out the necessary steps for the calculation of said capital to be done pursuant to what is set forth in this article and in the general provisions referred to in this article, in which case it must grant the right to a hearing to the relevant FTI and resolve within a timeframe of not more than three business days.

The calculation of the required net capital that, in terms of the present article, results from the adjustments required by the CNBV shall be the one used for all the pertinent legal effects.

Article 56.- FTIs may use equipment, electronic or optical media or any other technology, automated data processing systems and telecommunications networks, be they private or public, for the provision of their services and may allow the use of advanced electronic signatures or any other form of authentication to grant their Clients access to their Technological Infrastructure, contract their products and services or perform Transactions.

The running and use of such equipment, media and forms of authentication shall be subject to the requirements established in the general provisions issued by the CNBV for such purposes, with respect to crowdfunding institutions, or the CNBV and Banco de México jointly, with respect to electronic payment funds institutions.
Said forms of authentication shall have the same effect as the law grants to documents endorsed by an autographed signature and, consequently, shall render the same proving value, as long as they comply with the provisions referred to in this article.

The provisions of this article shall be applied notwithstanding those other powers available to Banco de México to regulate transactions made by FTIs relating to the characteristics of the Transactions of these latter institutions, as well as their activities related to payment systems.

Article 57.- FTIs must report to the CNBV, CONDUSEF and Banco de México, within the scope of their respective powers, such information related to their activities and Transactions as determined by the relevant Financial Authority in general provisions, in the periodicity indicated in said provisions.

Article 58.- FTIs shall be obligated, as set forth in the general provisions issued by the Ministry, upon prior consultation of the CNBV, to:

I. Establish measures and procedures to prevent and detect acts, omissions or transactions that could fall within the cases listed in articles 139 Quáter or 400 Bis of the Federal Criminal Code.

   The measures and procedures referred to in the foregoing paragraph shall be contained and explained in a document to be presented to the CNBV, in the form and under the terms set forth in the general provisions referred to in this article.

   For the development of said measures and procedures, FTIs shall establish a methodology, designed, and implemented for carrying out an evaluation of the risks whereby they may be used to carry out the acts, omissions or transactions referred to in the first paragraph of this subsection, as a result of the products, services, practices, or technologies with which they operate.

   All information related to this methodology, including results, shall be made available to the Ministry and the CNBV, the latter having the power to order FTIs to make any alterations or additions such as it may see fit, and

II. Submit to the Ministry, through the CNBV, reports on:

   a) The acts, Transactions, and services they carry out with their Clients and the Transactions between these latter, as applicable, relative the foregoing subsection, and

   b) Any act, transaction or service carried out by the members of the board of directors, directors, officers, employees, and representatives, that may fall within the assumptions set forth in subsection I of this article, or that, as the case may be, may contravene or impair the adequate application of the general provisions referred to in this article.

The reports referred to in subsection II of this article, in accordance with the general provisions set forth in this article, shall be drafted and presented, taking into consideration, at the very least, such modalities that are included in said provisions to that effect; the features that the acts, Transactions and services, referred to in this article, which are to be reported, must meet, taking into account their amounts, frequency and nature, the monetary and financial instruments with which they are carried out and the commercial practices that are observed, as well as their regularity and the systems through which the information is to be transmitted. Reports must at least refer to Transactions that are defined by general provisions as relevant, internal worrying and unusual, those related to international transfers and cash transactions made in foreign currencies.

Likewise, the Ministry, taking into consideration the features of the Transactions and activities carried out by FTIs, in the general provisions referred to in this article, shall issue guidelines regarding the procedure and criteria, as well as the cases, form, terms and timeframes which FTIs shall observe in respect to:

I. The adequate identification of their Clients, for which FTIs shall consider their background, specific conditions, economic or professional activity and the geographical areas where they operate;

II. The information and documentation that FTIs shall gather in order to carry out the Transactions and services that they provide and that fully prove the identity of their Clients;

III. The form in which FTIs shall safeguard and guarantee the safety of the information and documentation regarding the identity of their Clients, or former Clients, as well as of those acts, Transactions and services reported pursuant to the present article;

IV. The terms for providing training within FTIs, on the matters dealt with in this article;

V. The use of automated systems that support compliance with any measures and procedures established in the general provisions referred to in this article;

VI. The establishment of a communication and control committee, as well as the appointment of a compliance officer within every FTI, with duties and obligations pertaining to the matters dealt with in this article, and

VII. The annual review to be performed by the internal auditing department or by an independent third party, on the effectiveness of compliance with the general provisions referred to in this article.

FTIs shall keep on record the information and documentation set forth in subsection III of the foregoing paragraph, for at least ten years, notwithstanding any other applicable legal provisions.

For such purpose, both the compliance officer referred to in subsection VI of the third paragraph of this article, and the auditor or independent third party responsible for the review referred to in subsection VII of said paragraph, shall obtain the certification referred to in article 4, subsection X, of the National Banking and Securities Commission Law.

The Ministry shall have the authority to require and gather, through the CNBV, information and documentation pertaining to the acts, Transactions and services referred to in this article. FTIs will be bound to provide said information and documentation. Likewise, the Ministry shall be empowered to obtain any additional information with the same purpose from any other persons and to provide information to the competent authorities.

FTIs must immediately suspend carrying out the acts, Transactions, or services with Clients, that the Ministry informs them through a list of blocked persons that shall be confidential in nature. The list of blocked persons shall be intended to prevent and detect any acts, omissions or Transactions that might fall within the categories set forth in subsection I of the first paragraph of this article.

The obligation of suspension, referred to in the foregoing paragraph shall cease to have effect when the Ministry removes the relevant Client from the list of blocked persons.
The Ministry shall establish, in the general provisions referred to in this article, the guidelines for the determination of the inclusion in, or removal of persons from, the list of blocked persons.

The general provisions referred to in this article shall be observed by FTIs, as well as their respective members of the board of directors, executives, officers, employees, and representatives, to such end, both FTIs and the aforementioned persons shall be liable for the strict compliance with any obligations established by said provisions.

FTIs may exchange information with one another and with other entities of the Mexican financial system, including currency exchanges, money transfer services and investment consultants, empowered to do so under the relevant financial laws, as well as with foreign financial entities, under the terms of the general provisions referred to in this article, for the purpose of strengthening the measures and procedures for the detection and prevention of acts, omissions, or transactions that may fall within the categories set forth in articles 139 Quarter or 400 Bis of the Federal Criminal Code, or those for the prevention and detection of acts, omissions or operations that could favor, provide help, assistance or cooperation of any kind for the commission of criminal offenses against their Clients or the institutions themselves.

In the general provisions referred to in this article, the Ministry shall establish the conditions, the form, and the terms under which FTIs shall comply with the obligations contained in this article and the other obligations set forth in said provisions, as well as the timeframes and means by which they shall

communicate or present to the Ministry, by way of the CNBV, or to the latter itself, as the case may be, information and documentation for the proof of such.

Compliance with obligations and the exchange of information referred to in this article shall not entail any breach of the duty of confidentiality that is imposed on FTIs in respect of their Clients and the Transactions executed by the latter, nor shall it constitute a violation of the restrictions upon disclosure of information established contractually.

Public servants from the Ministry and the CNBV, FTIs, members of their board of directors, executives, officers, employees, clerks, and representatives, shall refrain from revealing information about the reports and other documentation and information referred to in this article, to persons or authorities other than those expressly empowered in the relevant provisions to require, receive or hold said documentation and information. Any breach of these obligations shall be sanctioned under the terms of the applicable laws.

Article 59.- The CNBV, in general provisions, shall determine those FTIs that, in consideration of the number of Transactions or Clients they may have, their business models, intermediated assets or net capital level, shall have a board of directors and an executive director.

For the purposes of the foregoing paragraph, the board of directors shall be composed by a maximum of nine incumbent board members, of whom at least twenty percent must be independent. For each incumbent director an alternate may be appointed. Likewise, alternate members of the independent board members must be independent.

Article 60.- Under no circumstance may the following persons be board members of an FTI:

I. Officers and employees of the FTI, except for the general director and other officers of the corporation who hold administrative positions two ranks immediately below the former.

II. The spouse or concubine of any of the persons referred to in the preceding subsection.

III. Persons related by blood marriage or civil kinship up to the second degree, with more than two directors;

IV. Individuals having a pending litigation with the relevant FTI;

V. Individuals who have been condemned for patrimonial crimes, those who have been banned from practicing commerce or to perform any employment, position, or commission in the public service, or in the Mexican financial system;

VI. Those in bankruptcy who have not yet been rehabilitated;

VII. Those who carry out inspection and surveillance duties of FTIs, and

VIII. Those who participate on the board of directors of another FTI of the same type, or of a holding company of a financial group to which said institution belongs.

Any person who is to be appointed board member of an FTI and who is already a board member of a financial entity, must disclose such circumstance to the meeting of shareholders of said institution for its appointment.

Person that falls into the categories set forth in subsections IV through VIII of this article may not be appointed as sole administrator of an FTI.

Article 61.- An independent director shall be an individual who is foreign to the management of the relevant FTI, and in no event shall the following persons be independent directors:

I. Employees or head officers of the FTI;

II. Persons who have Decision-making Power in the FTI;

III. Clients, suppliers, service providers, debtors, creditors, partners, directors, or employees of a company that is a client, supplier, service provider, debtor, or an important creditor of the FTI or of the companies that belong to the same Corporate Group to which it belongs.

It shall be considered that a client, supplier, or service provider is important when the services provided by it to the institution or the sales carried out by the former to the latter represent more than ten percent of the total sales of said client, supplier, or service provider, respectively. Likewise, it shall be considered that a debtor or a creditor is important when the amount of the respective debt or credit is greater than fifteen percent of the assets of the company or of its counterparty;

IV. Employees of a foundation, civil associations or partnerships receiving important donations from the FTI.

Donations representing more than fifteen percent of the total donations received by the foundation, civil association, or partnership in question shall be considered as important donations.

V. General directors or employees of companies belonging to the financial group to which the FTI itself belongs to;

VI. Spouses, concubines, as well as blood, marriage, or civil kinship relatives up to the first degree, of any of the individuals referred to in subsections III through V of this article, or, up to the third degree of any of those set forth in subsections, I, II, VII and VIII of this article;

VII. Directors or employees of companies in which the shareholders of the FTI exercise Control;

VIII. Those who have conflicts of interest or who are subject to personal, patrimonial, or economic interests of any of the individuals who have Control the FTI or the Consortium or Corporate Group to which the institution belongs, or the Decision-making Power in any of these, and

IX. Those that may have been included in any of the aforementioned assumptions set forth in the foregoing sections, during the previous year before their appointment.

Article 62.- The CNBV, with prior agreement of the Inter-institutional Committee, may at all times determine the removal or the disabling, for a period lasting from three months up to five years, of the managers, members of the board of directors, or the general director of the FTIs, as well as suspend for the same period the aforementioned individuals, when it considers they do not have the technical quality, honorability, or satisfactory credit record for the performance of their duties, do not fulfill the needed requirements, or incur in serious or reiterated transgressions to this Law or the general provisions derived therefrom.

For the purposes of the foregoing paragraph, the CNBV, before making a ruling, shall hear the interested party and the relevant FTI.

The CNBV may order the removal of the independent external auditors of the FTI, as well as suspend or disable said persons for a period lasting from three months up to five years, when they incur in serious or reiterated transgressions to this Law or the general provisions derived therefrom, or, provide reports or opinions that contain false information, regardless of the sanctions to which they could become creditors.

For the purposes of this article, it shall be understood as:

I. Suspension, the temporary interruption in the performance of the duties that the transgressor may be responsible for within the FTI upon the commission or detection of such transgression, but they may perform other duties different to those that caused said sanction, provided they are not directly or indirectly related with the position or activity that gave rise to the suspension;

II. Removal, the separation of the transgressor from the employment, position, or commission he or she held in the FTI at the time the offense was committed or detected, and

III. Disabling, the temporary impediment to exercise an employment, position, or commission within the Mexican financial system.

Article 63.- The CNBV, in general provisions, shall determine those FTIs that, in consideration of the number of Transactions or Clients they may have, business models, intermediated assets or level of net capital, must have a consultative audit committee to assist the board of directors. The CNBV shall set forth in said provisions, the minimum functions that the audit committee must perform, as well as the rules for its composition and functioning.

Article 64.- The CNBV and Banco de México, for the regulations that corresponds to each of them to issue, may consider, beyond the activities that FTIs are authorized to perform in accordance with the provisions of this Law and differentiate, as they see fit, said regulations, taking into account the number or amount of Transactions, the number of Clients they may have, business models, intermediated assets, or net capital level, among others.

Article 65.- The powers of attorney granted by FTIs shall not require insertions other than those related to the authorization for the granting of said power of attorney, the powers that the public instrument or bylaws confer on the individual and the verification of the appointment of the directors.

Article 66.- The merger of an FTI into a merged corporation shall annul its authorization to be organized and to operate as such, and no explicit statement shall be required from the CNBV.

Article 67.- In the case of a split-off of an FTI, the split-up corporation shall not be deemed authorized to organize and operate as an FTI, and the splitting-up corporation that subsists shall preserve the authorizations that had been granted to it for said purposes.

In the event that the split-up results in the extinction of the splitting-up FTI, the authorization granted to organize and operate as such shall be deemed without effect, without requiring the issuance of an explicit statement by the CNBV for such purpose.

CHAPTER III
On the Suspension and Revocation of Authorization to operate as an FTI

Article 68.- The CNBV, following the procedure set forth in article 98, subsections I and II of this Law, may suspend or partially limit the ability of the FTIs to carry out activities and Transactions, whenever they fall into any of the following categories:

I. They do not have the necessary infrastructure or controls for the performance of their activities and provision of their services, notwithstanding the provisions of the second paragraph of this article;

II. They fail to comply with the requirements necessary for carrying out the Transactions or activities or providing the services set forth in this Law or in the provisions derived therefrom, and

III. They carry out activities or provide services that give rise to conflicts of interest harmful to their Clients or they involve themselves in activities forbidden under this Law or the provisions derived therefrom.

Banco de México, following the procedures set forth in article 98, subsections I and II of this Law, may partially suspend or limit electronic payment funds institutions from performing their Transactions or activities when they fail to comply with the general provisions issued by Banco de México itself under the terms of this Law, in those cases where to the judgment of said central bank, such non-compliance results in the following:

a) Affects their activities or the provision of their services;
b) Place the resources of their Clients at risk, or
c) Place the functioning of the financial system in peril.

The order of suspension or partial limitation of the activities or Transactions referred to in this article will be imposed notwithstanding any sanctions that may be applicable under the terms of the provisions of this Law and other provisions that may be applicable.

Article 69.- The CNBV, with the approval of the Inter-institutional Committee, and after having heard the FTI in question, may declare the revocation of any authorization it may have granted to said FTI, in the following cases:

I. If it fails to maintain the minimum or net capital necessary for the performance of its activities according to the provisions of this Law and the general provisions derived therefrom for such purposes;

II. If it suspends or abandons its activities for longer than one calendar year;

III. If it enters into dissolution, liquidation, or bankruptcy proceedings;

IV. If it does not continue to meet the requirements necessary for its authorization, or fails to comply with the terms of the authorization granted, in a serious or repeated manner;

V. If the FTI fails to carry out the activities for which it was granted authorization;

VI. If the FTI does not begin operations within a period of six months, counting from the date of notification of the authorization to be organized and operate as an FTI;

VII. If, in spite of the observations and corrective measures that the CNBV or Banco de México may have carried out or ordered, there is recidivism in their failure to comply with the provisions of this Law or the general provisions derived there from.

For the purposes of the provisions of this subsection, recidivism is deemed to exisit when, having committed an infringement that has been sanctioned, an FTI then goes on to repeat the same infringement, within a period of two years immediately following the date upon which the corresponding ruling became final;

VIII. The commission of any of the misconducts deemed serious under this Law, and

IX. If the relevant FTI, through its legal representative, so requests, provided that there are no Transactions pending to be settled among its Clients, or, in the case of pending Transactions, their administration must have been transferred, in compliance with the applicable legal and contractual provisions. In this case, the company shall amend its bylaws to give up its intention to operate as an FTI.

The revocation shall prevent the FTI from being able to perform new Transactions as of the date of notification of the relevant resolution and it shall force the FTI to carry out the necessary actions for the conclusion of all Transactions that were previously underway or, for their transfer pursuant to subsection IX of this article. Once the above is done, the FTI must begin its liquidation proceedings, except in the case provided for in the aforementioned subsection IX.

CHAPTER IV
On Inspection, Surveillance and Exchange of Information

Article 70.- FTIs shall be bound to provide the CNBV and Banco de México, within the scope of their respective powers, any information said Financial Authorities should require of them on their Transactions and those executed between their Clients, including for any of them individually, information that permits an assessment of their financial situation and, in general, any information that may be useful to the CNBV or to Banco de México for the adequate fulfillment of their duties, in the form and under the terms the Authorities themselves determine.

Compliance with the obligations referred to in this article will not imply any infringement upon the legal duty of confidentiality, nor will it constitute a violation of the restrictions on disclosure of information established via contract.

Article 71.- The supervision of the compliance by FTIs with the provisions of this Law, as well as the provisions derived therefrom, shall be in charge of the CNBV, who will carry it out adhering to what is set forth in this Law, the respective regulations and in the other provisions that may be applicable. The CNBV may carry out inspection visits to FTIs with the purpose of reviewing, verifying, checking, and assessing the activities these latter carry out.

Likewise, Banco de México shall be empowered to oversee compliance by FTIs with the provisions it issues individually under the terms of this Law, for which Banco de México may carry out the supervisory functions conferred to it by the Banco de México Law. For the purposes referred to in this paragraph, FTIs shall be included as financial intermediaries under the terms of the Banco de México Law.

Likewise, the CNBV, according to the provisions of this article, may investigate any events, acts or omissions from which the violation of this Law and other provisions derived therefrom may be presumed.

The inspection visits done by the CNBV referred to in this article may be ordinary, special or of investigation.

Ordinary visits shall be those carried out in accordance with the annual program established by the CNBV for such purposes.

Special visits shall be those that without being included in the annual program referred to in the previous paragraph, are carried out in any of the following events:

I. To examine, and, as appropriate, correct special operative situations;

II. To follow-up on the results obtained in an inspection visit;

III. When there are changes or modifications in the accounting, legal, economic, financial, or administrative situation of an FTI, or

IV. Those arising from international cooperation.

Investigation visits shall be carried out whenever the CNBV has evidence that suggest the performance a conduct that may presumably contravene the provisions of this Law and other general provisions derived therefrom.

FTIs that are the subject of an inspection visit under the terms of this Law and other applicable legal provisions, shall be bound to allow immediate access to personnel appointed by the CNBV, to the place or places to be visited, to their offices, worksites and other facilities, including unrestricted access to documentation and other sources of information that said personnel may consider necessary for the performance of their duties, as well as to provide the physical space necessary for carrying out the inspection visit and place at their disposal computing, office and communications equipment as may be necessary for such purposes.

The documentation referred to in the previous paragraph includes, but is not limited to, general or specific information contained in reports, records, minute books, ancillaries, correspondence, Technological Infrastructure, data processing and storage infrastructure, including any other technical procedures established for that purpose, be they magnetic files or digitized or recorded documents and optical procedures for the consultation thereof, or of any other nature.

The CNBV and Banco de México, for the fulfillment of their respective supervisory powers, may request and exercise the enforcement measures referred to in the following article.

If, in the exercising of the powers described in this article, the CNBV or Banco de México, should so require, they may hire the services of auditors or other professionals to help them exercise said powers.

If, during the exercising of their respective powers, the CNBV or Banco de México were to uncover acts or omissions by FTIs or Financial Entities that might suggest violations of the provisions applicable to them under the terms of this Law, it shall make such facts known to the other authority. For such purposes, the CNBV and Banco de México shall sign a cooperation agreement through which they shall establish the form and terms for following the provisions of this paragraph, as well as any measures they may adopt in the exercising of their powers.

Article 72.- The CNBV and Banco de México, in the exercise of the powers that this Law refers to, may indicate the form and terms in which their requests shall be complied with.

Likewise, the CNBV and Banco de México, in order to enforce their determinations regarding the persons bound by the present Law, may employ, indistinctly, the following enforcement measures:

I. Admonish with a warning;

II. Penalty of 2,000 to 5,000 UMA;

III. Additional penalty of 50 to 100 UMA for each day that the infringement continues, and

IV. The assistance of law enforcement.

Should the enforcement measure be insufficient, it may be requested of the competent authority to proceed against the offender for disobedience of a legitimate mandate by a competent authority.

For the purposes of this article, the judicial authorities or prosecuting federal authorities and the federal or local law enforcement or police bodies shall provide, in an expedited manner, the assistance requested by the CNBV or the Banco de México, in exercising of their respective powers.

In the case of public safety bodies of the federal or municipal entities the support shall be requested in the terms of the statutes that regulate public safety, or, as the case may be, pursuant to the agreements of administrative collaboration they may have agreed with the Federation.

Article 73.- The information and documentation regarding the activities and services that FTIs provide in accordance with this Law and the Transactions that are carried out through them, shall be confidential, thus, the FTIs, in protection of the right to privacy of their Clients established in this article, may in no event give notice or information of their activities, Transactions or services, except to the Clients themselves, their legal representatives or those whom they have granted power to dispose or intervene in the Transaction or service.

As an exception to what is set forth in the foregoing paragraph, FTIs shall be obliged to disclose the details or information referred to in said paragraph, when the judicial authority requests it through a court ruling issued in a trail in which the Client is plaintiff or defendant. For purposes of the provisions of this paragraph, the judicial authority may submit its request directly to the FTI, or through the CNBV. Likewise, FTIs shall be exempt from the prohibition set forth in the first paragraph of this article and, thus, bound to disclose the details or information mentioned, in cases in which they be so requested by the following authorities:

I. The Attorney General of the Republic, or the public officer onto whom he/she delegates powers to request information, in order to gather evidence to clarify the facts, and where appropriate, obtain evidence to support the exercise of the criminal action, the accusation against the accused and the reparation of the damaged;

II. The attorneys general or district attorneys of the federative entities, or the public officers in whom they delegate powers to require information, under the terms of the provisions referred to in the last paragraph of this article, in order to gather evidence for the clarification of facts and, where appropriate, obtain evidence in support of a criminal action, an accusation against an accused and the repair of damage;

III. The Attorney General of the Military Justice, in order to gather evidence for the clarification of facts, and where appropriate, obtain evidence in support of a criminal action, an accusation against an accused and the repair of damage;

IV. The federal and state tax authorities, for tax purposes;

V. The Ministry, for the purposes of what is set forth in by article 58 of this Law;

VI. The Federal Treasurer or the public officer in whom he delegates powers to require information, under the terms of the provisions referred to in the last paragraph of this article, when the act of surveillance so require, to request the account statements and any other information pertaining to the personal accounts of public officers, assistants and, where appropriate, individuals related to the investigation in question;

VII. The Federal Superior Audit Office, or its equivalents in federative entities, in the exercise of its powers to review and audit Federal or Local Public Accounts and in respect of accounts or agreements through which public funds are managed or exercised;

VIII. The investigation authorities referred to in the General Administrative Liabilities Law, or their equivalents in federative entities, for the clarification of facts, as long as the respective information is related to the commission of infringements referred to in this Law, and

IX. The Technical Inspection Unit of the National Electoral Institute, for the exercising of its legal powers, under the terms established in the General Electoral Institutions and Procedures Law. The electoral authorities of federative entities shall request and obtain the information that is necessary for the exercise of their legal powers and duties, through the Technical Inspection Unit of the National Electoral Institute.

The authorities mentioned in the foregoing sections shall request the notices or information referred to in this article in the exercise of their powers and pursuant to the legal provisions that may be applicable to them.

The requests referred to in the third paragraph of this article must be drawn up with due grounds and motivation, and through the CNBV. The public officers and the institutions mentioned in subsections I and VII of the third paragraph of this article, and the Technical Inspection Unit referred to in subsection IX of said paragraph, may opt to request that the judicial authority issues the relevant order, to make the FTI deliver the required information, provided that said public officers or authorities specify the name of the FTI, the account number or identification number of the Client, the name of the Client and other information and elements that allow its full identification, in accordance with the relevant Transaction.

In the case of events that presumably endanger the life, freedom or integrity of persons, the authorities referred to in subsections I and II of the third paragraph of this article may require the information or documentation necessary to act immediately, in accordance with the emergency agreements or protocols established for such purposes between said authorities, government agencies involved in combating this type of crime, the CNBV and the FTI.

The employees and officers of the FTI shall be liable, under the terms of the applicable legal provisions, for violating the secrecy obligation that is established and the FTIs shall be obliged, in the event of undue disclosure of said secret, to repair the damages that are caused.

The documents and information provided by the FTIs as an exception to the first paragraph of this article, shall only be used in the legal proceedings that correspond in accordance with the terms of this Law and, in respect of them, the strictest confidentiality shall be upheld, even when the public officer in charge of said legal proceedings separates from the service. The public officer that illegally violates the secrecy of the proceedings, provides a copy of the same or of the documents related to them, or that in any way discloses the information included in them, shall be subject to the relevant administrative, civil, or criminal liabilities.

The foregoing does not affect the obligation of FTIs to provide the CNBV with any kind of information and documentation that, in the exercise of its inspection and supervision powers, it may request of them in respect of Transactions and other actions they may perform and services they may provide, nor from the obligation to provide any information that may be requested of them by other Financial Authorities, under the terms of the applicable legal provisions.

The FTIs shall respond to any requests submitted to them by the CNBV by virtue of petitions from the authorities referred to in this article, within the timeframes and conditions set thereby. The CNBV may sanction those FTIs that fail to comply with the timeframes and conditions established in said requirements, in accordance with the provisions of Title VI of this Law.

The CNBV shall sanction FTIs with administrative penalties of between 1 and 15,000 UMA, for failing to respond within the timeframes set forth in the present article, to the information, documentation, assurance, unfreezing of accounts, transfer, or funds status requirements drawn up by the competent authorities mentioned.

The CNBV shall issue the general provisions for establishing the formalities and the requirements that information requests or requirements drafted by the authorities referred to in this article must meet, so that the relevant FTIs may be able to identify, locate and provide the details or information requested by said authorities.

Article 74.- For the purpose of safeguarding the financial stability, avoiding interruptions, or alterations in the functioning of the financial system or of the payments system, as well as to facilitate the proper performance of its duties, the Ministry, the Supervisory Commissions and Banco de

México, may exchange any information among themselves that they have in their possession, having it obtained through:

I. The exercise of their powers;

II. As a result of the activities performed in coordination with other entities, individuals, or authorities, and

III. Directly from other authorities.

Regarding the powers referred to in the previous paragraph, the restrictions regarding reserved or confidential information in terms of the applicable legal provisions will not be opposable. Whomever receives the information referred to in this article shall be administratively and criminally liable, in terms of the applicable legislation, for the dissemination to third parties of said confidential or reserved information.

For the purposes of what is set forth in this article, the referred to Financial Authorities shall enter into information exchange agreements in which the information that is to be exchanged is specified and the terms and conditions to which these shall adhere shall be determined. Likewise, said agreements shall define the degree of confidentiality or reservation of the information, as well as the relevant control entities to which the cases the provision of information is denied, or when the provision is made outside of the established timeframes, must be reported.

Article 75.- The Ministry, the Supervisory Commissions and Banco de México, within the scope of their powers and duties, shall be empowered to provide foreign financial authorities, with all kinds of information that they seem appropriate to respond to the requirements submitted to them, such as documents, written evidence, records, statements, and any other evidence that said Financial Authorities have come into the possession in the exercise of their powers.

For the purposes of what is set forth in the previous paragraph, the Financial Authorities shall have entered into an exchange of information agreement, with the foreign financial authorities in question, in which the principle of reciprocity shall be observed.

The CNBV and Banco de México, within the scope of their powers, shall be empowered to provide to foreign financial authorities, information protected by confidentiality provisions, that has come into their possession in the exercise of their powers, acting in conjunction with other entities, individuals, or authorities, or directly from other authorities.

In any case, the CNBV and Banco de México may refrain from providing the information referred to in the previous paragraph when it is intended to be used for a purpose different from that mentioned in the request, or is contrary to the public order, to national security or to the terms agreed upon in the relevant exchange of information agreement.

The Ministry, the CNBV, CONDUSEF and Banco de México must establish coordination mechanisms for effects of the delivery of information referred to in this article, to foreign financial authorities.

Article 76.- The Financial Entities, money transfer services, credit information corporations, clearing houses referred to in the Transparency and Financial Services Arrangement Law, FTIs and companies authorized to operate New Models shall be obliged to create standardized computer application programming interfaces that allow connectivity and access from other interfaces developed or managed by the same entities mentioned in this article and third parties specialized in information technology, for the purposes of sharing the following data and information:

I. Open financial data: those generated by the entities referred to in the first paragraph of this article that do not contain confidential information, such as information on the products and services they offer to the general public, the location of their offices and branches, ATMs, or other points of access to their products and services, among others and as appropriate;

II. Aggregated data: refers to any type of statistical information related to transactions carried out by or through the entities referred to in the first paragraph of this article, without containing a level of disaggregation such that personal data or transactions of an individual may be identified.

    Only persons who have the means of authentication set up by the Supervisory Commissions or by Banco de México in the case of clearing houses and credit information corporations referred to in the first paragraph of this article, by means of general provisions issued for such purposes, shall have access to the aggregated data, and

III. Transactional data: the data related to the use of a product or service, including deposit accounts, credits and means of disposal contracted on behalf of the clients of the entities referred to in the first paragraph of this article, among other information related to the transactions that clients have executed or attempted to perform via their Technological Infrastructure. These data, as they are personal data of the clients, may only be shared with their prior express consent thereof.

The information mentioned in the foregoing paragraph may only be used for the purposes strictly authorized by the client. The entities referred to in the first paragraph of this article must withhold access to information immediately after its owner has withdrawn their consent, vulnerabilities arise that put client information at risk, or the third party fails to comply with the terms and conditions agreed for the exchange of information. Such a withholding must be notified of within a timeframe no greater than two hours after its implementation to the Supervisory Commissions or to Banco de México, as appropriate, and said authorities, within the scope of their powers, may order the restoration of access to the information, in cases where they determine that the withholding was groundless, independent of the administrative sanctions that may apply.

The exchange of data and information that may be shared under the terms of this article will be subject to the general provisions issued by the Supervisory Commission, or by Banco de México in the case of credit information corporations and the clearing houses referred to in the first paragraph of this article, in which the necessary standards for the interoperability of computer application programming interfaces can be established; the design, development, maintenance and security mechanisms of these interfaces for accessing, sending or obtaining data and information, information considered critical for the proper functioning of applications that require the use of these interfaces, as well as the mechanisms by which client consent shall be obtained.

For access to information through computer application programming interfaces by the people referred to in this article, prior consent from the Supervisory Commissions, or from Banco de México in the case of credit information corporations and clearing houses, shall be required. The authorizations granted according to this article shall allow whomever should obtain it, to access the available interfaces of the type of entity for which access is requested.

The Supervisory Commission, or, as the case may be, Banco de México, must authorize the fees charged by the entities referred to in the first paragraph of this article, for the purpose of exchanging data and information, which must be fair and transparent to all the individuals involved, in order that under no circumstance they constitute barriers to entry, whether formal, regulatory, financial, or practical.

For the purposes of what is set forth in the foregoing paragraph, the entities referred to must register the fees mentioned with the Supervisory Commissions or Banco de México, as appropriate, as well as any changes made to them. Said registration shall be carried out with a notice of, at least, thirty calendar days before the coming into effect of new fees or increases as the case may be.

In the case of a reduction in the amounts of said fees, the registration must be done with a notice of, at least, two calendar days before their coming into effect.

The foregoing must be performed in the form and under the terms that the Supervisory Commissions or Banco de México specify in general provisions.

The Supervisory Commissions or Banco de México, as appropriate, shall have the power to make observations on the application of said fees when they are new or involve an increase, within fifteen business days following the one on which the aforementioned entities bring them to their attention. Before exercising said power, the competent Financial Authority shall hear the entity in question. The Supervisory Commissions or Banco de México, as the case may be, shall make public any observations they may have, according to this paragraph. In the event that the competent Financial Authority has formulated and published observations regarding the creation of or increase in fees, and the entities referred to in the first paragraph of this article, decide to apply the new fees or increases observed upon, said Financial Authority may veto said fees or increases, in which case the entity may not charge said fees without being exempted from complying with the obligation referred to in this article. If there are no observations, the fees shall enter into force.

Under no circumstance may the entities referred to in this article charge differentiated fees for access to their information.

The entities referred to in the first paragraph of this article, on their own liability, may allow petitioners of information and data to propose and test the introduction of new products and services before these are offered to the public, temporarily exchanging said information and data with them during the testing stage, provided that they meet the requirements and conditions established for such purposes by the Supervisory Commission or Banco de México, as applicable.

The Supervisory Commission or, if applicable, Banco de México, with the prior right to a hearing being granted to the entities referred to in the first paragraph of this article, may order the partial or total suspension, temporarily or permanently, of the exchange of information and data being made, when the general provisions referred to in this article for the protection of public interests are breached. The foregoing, unless the Supervisory Commission, or Banco de México, in the case of the credit information corporations and clearing houses referred to in the first paragraph of this article, approve a regularization program that meets the requirements established in said general provisions for such purposes.

The Supervisory Commission or Banco de México in the case of the credit information corporations and clearing houses referred to in the first paragraph of this article, may require the entities referred to in the first paragraph of this article and, through them, those with whom they exchange data and information under the terms of this article, records, documents, data, reports and in general, any information they may deem necessary to verify compliance with this article and the provisions derived therefrom, in the form and under the terms indicated in the general provisions issued for such purposes.

The Supervisory Commission or, as the case may be, Banco de México, shall directly submit to the entities referred to in the first paragraph of this article the information requirements and, where appropriate, make any observations and corrective measures forthcoming from the supervision carried out under this article to ensure the integrity of information and adherence to the provisions of this Law. Likewise, the Supervisory Commission or, as the case may be, Banco de México, shall be empowered at all times to carry out acts of supervision, inspection and surveillance with respect to third parties with whom the entities referred to in the first paragraph of this article, exchange data and information under the terms of the present article, as well as perform inspections on said third parties with respect to the exchange of information and data, or, order the entities referred to in the first paragraph of this article, to perform audits on said third parties, the entity itself being obliged to report to the Supervisory Commission or to Banco de México, as appropriate.

The Supervisory Commission, or Banco de México, in the case of the credit information corporations and clearing houses referred to in the first paragraph of this article, shall specify the purpose of the inspections or audits, which shall be limited to the service contracted and compliance with what is set

forth in this Law and the provisions derived therefrom. To this end, the entities shall agree, in the contracts through which the exchange of data and information is formalized, the express stipulation by the contracted third party that they agree to abide by the provisions of the present article.

Article 77.- The exchange of information referred to in the previous article shall not be taken as a violation of the confidentiality obligations imposed on the entities referred to in said article, in this and other applicable laws.

CHAPTER V
Professional Associations

Article 78.- FTIs may organize into professional associations, which may carry out, among other functions, the development and implementation of rules of conduct and operation that their members shall observe, with the purpose of contributing to the sound development of said institutions.

The professional associations referred to in this Chapter, under the terms of their bylaws, may issue, among others, rules to regulate the following:

I. Admission, exclusion, and separation requirements of their members;

II. The process for the adoption of best practices, as well as of standards of conduct and operation and the verification of compliance, and

III. The standards and policies for adequate compliance with the provisions of this Law and the provisions derived there from.

Article 79.- Professional associations may carry out periodic evaluations to their members on compliance with best practices as well as rules of conduct and operation that they issue. Whenever any failure to abide by the provisions of this Law and the general provisions derived therefrom may arise from the results of said evaluations, said associations shall report such event to the CNBV, regardless of the powers that the CNBV itself may enforce. Furthermore, said associations shall keep records of the corrective and disciplinary measures applied to their members, which shall be made available to the CNBV.

The best practices issued under the terms of the provisions of this article may not contradict or exempt the provisions set forth in this Law nor in any other applicable legal provisions.

TITLE IV
On Temporary Authorizations and Transactions with Virtual Assets

CHAPTER I
On the Authorization of New Models (Sandbox)

Article 80.- The legal entities constituted in accordance with Mexican commercial legislation, other than FTIs, Financial Entities and other subjects overseen by a Supervisory Commission or by Banco de México, must obtain authorization to carry out, via New Models, any activity whose performance requires an authorization, registration, or concession in accordance with this Law or another financial law.

For the operation of New Models, the Financial Authorities, according to the scope of their competences, in a discretionary way, and with prior assessment upon compliance with the criteria and conditions set forth in article 82 of this Law, may grant or deny, with due grounds and justification, a temporary conditioned authorization to companies interested in providing financial services through said New Models. Said authorization shall have a duration matching the services they intend to provide and may not be greater than two years.

In the case of the Supervisory Commissions, the prior consent of the respective Board of Governors will be required for the granting of the authorizations referred to in this article.

In the case of activities whose authorization, registration or concession is incumbent upon the Ministry or Banco de México, temporary authorizations shall be issued considering the administrative acts provided in the laws that regulate said activities for their authorization, registration, or concession. In the event that the issuance of said authorizations is incumbent upon the Ministry, the Supervisory Commissions shall be empowered to supervise the activities of the companies authorized to operate with New Models that perform the same activities reserved for Financial Entities or entities supervised by said Supervisory Commissions.

The company in question must carry out the necessary actions to obtain definitive authorization, registration, or concession during the term of the temporary authorization, in accordance with the financial laws that regulate said acts. In case it fails to perform said actions, it must carry out the exit procedure referred to in subsection X of article 83 of this Law. In the event that the authorized company is doing the necessary actions to obtain definitive authorization, registration, or concession pursuant to the financial laws that regulate such acts, the competent Financial Authority, at its discretion, may extend the temporary authorization for up to one more year, during which time all the necessary steps must be taken to obtain said definitive authorization, registration, or concession and begin the relevant operations.

In the authorization granted according to this article, the Financial Authorities shall establish, depending on the New Model in question, the exceptions, and conditions to the fulfillment of the requirements and obligations set forth in the respective financial laws, as well as the terms and conditions for the provision of the services in question. In the case of extensions, said exceptions, determinations, terms, and conditions may be revised in order to continue the viability of the company authorized to operate with New Models.

Article 81.- In the event that two or more Supervisory Commissions are empowered to know of the matters referred to in this Chapter, or that the activities in question are also subject to the authorization of Banco de México or the Ministry, applications for authorization shall be submitted to the Financial Authority whose powers govern the main activity that, depending on the New Model, will be carried out by the company expecting to be authorized. Said Authority shall be obliged to send the respective file to the other competent Financial Authorities in order to be able to resolve it jointly.

Article 82.- For the granting of temporary authorization, as referred to in article 80 of this Law, the Financial Authorities shall assess, among other aspects, compliance with the following criteria and conditions:

I. That the proposal is a New Model;

II. The product being offered or the service to be provided to the public, must require testing in a controlled manner, under the terms of this Chapter;

III. The way in which the reserved activity is to be developed must represent a benefit to the Client of the product or service in question, with respect to what already exists on the market;

IV. The project must be at such a stage that operations may begin immediately;

V. The project must be able to be tested with a limited number of Clients, and

VI. Anything else that, as the case may be, the competent Financial Authorities may determine through general provisions.

Article 83.- In the application for temporary authorization, companies that expect to operate with New Models must include the following:

I. A draft of their bylaws, which should contemplate the following:

   a) The activities it intends to carry out, in a routine and professional manner, within their corporate purpose, and

   b) Establish their corporate address in national territory;

II. The description of the New Model, the whole scope of the operations or activities to be conducted through this New Model and the details of each one of them, justifying the need to operate with said New Model;

III. The risk analysis policies, including the policies to be followed in security matters concerning Technological Infrastructure and information security;

IV. The legal provisions that regulate the reserved activity that they may consider hinder the development of products or services through the New Model;

V. The potential benefits for the Clients of the service or product in question, with respect to what already exists in the market;

VI. The target market, or maximum number of Clients to whom the product or service in question is to be offered, specifying where appropriate, the respective geographical location and maximum amount of resources that they could receive from each Client, as well as the total maximum amount they could receive during the validity of their temporary authorization;

VII. The way in which they shall compensate any damages and losses that, where applicable, they may bring upon their Clients through the provision of their services during the development period, which will have to be agreed upon in the contracts entered into for such purposes;

VIII. The way in which they intend to inform and obtain the consent of their Clients in respect of entering into transactions with companies authorized to operate with New Models, as well as any risks they will be running as a result;

IX. The form, method, and timeframes in which they shall comply with the requirements for obtaining definitive authorization, registration, or concession, in accordance with the financial laws that regulate the service to be provided;

X. The exit procedure to be carried out in case the Financial Authorities do not grant the definitive authorization, registration or concession, or the validity of the temporary authorization or its extension expires, as the case may be, and

XI. Any other documentation and information that the competent Financial Authorities may require for such purposes.

The submission of the authorization request referred to in this Chapter must be approved by the administrative body of the company expecting to be authorized.
Each Financial Authority shall publish the temporary authorizations that it grants pursuant to this Chapter in a public registry, to be published on its website and which shall contain notes on each company authorized to operate a New Model, which may include, among others, the revocation of the authorization. Each Financial Authority may establish, through general provisions, the grounds for the organization and functioning of this registry, as well as the additional notes it must include.

Article 84.- The CONDUSEF, in terms of the Law for the Protection and Defense of the User of Financial Services, shall have the powers that said Law bestows upon it to settle disputes between companies authorized to operate New Models and their Clients.

Article 85.- The provisions of Titles I and VII and Chapter IV of Title III of this Law, as well as articles 48, third paragraph, and 58 of this Law, shall apply to companies authorized to operate with New Models. The powers granted to the CNBV in the aforementioned provisions shall be understood as bestowed upon the other Financial Authorities within the scope of their competences.

CHAPTER II
On New Models (Sandbox) in Regulated Entities

Article 86.- The Financial Authorities may authorize, at their discretion, with due legal grounds and justification, Financial Entities, FTIs or other persons under their supervision, to carry out temporarily operations or activities within their corporate purpose through New Models when in the performance of said operations exceptions or determinants are required upon the applicable general provisions issued by the Authorities themselves.

The temporary authorizations referred to in this article shall be granted with the prior consent of the Board of Governors of the relevant Supervisory Commissions. In the case of activities regulated by general provisions issued by the Ministry or Banco de México, temporary authorizations shall be granted by said Authorities.

In the temporary authorization granted, the Financial Authority that must resolve shall establish the exceptions, determinants, terms, and conditions for the relevant products to be offered or services to be provided.

Temporary authorizations may be valid for no longer than one year, extendible only once for one more year.

Article 87.- To obtain the authorization referred to in this Chapter, the interested parties shall submit their application accompanied by the following documentation and information:

I. The description of the New Model, the whole scope of the operations or activities it intends to perform through this Model and the details of each one of them, justifying the need to obtain the temporary authorization to operate with said New Model;

II. Risk-analysis policies, including those policies to be followed for security matters concerning Technological Infrastructure and information security;

III. The legal provisions that regulate the activity that they may consider hinder the development of the products and services through the New Model;

IV. The potential benefits that the service or product hast for the Clients, with respect to what already exists in the market;

V. The target market, or maximum number of Clients to whom the transaction or service is to be offered, or would be affected by it, specifying where appropriate, the respective geographical location and maximum amount of resources that they could receive from each Client, as well as the total maximum amount they could receive during the validity of their temporary authorization;

VI. The information that proves that with the performance of the operation or activity in question it does not place at risk the stability or solvency of the Financial Entity, or the operability of the person in question;

VII. The way in which they shall compensate any damages and losses that, where applicable, they may bring upon their Clients through the provision of the transactions or activities they carry out, which shall have to be agreed upon in the contracts entered into for such purposes;

VIII. The means by which they shall inform their Clients of any risks they may be exposed to;

IX. The actions to be taken once the term of the temporary authorization is over, and

X. Any other documentation and information that the competent Financial Authorities may deem appropriate for such purposes.

The presentation of the authorization request referred to in this Chapter shall be approved by the board of directors of the Financial Entity or person under the supervision of the competent Financial Authority.

CHAPTER III
On the Operation of Financial Entities with Virtual Assets

Article 88.- Credit institutions may, with the prior authorization of Banco de México, execute transactions with the virtual assets designated by Banco de México itself, through general provisions, from among those that comply with the characteristics mentioned in the last paragraph of article 30 of this Law. Said transactions shall be subject to, as far as conditions and restrictions are concerned, the general provisions that the Banco de México issues for such purposes.

CHAPTER IV
Other Obligations and the Revocation of Temporary Authorizations

Article 89.- Companies authorized to operate with New Models, FTIs, Financial Entities and other persons under the supervision of the Financial Authorities that obtain the temporary authorization referred to in this Title, shall draft and file reports to the Financial Authorities, at the periodicity determined by these latter, during the period of validity of the authorization, which shall contain the following:

I. The number of transactions executed during the reporting period;

II. The number of Clients or users they have on the date of the report;

III. The risk situations that may have arisen, and

IV. The other information that the Financial Authorities may require for such purposes, in accordance with the general provisions they issue.

Furthermore, companies authorized to operate with New Models, FTIs, Financial Entities and other persons under the supervision of the Financial Authorities that obtain the temporary authorization referred to in this Title, shall deliver to said Financial Authorities a final report, at the very latest thirty days after the end of the validity of the temporary authorization, which provides the total figures with respect to the information provided in the previous subsections, as well as any other information that the Financial Authorities may determine in the temporary authorization or in general provisions that they issue for such purposes.

Article 90.- The Financial Authorities may make public the information reported by the obliged subjects referred to in this Title, if they consider it pertinent for Clients to know, as long as it is not confidential information.

Article 91.- The Financial Authorities may corroborate the veracity of the information provided by companies authorized to operate with New Models, FTIs, Financial Entities and other persons under their supervision when they offer products or provide services in accordance with this Title IV and, therefore, the agencies and entities of the Federal Public Administration, as well as other federal bodies, shall provide the related information. Likewise, the Financial Authorities may ask foreign

organizations with similar supervisory or regulatory functions to corroborate the information provided to them for such purposes.

Article 92.- The Supervisory Commissions, with the agreement of their Board of Governors, Banco de México, or the Ministry, as applicable, may revoke the temporary authorizations referred to in this Title, after hearing the interested party, in the following cases:

I. It fails to comply with any of the requirements applicable to it according to this Title or the general provisions issued for such purposes, or other requirements established in the temporary authorization in question;

II. In case there exist unexpected risks for Clients;

III. When it fails to deliver one of the reports it is bound to submit according to this Chapter;

IV. If it carries out transactions, activities, or services different to the ones stipulated in its temporary authorization, and

V. If requested, as long as there does not exist outstanding transactions to be settled among its Clients.

TITLE V
Financial Innovation Group

Article 93.- The Financial Innovation Group is the consultancy, advisory, and coordination body whose aim is to provide a space for the exchange of opinions, ideas, and knowledge between the public and private sector to find out about innovations in financial technology and plan for the ordered development and regulation thereof.

Article 94.- The Financial Innovation Group shall be integrated of up to twelve incumbent members, one of whom shall be from the Ministry, one from each of the Supervisory Commissions and one from Banco de México, appointed by their respective heads. The remaining members shall be private sector representatives, to be appointed, via prior invitation, by the Ministry. For the purposes of the aforementioned, the Ministry shall ensure that the private sector members be representative of the professional organization of FTIs, as well as of other Financial Entities. The Ministry representative shall serve as the president of the Financial Innovation Group and, in his absence, the CNBV representative.

Article 95.- The Financial Innovation Group shall meet at least once a year and extraordinary meetings may be called as necessary. Sessions shall be held with the attendance of the majority of members and the agreements that the Financial Innovation Group makes shall be passed upon the majority vote of those present. The person presiding upon the session shall have the casting vote in case of deadlock.

In case the nature of the matters in hand should require it, representatives of the agencies and entities of the Federal Public Administration, or of public or private organizations, may be invited to take part in sessions of the Financial Innovation Group, with a voice but without a vote.

TITLE VI
Sanctions and Offenses

CHAPTER I
Administrative Sanctions

Article 96.- Legal acts performed in contravention of the provisions of this Law or provisions derived therefrom, as well as of the conditions that, in particular, are stipulated in the authorizations to operate

as an FTI or the other temporary authorizations referred to in Title IV of this law and in the other administrative acts, will give rise to the imposition of relevant administrative and criminal sanctions, without said contraventions rendering the acts null and void, in protection of third parties of good faith, unless this Law expressly states otherwise.

Article 97.- The administrative penalties that the Supervisory Commissions or Banco de México impose upon Financial Entities, FTIs or companies authorized to operate with New Models shall be applied by the Ministry or Banco de México, as applicable, once they have become final. The penalties referred to in this article shall be in the form of tax credits, in accordance with the Federal Tax Code.

The penalties referred to in this Law must be paid within fifteen business days of the date of their notification.

In the event that the offender pays within the fifteen days referred to in the foregoing paragraph, the penalties imposed by the Supervisory Commissions or Banco de México, within the scope of their respective competences, a discount of twenty percent of their amount will be applied, provided that the offender express in writing their agreement with the penalty imposed.

The sanctions that under the terms of this Law are incumbent upon CONDUSEF to apply, shall follow the procedure established in the Law for the Protection and Defense of the User of Financial Services. Against these penalties, the offender may bring a motion for review, as provided in the Law for the Protection and Defense of the User of Financial Services.

Article 98.- The Supervisory Commissions or Banco de México, in the application of administrative sanctions referred to in this Law, shall abide by the following:

I. It shall be granted the legal right to a hearing to the alleged offender, who, in a term of ten business days counting from the business day following the one on which the relevant notification takes effect, must manifest in writing whatever is in its best interest, offer evidence and formulate allegations. The Supervisory Commissions or Banco de México, at the request of a party, may extend the term that this section refers to on only one occasion, for up to the same period of time, for which it shall consider the specific circumstances of the case. The notification shall take effect on the business day following that on which it is carried out;

II. In case the alleged offender does not use its right to the hearing that the subsection above refers to within the term granted, or, having exercised it, it is unable to clear the accusation made against it, the alleged offenses will be deemed proven and the imposition of the relevant administrative sanction shall proceed;

III. For the imposition of sanctions, the following, as applicable, will be taken into account:

  a) The impact upon third parties or to the financial system that the offense produced or may produce;

  b) The recidivism, the causes that originate it and, as appropriate, the corrective actions applied by the alleged offender. It shall be considered as recidivist when they incurred in an offense that was penalized and, in addition to that, commits the same offense within the two years immediately following the date on which the relevant resolution was finalized.

     The recidivism may be sanctioned with a penalty whose amount is equal up to double what is originally set forth;

  c) The amount of the transaction;

d) The economic condition of the offender, so that the sanction is not be excessive, and

e) The nature of the offense committed;

IV. In the case of misconduct graded as serious by this Law, in addition to what is established in subsection III of this article, any of the following aspects may be taken into account:

a) The amount of the loss or financial damage caused;

b) The profits garnered;

c) The lack of honorability by the offender, pursuant to the provisions of this Law and the general provisions derived therefrom;

d) The inexcusable negligence or deceit that may have been displayed;

e) That the offensive behavior that the administrative process refers to may constitute a crime;

f) The duration of the lack of compliance;

g) The risks involved in the carrying out the Transactions that may have given rise to the relevant sanction, and

h) The other circumstances that the Supervisory Commissions or Banco de México deem applicable for such purposes.

The ruling of the procedure for the imposition of sanctions must be issued in a period not exceeding ninety business days after the date on which the offender was summonsed, when brought by the respective president of the Supervisory Commissions or the public officers in whom they delegate that power, or the public officer of Banco de México.

Article 99.- The Supervisory Commissions or Banco de México shall consider the following as a mitigating factor in the imposition of administrative sanctions, when the alleged offender can demonstrate having compensated the damage caused, as well as the event that the alleged offender contributes information that helps in the exercise of the duties and powers of the Supervisory Commissions or of Banco de México in matters of inspection and surveillance, in order to determine liabilities.

Article 100.- The procedures to impose administrative sanctions referred to in this Law shall be commenced regardless of the opinion on the criminal offense that, as the case may be, the Financial Authority issues the terms of this Law.

Article 101.- The penalties referred to in this Chapter may be imposed upon Financial Entities, FTIs and companies authorized to operate with New Models, as well as members of the board of directors or equivalent bodies, general directors, directors, officers, employees or persons holding an office mandate, commission, or any other legal title that said companies have bestowed upon them to carry out their activities, when they have directly incurred or had ordered the acts which constitute the transgression.

Article 102.- In the administrative procedures set forth in this Law, the relevant evidence regarding the contested acts shall be admitted, as long as they are timely offered within the substantiation of the hearing right. In the event of depositions by authorities, they must answer to the interrogatories in writing.

Once the right to a legal hearing that Article 98 of this Law refers to has been observed, or, the motion for review in writing, as provided in this Law, is lodged, only supervening evidence shall be admitted, provided the corresponding resolution has not been issued.

The Supervisory Commissions and Banco de México may seek the means of evidence that they deem necessary, as well as agree on the admissibility of the evidence offered. Evidence provided by the interested party may only be rejected when they were not offered pursuant to the law, are not related to the basis of the issue, are inadmissible, unnecessary, or contrary to morals or the law. The assessment of the evidence shall be done pursuant to what is established in the Federal Code of Civil Procedures.

Article 103.- The penalties provided in this Law, to be imposed by the CNBV shall be the following:

I. A penalty of 1,000 to 5,000 UMA upon persons other than those authorized to use in their name, corporate name, advertising, establishments, interfaces, websites, or any other means of electronic or digital communication, use the words FTI, financial technology institution, crowdfunding institution, electronic payment funds institution, or others that express similar ideas in any language, and by which it could be inferred they perform those activities reserved for FTIs, save for those exceptions provided under this Law;

II. A penalty of 3,000 to 15,000 UMA upon FTIs or companies authorized to operate with New Models, that fail to comply with the obligations set forth in articles 13 and 48, third paragraph, of this Law;

III. A penalty of 1,000 to 150,000 UMA for failure to comply in time with the requirements formulated by the Financial Authorities or any other competent authority, according to this Law;

IV. A penalty of 30,000 to 150,000 UMA for the following:

   a) Not including the transactional information in the account records required according to this Law, and

   b) For non-compliance with the security and continuity requirements for the operation of account records referred to in article 48 of this Law;

V. A penalty of 30,000 to 150,000 UMA for the following:

   a) Upon FTIs, Financial Entities or companies authorized to operate with New Models, for carrying out activities not authorized under the terms of this Law;

   b) Disseminating false or misleading information or that may lead to error, through FTIs, companies authorized to operate with New Models, or in any other way, in order to carry out the Transactions referred to in this Law;

   c) Failing to provide information required under this Law;

   d) In the case of crowdfunding institutions, for failing to obtain the acknowledgement of risks from investors as set forth in article 18, subsection III of this Law or failing to provide the necessary means to formalize the Transactions of their Clients, as set forth in article 18, subsection V of this Law;

   e) In the case of crowdfunding institutions, broadcasting any type of publicity or information about projects or services in terms different from those indicated in the general provisions referred to in article 18, subsection II of this Law, and

f) Failing to keep the records referred to in article 47 of this Law;

VI. A penalty of 20,000 to 100,000 UMA upon FTIs that commence their operations without proving to the CNBV the fulfillment of the requirements as set forth in article 40 of this Law;

VII. A fine of 15,000 to 100,000 UMA upon FTIs that:

a) Fail to comply with the provisions of article 41 and 46 of this Law, as well as the general provisions referred to in said article 41;

b) Fail to comply with the provisions of article 55 of this Law, as well as the general provisions referred to in said provision;

c) Divert the resources of their Clients towards any purpose other than that agreed;

d) Exceed the limits specified in article 44 of this Law or in the provisions referred to in said article with respect to crowdfunding institutions, and

e) Oppose or hinder the exercise of the powers that this Law and other applicable legal provisions bestow upon Financial Authorities;

VIII. A penalty of 10,000 to 100,000 UMA upon independent external auditors that fail to supply to the CNBV the reports, opinions and other pieces of evidence that support their expert reports and conclusions, in contravention of the provisions of article 52, second paragraph, of this Law;

IX. A penalty of 1 to 15,000 UMA to be imposed by the CNBV upon FTIs for not responding within the stipulated timeframes, to information, documentation, assurance, unfreezing of accounts, transfer, or funds status requirements drafted by the relevant competent authorities;

X. A penalty of 15,000 to 75,000 UMA upon Financial Entities and FTIs that fail to set up computer application programming interfaces for the purpose of sharing and transferring data with those Financial Entities, FTIs or companies authorized to operate with New Models that comply with the general provisions issued by the Financial Authorities, according to articles 76 and 77 of this ordinance;

XI. A penalty of 25,000 to 100,000 UMA upon Financial Entities, FTIs or companies authorized to operate with New Models, that use for ends other than those agreed contractually with other FTIs or Financial Entities, or, in the case of transactional data, those authorized by their Clients, the information and data exchanged over computer application programming interfaces with a Financial Entity or another FTI;

XII. A penalty of 2,000 to 15,000 UMA upon companies authorized to operate with New Models and Financial Entities that under the terms of article 89 of this Law, neglect to file their report, or file it after the established timeframe;

XIII. A penalty of 1,000 to 150,000 UMA upon FTIs, money transfer services and Financial Entities when they interrupt the access to information under terms different to those referred to in article 76 of this Law, or fail to notify of said interruption to the Supervisory Commissions. This same penalty may be imposed by the CNSF and CONSAR, within the scope of their respective competences, and

XIV. A penalty of 2,000 to 10,000 UMA for infringements of any of the rules contained in this Law, as well as the general provisions issued by the CNBV, or jointly with Banco de México, in

accordance with this Law, and which do not have any specific penalty stipulated in this ordinance.

In the event that any of the offenses listed in this article should give rise to property losses or a profit, the relevant penalty may be applied, adding to it one and a half times the equivalent of said loss or profit garnered by the offender, whichever should be the greater. Profit shall be understood to mean a gain obtained or a loss avoided for oneself or for a third party.

Article 104.- The penalties provided in this Law to be imposed by Banco de México shall be the following:

I. A penalty of 30,000 to 150,000 UMA for carrying out transactions with virtual assets or foreign currencies without the prior authorization of Banco de México or for carrying out Transactions with virtual assets different to those specified by Banco de México;

II. A penalty of 15,000 to 100,000 UMA upon electronic payment funds institutions for exceeding the transaction limits they are bound to under the terms of article 44 of this Law, in accordance with the general provisions issued by Banco de México.

III. A penalty of 1,000 to 15,000 UMA upon electronic payment funds institutions for failure to comply with the general provisions issued by the Banco de México that establishes the features of the Transactions they may carry out;

IV. A penalty of 1,000 to 150,000 UMA upon the credit information corporations or clearing houses referred to in the Financial Services Transparency and Regulation Law, that interrupt the access to information in different terms other to those referred to in article 76 of this Law, or fail to notify of the interruption to Banco de México, and

V. A penalty of 1,000 to 10,000 UMA for violating any of the general provisions issued by Banco de México that do not have any specific penalty specified in this ordinance.

In case any of the offenses listed in this article should give rise to property losses or a profit, the relevant penalty may be applied, adding to it up to one and a half times the equivalent of said loss or profit garnered by the offender, whichever should be the greater. Profit shall be understood to mean a gain obtained or a loss avoided for oneself or for a third party.

Article 105.- The violation of the obligations referred to in Article 58 of this Law or the provisions issued in regard thereof shall be sanctioned by the Supervisory Commission in accordance with the procedure provided in this Law, with a penalty equivalent to between 10% and 100% of the amount of the act, Transaction or service executed with a Client who has been notified as being on the list of blocked persons; with a penalty equivalent to between 10% and 100% of the amount of the unusual unreported Transaction, or, as the case may be, of the series of related Transactions by the same Client that should have been reported as unusual Transactions; or, with a penalty equivalent in the national currency of from ten to one hundred thousand times the value of the UMA, in the case of any other breach of said precept and the provisions derived therefrom.

The penalties referred to in the previous paragraph may be imposed upon FTIs, companies authorized to operate with New Models, as well as, if appropriate, the respective members of their boards of directors, administrators, directors, officers, employees, clerks and proxies and the natural and legal persons that, on account of their actions, have caused, or acted in such a way as to cause said companies to commit irregularities or become liable for them. Notwithstanding the aforementioned, the CNBV, with respect to FTIs may proceed in accordance with the provisions of article 62 of this Law, in cases that so merit.

The Supervisory Commissions and Banco de México may hold back from sanctioning FTIs, Financial Entities and companies authorized to operate with New Models, as long as the rationale behind said

withholding be justified in accordance with the guidelines that said Financial Authorities issue for such purposes, and they refer to facts, acts or omissions, that are not of a serious nature, there does not exist recidivism, there exist no evidence of affectations upon the interests of third parties or the financial system itself and they do not constitute criminal behavior.

It shall be considered as serious misconduct:

I. To provide to authorities or to Clients, information that is false or that intentionally misleads, by concealment or omission;

II. To use money, electronic payment funds or virtual assets belonging to Clients for ends different to those agreed;

III. To carry out unauthorized activities and Transactions;

IV. To fail to present the document establishing measures and procedures, under the terms of article 58, subsection I of this Law;

V. To fail to report actions, Transactions, or services or to fail to present any report to the Ministry, through the CNBV, under the terms of article 58, subsection II of this Law;

VI. To not have automated systems, or to fail to establish the communication and control committee, or to fail to appoint a compliance officer, according to the provisions of article 58, third paragraph, subsections V and VI;

VII. To perform Transactions with a Client who is on the list of blocked persons referred to in article 58 of this Law;

VIII. To exceed the transaction limits that FTIs are bound to under this Law, and

IX. To fail to comply with the provisions of article 55 of this Law when capital requirements are not met.

Article 106.- The powers of the Supervisory Commissions and Banco de México to impose the penalties of administrative nature set forth in this Law, as well as the provisions derived therefrom, shall expire in a term of five years, counting from the business day following the day when the behavior happened or the event of transgression occurred.

Article 107.- The Supervisory Commissions and Banco de México may, as well as imposing the relevant sanction, admonish the offender, or, only admonish the latter, considering their personal background, the seriousness of the conduct, whether there are no elements that demonstrate that the interests of third parties or the financial system are affected, that having caused a damage, this was repaired, as well as the existence of mitigating circumstances.

Article 108.- To safeguard the exercise of the right to access to public governmental information, the Supervisory Commissions and Banco de México, adhering to the guidelines that their respective Board of Governors issue, must make the general public aware, through their websites, of the sanctions that they impose for infringements to this Law or to the provisions derived therefrom, and for which they must indicate:

I. The name or corporate name of the offender;

II. The breached statute, the type of sanction imposed, amount or term, as applicable, and the transgressing behavior, and

III. The status of the resolution, indicating whether it is final or, whether it is susceptible to being challenged, and in the latter case, if any means of defense has been filed and of what kind, when such circumstances may come to light upon due notification from the competent authority.

In any cases, if the imposed sanction is left without no effects by a competent authority, such circumstance must also be published.

The aforementioned information will not be considered of a confidential or restricted nature.

Article 109.- CONDUSEF will sanction, with a penalty of 200 to 1,000 UMA, those FTIs that fail to comply with any of the provisions provided in this Law or in the general provisions derived therefrom, whose supervision, surveillance or compliance is incumbent upon said Commission.

Article 110.- When the CNBV suspects that a natural or legal person is acting as an FTI without the corresponding authorization, it may appoint an inspector and the necessary assistants to check the accounting records and any other documentation of the company, in order to check if they are indeed acting as such in violation of the provisions of this Law, in which case the CNBV may order the immediate suspension of Transactions or proceed to the closure of the business, company or establishment in question.

The procedures for inspection and suspension of Transactions referred to in the foregoing paragraph are of public interest.

The use of the expressions "financial technology institution", "FTI", " crowdfunding institution", "electronic payment funds institution" and others that express similar ideas in any language, referring to said concepts or to brands and products regarding the latter, by which the performance of the intrinsic activities of the aforementioned entities may be inferred, by persons other than those authorized to do so, regardless of the relevant criminal and administrative sanctions, will be punished by the CNBV with a penalty of 2,000 to 20,000 UMA and the respective company, business, firm or establishment may be shut down by the CNBV until the use thereof be changed.

Article 111.- Those affected by the actions of the Financial Authority that put an end to the procedures for authorization, for suspension of operations, or the imposition of administrative sanctions, may defend their interests through a motion for review, whose filing shall be optional.

The motion for review must be filed in writing within fifteen business days following the date on which the notification of the respective act becomes effective and it must be brought before the Board of Governors of the Supervisory Commission, when the act has been issued by said Board, or by the president of the Supervisory Commission, or before the latter in the case of acts carried out by other public officers.

The document whereby the motion for review is filled must contain:

I. The name or corporate name of the institution;

II. The address for hearing and receiving all kinds of summons and notices, which must be located within national territory;

III. The documents evidencing the capacity and personality of the institution;

IV. The act being challenged and the date of its notification;

V. The grievances caused by the act established in subsection IV of this article, and

VI. The evidence being offered, which must be immediately and directly related to the contested act.

When the filing institution does not comply with any of the requirements established in subsections I to VI of this article, the Financial Authority empowered to rule on the matter shall notify in writing a warning to the appellant for only one occasion, so that it may remedy the omission notified, within three business days following when the notice of said information takes effect and, in case the omission is not remedied in the timeframe stipulated in this paragraph, the Financial Authority shall deem that it has not been filed. If evidence is omitted it will be deemed as not offered.

In the case of sanctions imposed by Banco de México, the motion for reconsideration provided in the Banco de México Law shall apply, hence the procedure for bringing it shall be regulated according to the provisions of said Law.

Article 112.- The filing of a motion for review will suspend the effects of the act being challenged, in the case of penalties.

Article 113.- The Financial Authority in charge of resolving the motion for review may:

I. Dismiss the motion for being inadmissible;

II. Dismiss and non-suit in the following cases:

a) By express withdrawal of the appellant;

b) By the sudden occurrence of grounds of inadmissibility;

c) Because the effects of the act being challenged have ceased, and

d) Others admissible according to the law.

III. Confirm the challenged act;

IV. Revoke, totally or partially, the challenged act, and

V. Modify or order the reinstatement of the act being challenged, or issue or order the issuance of a new one to replace it.

Administrative acts may not be revoked or amended in the sections not challenged by the appellant.

The Financial Authority in charge of resolving the motion for review must deal with it without the intervention of the public officer that issued the administrative sanction that gave origin to the imposition of the corresponding motion.

Article 114.- The decision upon the motions for review by Financial Authorities other than Banco de México, must be issued within a period not greater than ninety business days after the date on which the motion was filed, when it is to be resolved by the president of the Supervisory Commission, or not greater than one hundred and twenty business days in the case of motions for review within the competence of the Board of Governors of the Supervisory Commission.

Article 115.- The Financial Entities, FTIs, companies authorized to operate with New Models or other persons under the supervision of the Supervisory Commissions, by way of their general director or equivalent and with the opinion of whoever is in charge of vigilance in the company, may submit to the authorization of the Supervisory Commissions or to Banco de México, as the case may be, an auto-correction program, when they detect irregularities or non-compliance with the provisions of this Law and other applicable legal provisions, including the authorizations referred to in this Law.

Under the terms of this article, the following cannot be matters for an auto-correction program:

I. The irregularities or breaches that are detected by the Supervisory Commissions or Banco de México in the exercise of their powers of inspection and surveillance, before the presentation by the Financial Entity, FTI, company authorized to operate with New Models or other persons under the supervision of said Authorities, of the relevant auto-correction program.

   It shall be understood that the irregularity was previously detected by the Financial Authorities in the case of surveillance powers, when the irregularity has been notified to the Financial Entity, FTI, companies authorized to operate with New Models or other persons under the supervision of the Supervisory Commissions or Banco de México, and in the case of powers of inspection, when it was detected in the course of the inspection visit, or corrected after the issuance of a request in the course of the visit;

II. When the infringement of the rule in question constitutes any of the criminal offenses established in this Law, and

III. When it is regarding a transgression considered as serious in terms of this Law.

Article 116.- The auto-correction programs referred to in the foregoing article will be bound by the general provisions issued by the Supervisory Commissions or Banco de México. Likewise, they must be signed by the person or department in charge of surveillance within the Financial Entity, FTI, company authorized to operate with New Models or other persons under the supervision of the Supervisory Commissions or Banco de México and be presented to the board of directors or equivalent body, in the immediately following session after the request for authorization was submitted to the Supervisory Commissions or Banco de México. Said auto-correction programs must encompass the irregularities or infringements committed, indicating the provisions considered to have been breached, the circumstances that originated the irregularity or infringement committed, as well as the actions adopted taken or that are intended to be taken by the Financial Entity, FTI, company authorized to operate with New Models or other persons under the supervision of the Supervisory Commissions or Banco de México to correct the irregularity or infringement that gave rise to the program.

In case the Financial Entity, FTI, company authorized to operate New Models or other persons under the supervision of the Supervisory Commissions or Banco de México should need a period of time to remedy the irregularity or infringement committed, the auto-correction program must include a detailed calendar of the activities to be carried out for such purposes.

If the Supervisory Commissions or Banco de México do not order the Financial Entity, FTI, company authorized to operate with New Models or other persons under their supervision, to modify or correct the auto-correction program within the twenty business days following its presentation, the auto-correction program shall be held as authorized in all of its terms.

When the Supervisory Commissions or Banco de México order the Financial Entity, FTI, company authorized to operate with New Models or other persons under their supervision, to make amendments or corrections so the auto-correction program adheres to what is established in the present article and other applicable legal provisions, they shall have a timeframe of five business days counting from the respective notification to remedy said deficiencies. Said term may be extended on one occasion only for up to five additional business days, with previous authorization from said Financial Authorities.

Should the shortcomings referred to in the foregoing paragraph not be remedied, the auto-correction program be held as not presented and, therefore, the irregularities or infringements committed may not be a matter for another auto-correction program.

Article 117.- During the validity of any auto-correction programs that were authorized by the Supervisory Commissions or Banco de México in terms of the foregoing articles, said Financial Authorities will refrain from imposing the sanctions set forth in this Law for the irregularities or breaches whose corrections are included in said programs. Likewise, during such period, the expiration term to impose sanctions shall be interrupted, resuming until it is determined that the irregularities or breaches that are object of the auto-correction program were not corrected.

The persons responsible for surveillance within the Financial Entities, FTIs, companies authorized to operate with New Models or other persons under the supervision of the Supervisory Commissions or Banco de México shall be obliged to follow up on the instrumentation of the authorized auto-correction program and to inform of the fulfillment of the program to the relevant Financial Authority and the board of directors and the general director or equivalent bodies or persons within the Financial Entity, FTI, company authorized to operate with New Models or other persons under the supervision of the Supervisory Commissions or Banco de México, in the form and under the terms that each Financial Authority may establish in the general provisions referred to in this Law. The foregoing, notwithstanding the powers of said Authorities to supervise, at any time, the state of progress and compliance of the auto-correction program.

If, as a result of the reports issued by the persons responsible for surveillance in the Financial Entities, FTIs, companies authorized to operate with New Models and other persons determined, or of the inspection and surveillance efforts of the Supervisory Commissions or Banco de México, the latter determine that the irregularities or breaches regarding the auto-correction program were not corrected in the timeframe given, they will impose the relevant sanction, increasing the amount of the penalty by up to forty percent, said amount being updatable in terms of the applicable tax provisions.

CHAPTER II
On Criminal Offenses

Section One
On Procedural Requirements and Statute of Limitation

Article 118.- In order to bring criminal proceedings for the criminal offenses referred to in this Chapter, the Ministry must submit a petition, with prior consultation of the CNBV; proceedings may also be brought at the request of persons regulated under this Law or of anyone who may have a legal interest. The crimes established in this Law will only cover fraudulent committing. Criminal actions in the cases established in this Law that can be prosecuted upon the petition of the Ministry, by persons regulated under this Law or anyone who may have a legal interest, will have a statute of limitation of three years counting from the day on which said Ministry, the person regulated under this Law or whomever may have a legal interest, came to know of the crime and the probable suspect and, if they are unaware of such, within five years to be calculated in accordance with the provisions of article 102 of the Federal Criminal Code. Once the legal requirements have been met, the statute of limitation will continue to run according to the rules of the Federal Criminal Code.

When proceeding upon the petition of the Ministry, in accordance with this article, the latter shall be considered the victim or aggrieved party in the criminal proceedings and trials relating to the crimes established in this Law. The attorneys of the Ministry appointed by the petitioner may act as legal advisors during such proceedings and lawsuits.

In criminal proceedings in which the Ministry is considered a party, it shall be bound by the provisions of the guidelines it issues on the application of alternative resolutions and forms of early dispute termination provided in the National Code of Criminal Procedures and other applicable laws, with respect to the crimes provided for in this Law.

Section Two
Crimes for the Protection of Property belonging to Clients of FTIs and Companies Authorized to Operate with New Models

Article 119.- Whoever improperly uses, obtains, transfers, or in any other way, dispose of the resources, electronic payment funds or virtual assets belonging to Clients of the FTIs, companies authorized to operate with New Models or the resources, electronic payment funds or virtual assets of these latter, shall receive a punishment of between three and nine years in prison and a fine of 5,000 to 150,000 UMA.

If the person guilty of the conduct mentioned in the foregoing paragraph should happen to be a shareholder, partner, board member, officer, directive, administrator, employee, or supplier of an FTI, a company authorized to operate with New Models, or an unrelated third party authorized thereby to access their own systems, it shall receive a sentence of between six to eighteen years in prison and a fine of 10,000 to 300,000 UMA.

Article 120.- Anyone empowered to dispose of the resources in charge of an FTI or a company, Financial Entity or other subject supervised by a Supervisory Commission or by Banco de México, authorized to operate with New Models, that does not return them to their clients when obliged to do so or should refuse to do so without just cause, will be sanctioned with imprisonment from three to nine years and a fine of 5,000 to 150,000 UMA.

Article 121.- Shareholders, partners, board members, officers, directors, administrators, employees or suppliers of an FTI, or of a company, or Financial Entity or other subject supervised by a Supervisory Commission or by Banco de México, authorized to operate with New Models, that divert the resources, payment funds or virtual assets of their Clients or of the FTIs themselves, toward any purpose other than the one agreed, will be sanctioned with imprisonment from three to nine years and a fine of 5,000 to 150,000 UMA.

When the diversion mentioned in the previous paragraph, leads to damages or losses for the FTI or the company or Financial Entity or other subject supervised by a Supervisory Commission or by Banco de México, authorized to operate with New Models, the following sanctions shall apply:

I. When the amount of the financial damage or loss, as the case may be, is greater than 2,200 UMA but not greater than 57,000 UMA; the sanction will be four to ten years in prison and a fine of 7,000 to 170,000 UMA.

II. When the amount of the financial damage or loss, as the case may be, is greater than 57,000 UMA but not greater than 400,000 UMA; the sanction will be five to eleven years in prison and a fine of 9,000 to 200,000 UMA.

III. When the amount of the financial damage or loss, as the case may be, is greater than 400,000 UMA, the sanction will be six to twelve years in prison and a fine of 10,000 to 250,000 UMA.

Article 122.- Those that use or disclose financial or confidential information of Clients for any purpose other than the performance of Transactions, without the prior express consent of the Client, will be sanctioned with two to six years in prison and a fine of 1,000 to 50,000 UMA.

Section Three
Crimes against the proper functioning of FTIs, or Companies Authorized to operate with New Models

Article 123.- Anyone who, having been removed or suspended, by a final resolution of the CNBV, under the terms of the provisions of article 62 of this Law, should continue to carry out the activities from which they were removed or suspended, or, occupies an employment, job, or commission

agency within the Mexican financial system, despite having been suspended from it, will be sanctioned with two to seven years in prison and a fine of 5,000 to 150,000 UMA.

Article 124.- The following will be sanctioned with seven to fifteen years in prison and a fine of 5,000 to 150,000 UMA:

I. Anyone who performs transactions or activities reserved for FTIs or for the companies or Financial Entities or other subjects supervised by a Supervisory Commission or by Banco de México, authorized to operate with new models, without the authorization provided for in this Law, and

II. Anyone who, having been authorized to operate as an FTI, carries out activities with virtual assets or foreign currencies, without the authorization referred to in article 30 or, in the case of credit institutions, without the authorization referred to in article 88.

Article 125.- Anyone who, in an attempt to obtain the authorization to operate as an FTI or with New Models or with virtual assets, provides false information to the relevant financial authority, will be sanctioned with imprisonment for seven to fifteen years and a fine of 5,000 to 150,000 UMA.

Article 126.- Anyone who provides to the relevant Financial Authorities false information regarding their accounting, financial, economic, and legal situation, required of them in terms of this Law, will be sanctioned with two to ten years in prison and a fine of 5,000 to 150,000 UMA.

Article 127.- Anyone who, on their own, or via a third party, discloses, publishes, or supplies to the public of an FTI or company authorized to operate with New Models false, altered or misleading information, will be sanctioned with two to ten years in prison and a fine of 5,000 to 150,000 UMA.

The same sanction shall be applicable to applicants for crowdfunding or the members of the board of directors, executives, officers, or employees of said applicants, that fall under the category outlined in the foregoing paragraph, that supply information that is false or misleading to the FTI or company authorized to operate with New Models.

Article 128.- Anyone who destroys or modifies, in whole or in part, the accounting records or systems or the source documentation for the accounting book entries of an FTI or company authorized to operate with New Models, before the expiry of the legal timeframe for their conservation, will be sanctioned with two to ten years in prison and a fine of 5,000 to 150,000 UMA.

Article 129.- Anyone who poses before the general public as an FTI or company or Financial Entity or other subject supervised by a Supervisory Commission or by Banco de México, authorized to operate with New Models under the terms of this Law, without having the relevant authorization, will be sanctioned with one to six years in prison and a fine of 5,000 to 150,000 UMA.

Section Four
Crimes for the Protection of Property belonging to FTIs and Companies Authorized to Operate with New Models

Article 130.- Anyone who, by the use of any physical, documentary, electronic, optical, magnetic, audio or audiovisual means, computers, or any other kind of technology, impersonates the identity, representation or personality of any of the Financial Authorities or of any of their administrative units or departments or of a public officer, of the FTIs or companies authorized to operate with New Models, or any of their executives, board members, employees, officers, dependents or legal representatives, will be sanctioned with three to nine years in prison and a fine of 5,000 to 150,000 UMA.

Anyone involved in the criminal activities mentioned in the foregoing paragraph that garner profits for themselves or for a third party, will be sanctioned with six to twelve years in prison and fine of 10,000 to 250,000 UMA.

Article 131.- Anyone who uses, performs, or obtains, on their own, or through a third party, any service, Transaction, or product supplied by any of the FTIs or company or Financial Entities or other subject supervised by a Supervisory Commission or by Banco de México, authorized to operate with New Models as provided under this Law, under a false identity or through impersonation, will be sanctioned with three to nine years in prison and a fine of 5,000 to 150,000 UMA.

Article 132.- Anyone who, without legitimate cause or the consent of the person empowered to do so, accesses the equipment or the electronic, optical, computer means, or any other technology belonging to an FTI or company authorized to operate with New Models, will be sanctioned with three to nine years in prison and a fine of 5,000 to 150,000 UMA.

Article 133.- Anyone who, without authorization obtains, extracts, or diverts resources, electronic payment funds or virtual assets through the computer systems or equipment of an FTI or company or Financial Entities or other subjects supervised by a Supervisory Commission or by Banco de México, authorized to operate with New Models, will receive the following penalties:

I. When the amount of the resources or the value of the electronic payment funds or virtual assets at the time of the commission of the offense referred to in this article, as the case may be, is greater than 2,200 UMA but not greater than 57,000 UMA; the sanction will be four to ten years in prison and a fine of 7,000 UMA to 170,000 UMA.

II. When the amount of the resources or the value of the electronic payment funds or virtual assets at the time of the commission of the offense referred to in this article, as the case may be, exceeds 57,000 UMA, but not greater than 400,000 UMA; the sanction will be five to eleven years in prison and a fine of 9,000 UMA to 200,000 UMA.

III. When the amount of the resources or the value of the electronic payment funds or virtual assets at the time of the commission of the offense referred to in this article, as the case may be, exceeds 400,000 UMA, the sanction will be six to twelve years in prison and a fine of 10,000 UMA to 250,000 UMA.

TITLE VII
On Notices

Article 134.- Notices on the requirements, inspection visits, provisional remedies, requests for information and documents, citations, service of process, resolutions on the imposition of administrative sanctions or any act that puts an end to the suspension of the revocation of authorization procedures established hereunder, as well as the acts that deny the authorizations provided for in this Law and the administrative resolutions that fall upon the motion for review pursuant to the applicable laws, may be done as follows:

I. In person, in accordance with the following:

   a) At the offices of the Financial Authorities, according to what is set forth in article 136 of this Law;

   b) At the domicile of the interested party or their representative, in terms of what is set forth in articles 137 and 140 of this Law, and

   c) At any place where the interested party or their representative may be, in the cases established in article 138 of this Law;

II. Through an official communication delivered by authorized courier or by registered mail, both with an acknowledgement of receipt;

III. Through service of process through publication, in the cases referred to in article 141 of this Law, and

IV. Through electronic means, in the cases referred to in article 142 of this Law.

Regarding the information and documentation that must be presented to the inspectors of the CNBV during an inspection visit, what is set forth in the regulations issued by the Federal Executive on matters of supervision must be observed, in terms of article 5, first paragraph of the National Banking and Securities Commission Law.

Article 135.- The authorizations, revocations of authorizations requested by the interested party or their representative, the acts arising from procedures motioned at the request of the interested party and any other acts other than those mentioned in the previous article of this Law, may be notified through the delivery of the official communication in which the corresponding act is recorded, at the offices of the authority serving the notice, obtaining the signature and the name of the person receiving said notice in the copy thereof.

Likewise, the Financial Authorities may serve said notice through ordinary mail, electronic mail, or courier service when the interested party or their representative so requests it in writing, stating the necessary information for the receipt of the notification, leaving in the relevant file evidence of the time and date when such notice was served.

Notwithstanding the foregoing, the acts referred to in the first paragraph of this article may be notified through any of the means of notification established in the previous article.

Article 136.- Personal notices may be served at the offices of the Financial Authorities only when the interested party or their representative attends thereto and express their consent to receive said notices; for which purpose, whoever is serving the notice will draw up the corresponding records in duplicate, that complies with the regulations applicable to this kind of acts.

Article 137.- Personal notices may be served with the interested party or their representative, at the last address they provided to the corresponding Financial Authority, or the last address indicated to the actual Authority in the relevant administrative-law proceedings in question, for which purpose the corresponding shall be put on record in the terms referred to in the penultimate paragraph of this article.

In the event that the interested party or their representative are not found at the aforementioned address, whoever is serving the notice shall deliver the citation to the person attending the procedure, requiring the interested party or their representative to await them at a fixed time set forth on the following business day, and said citation will warn the summonsed party that if they should not appear at the time and day stipulated, the notice shall be served with whomever receives it, or in the event that said address is closed or the occupants refuse to receive the respective notice, it will be served by means of an official letter of notification in accordance with the provisions of article 140 of this Law. Whoever serves the notice shall put on record in the terms provided for in the penultimate paragraph of this article.

The citation referred to in the foregoing paragraph must be drafted in duplicate and addressed to the interested party or their representative, indicating the place and date of issuance, the date and time set in which they must await the server, who must write down his/her name, position, and signature on said citation, the reason for the appearance at the domicile and the corresponding warning, as well as the name and signature of the person receiving it. In the event the latter refuses to sign it, such circumstance shall be written down in the citation, without this affecting its validity.

On the day and time set to carry out the procedure pertaining to the citation, the person in charge of carrying it out will attend the address in question, and upon finding the summonsed party present, he/she shall put on record in the terms referred to in the penultimate paragraph of this article.

In the event that the summonsed party were not to appear, the notice shall be served with any person found at the address where the procedure is to be served; for such purposes it shall be put on record in terms of this article.

In any case, the person serving the notice shall put on record in duplicate, in addition to the circumstances previously indicated, their name, position and signature, their affirmation of having attended in person at the correct address, that they serve notice on the interested party, their representative or the person who attended the proceedings, after having identified said persons, the official letter containing the administrative act to be notified, they shall also leave evidence of the appointment of the witnesses, the place, time and date in which it is drafted, the identification numbers of the official letter, the means of identification provided, the name of the interested party, legal representative or person attending the proceedings and the designated witnesses. If the person who intervenes refuses to sign or to receive the record, such circumstance shall be recorded thereat, without this affecting its validity.

For the appointment of witnesses, whoever is serving the notice shall require the interested party, its representative, or the person attending the proceedings to appoint them; in the event that they refuse or the appointed witnesses do not accept the appointment, then the process server shall appoint them.

Article 138.- In the event that the server of the notice was to seek the interested party or their representative at the address referred to in the first paragraph of the foregoing article of this Law, and the person in attendance should deny that it is the address of said interested party or their representative, the process server shall put on record such circumstance. Said record shall comply, as appropriate, with the requirements provided in the penultimate paragraph of the foregoing article.

In the case provided herein, the process server may serve the notice in person at any place where the interested party or its representative is present. For purposes of such notice, the process server shall prepare the record attesting that the person being served notice is personally known to them or has identified such person by two witnesses, in addition to entering in writing, in the relevant parts thereof, the requirements provided in the penultimate paragraph of aforesaid article, or, otherwise shall serve such notice before a public notary.

Article 139.- Notices served through official communication delivered by means of courier service or registered mail, with acknowledgment of receipt, shall become effective the business day following the date recorded as the receipt date on said acknowledgement of receipt.

Article 140.- In the event that on the date and time indicated on the citation served as provided in terms of article 137 of this Law, the process server finds the corresponding address closed or otherwise, if the interested party, their representative or whoever attends the proceedings refuses to receive the official communication subject of the notice, the process server shall make effective the official warning stated in the aforesaid notice. For such purpose the process server shall serve the notice by putting a document in a visible place of the domicile, attaching the official communication containing the subject matter of the notification, before the presence of two witnesses that shall be designated to such effect.

The service of notice document hereinbefore referred shall be drawn up in duplicate and shall be addressed to the interested party or their representative. Said notice will contain the circumstances justifying the notification in such a way shall be attested, the place and date of issuance; the name, title, and signature of the process server; the name, identification information and signature of the witnesses; the reference that whoever served such notice verified that they presented and appeared at the correct address, and the identification data of the official letter containing the act to be so notified.

The notification document will serve as proof of the existence of the acts, deeds or omissions recorded therein.

Article 141.- Notices by service of process thorough publication shall be served in the event that the interested party has disappeared, died, their address is unknown, or it is impossible to locate them, and there is no known representative or address within the country, or is abroad without having appointed a representative.

For such purposes, a summary of the respective official letter shall be published on three consecutive occasions in a newspaper of nationwide circulation, notwithstanding that the Financial Authority serving the notice may broadcast the notice served by process of publication on their website on the worldwide web, known as the "Internet"; indicating that the original official communication is available at the address that shall also be established in such service of process by publication.

Article 142.- Notices through electronic means, with acknowledgement of receipt, may be served as long as the interested party or their representative have accepted it or expressly requested it in writing to the Financial Authorities through the automatized systems and security mechanisms that each of them may establish within the scope of their respective powers.

Article 143.- Notices not served in accordance with this Title, will be deemed as legally served and will become effective on the business day following the date on which the interested party or their representative confirm knowledge of their contents.

Article 144.- For the purposes of this Law, the domicile to hear and receive notices shall be the last one supplied to the Financial Authorities, or the one provided in the relevant administrative procedure.

In the circumstances indicated on the foregoing paragraph, the notice may be served with any of the persons who are present at the aforesaid address.

Article 145.- The notices referred to in this Title shall become effective the business day following the day one on which:

I. They were personally served;

II. The official letter was delivered, in the circumstances established mentioned in articles 135 and 140;

III. The last publication established in article 141 was carried out, and

IV. They were served through regular mail, electronic means, or courier service.

TRANSITIONAL PROVISIONS

FIRST. - This Law will come into force on the day following its publication in the Official Journal of the Federation.

SECOND. - The Ministry of Finance and Public Credit will have a 6-month period from the coming into force of this Law to issue the general provisions to which article 58 of this Law refers to.

Likewise, it will have a 12-month period to issue the general provisions referred to in article 82, section VI of this Law.

THIRD. - The National Banking and Securities Commission will have the following timeframes after the coming into force of this Law, to issue the following general provisions:

I. Six months to issue the general provisions to which articles 18, section I; 36, section IV; 39, sections VI, XI, XII and XVI; 44; 45; 48, first paragraph, for the rules related to accounting and business continuity plan;

II. Twelve months to issue the general provisions to which articles 18, subsection IV; 54; 56, second paragraph; 57; 73; 82, subsection VI; 89, subsection IV and 116 of this Law refers to, and

III. Twenty-four months to issue the general provisions referred to in articles 55, and 76 of this Law.

FOURTH. - The National Commission for the Protection and Defense of Financial Services Users will have a 12-month period from the coming into force of this Law to issue the general provisions to which article 57 of this Law refers to.

Likewise, it will have a 12-month period to issue the general provisions referred to in article 82, subsection VI of this Law.

FIFTH. - The National Retirement Savings System Commission and the National Insurance and Surety Commission will have the following timeframes after the coming into force of this Law, to issue the following general provisions:

I. Twelve months to issue the general provisions referred to in articles 82, subsection VI, and 116 of this Law, and

II. Twenty four months to issue the general provisions referred to in article 76 of this Law.

SIXTH. - The Banco de México shall have the following timeframes after the coming into force of this Law, to issue the following general provisions:

I. Six months to issue the general provisions referred to in articles 26 and 44 of this Law;

II. Twelve months to issue the general provisions referred to in articles 30; 32; 46; 57; 82, subsection VI, and 116 of this Law, and

III. Twenty-four months to issue the general provisions referred to in article 76 of this Law.

SEVENTH. - The National Banking and Securities Commission and Banco de México will have a 12-month period to issue jointly the provisions to which articles 48, 54, 56, second paragraph of this Law refer to, as well as to enter into the agreement established in article 71 of this ordinance.

EIGHTH. - The persons that by the coming into force of this ordinance are performing the activities regulated by this Law shall comply with the obligation of requesting their authorization before the National Banking and Securities Commission in the terms provided in the general provisions to be issued for such effect, within a timeframe not exceeding twelve months from the effective date of these provisions. Said persons may continue performing such activities until the National Banking and Securities Commission resolves their request, but for as long as they do not receive the respective authorization they must publish on their website or other means used by them, that the authorization to carry out such activity is under analysis for which it is not an activity supervised by the Mexican authorities. The National Banking and Securities Commission shall deny the authorization to the persons failing to comply with the publication obligation stated in this paragraph.

In case that the persons referred to in the preceding paragraph do not request their authorization within the 12-month period provided therein or if they fail to obtain it once requested, they must refrain to continue providing their services for the performance of new Transactions and they may only carry out the acts aimed for the conclusion or transmission of the existing Transactions regulated by this Law, notifying their Clients of said circumstance and the form through which they shall be terminated or transferred.

The competent authorities shall seek that in the websites of the companies that fail to obtain or have not been granted the corresponding authorization, a warning to the Clients regarding the risks of operating with said entities is included, and they shall seek to prevent their offer in national territory, except for what it is established in the first paragraph of this article.

NINTH. - The persons that are bound to create standardized computer application programming interfaces must comply with this obligation in the terms set forth in the general provisions to be issued, within a timeframe that does not exceed twelve months from the coming into force of said provisions.

TENTH. - At the proposal of the Ministry of Finance and Public Credit, the House of Representatives must allocate resources in the Expense Budget of the Federation for the development of the powers that the National Banking and Securities Commission and the National Commission for the Protection and Defense of Financial Services Users shall exercise, pursuant to this Law, for the establishment of the department in charge of preparing and implementing the program and guidelines for the companies authorized to operate with the New Models regulated by this Law.

ELEVENTH. - The Financial Innovation Group must hold its first session during the first six months following the coming into force of this Law. In said session, the bases that will govern its organization and operation must be approved.

ARTICLES TWO TO TEN. ……….

TRANSITORY ARTICLES

SOLE. -This Decree will come into force on the day following its publication in the Official Journal of the Federation, unless the Transitional Provisions of this Decree provide otherwise.

Mexico City, on March 1st, 2018. -Sen. **Ernesto Cordero Arroyo**, President.- Rep. **Edgar Romo García**, President.- Sen. **Rosa Adriana Díaz Lizama**, Secretary.- Rep. **Ana Guadalupe Perea Santos**, Secretary.- Signatures."

In compliance with the provisions in subsection I of Article 89 of the Political Constitution of the United Mexican States and for its due publication and observance, I issue this Decree in the municipality of Acapulco de Juárez, State of Guerrero, on March eighth of the year two thousand and eighteenth. - **Enrique Peña Nieto**.- Signature."- The Secretary of the Interior, **Dr. Jesús Alfonso Navarrete Prida**.- Signature."