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.

Chapter I Nature, Purposes and Functions
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Transitory articles

BANCO DE MÉXICO LAW
Published in the Official Journal of the Federation on the 23rd of December, 1993

TEXT IN EFFECT
Last amendment published in the Official Journal of the Federation on the 10th of January, 2014

In the margin, a seal bearing the National Coat of Arms reading: United Mexican States.- Presidency of the Republic.
CARLOS SALINAS DE GORTARI, Constitutional President of the United Mexican States, to its inhabitants, let it be known:
That the Honorable Congress of the Union, has addressed me the following
DECREE
“THE UNITED MEXICAN STATES CONGRESS HEREBY DECREES THE:
BANCO DE MÉXICO LAW

Chapter I
Nature, Purposes and Functions

ARTICLE 1.- The central bank shall be a legal entity subject to public law, autonomous in nature, and shall be named Banco de México. In the exercise of its functions and administration, it shall be regulated by the provisions set forth in this Law, which regulates paragraphs six and seven of article 28 of the Political Constitution of the United Mexican States.

ARTICLE 2.- The purpose of Banco de México shall be the provision of national currency to the Mexican economy. In pursuing this purpose, its main objective shall be to procure the stability of the purchasing power of said currency. The Bank shall also have as purposes, promoting the sound development of the financial system and fostering the proper functioning of the payment systems.
ARTICLE 3.- The Bank shall perform the following functions:
I. Regulate: the issuance and circulation of currency, foreign currency exchange, financial intermediation and services, as well as the payment systems;
II. Operate as reserve bank and lender of last resort for credit institutions;
III. Provide treasury services to the Federal Government and act as its financial agent;
IV. Act as advisor to the Federal Government on economic and, particularly, financial issues;
V. Participate in the International Monetary Fund and other international financial cooperation institutions or those embodying central banks, and
VI. Operate with the institutions referred to in section V above, with central banks and with other foreign legal entities that carry out authority functions in financial issues.

Chapter II
Currency Issuance and Circulation

ARTICLE 4.- Banknote issuance and ordering coin minting shall pertain exclusively to Banco de México, as well as placing such banknotes and coins into circulation through the operations hereby authorized by this Law.

ARTICLE 5.- Banknotes issued by Banco de México shall bear: the denomination, both in number and in writing; the series and number; the issuance agreement date; the facsimile signatures of a member of the Board of Governors and of the Chief Cashier; the caption "Banco de México", and other features specified by the Bank.

The Bank may print its banknotes or entrust their printing to third parties.

ARTICLE 6.- The Bank, either directly or through its correspondents, shall exchange on demand, without any limitation and upon request by the holder, the banknotes and coins issued for other banknotes or coins of the same or different denomination.

Should the Bank or its correspondents lack the denominations of the requested banknotes or coins, the obligation of currency exchange shall be fulfilled by providing banknotes or coins of the closest available denominations to those requested.

The coins referred to in article 62 section II are excluded from the provisions of this article.

In fulfilment of its obligation of currency exchange with credit institutions, the Bank may provide them with the denominations of banknotes or coins whose circulation the Bank deems adequate to facilitate payments.

Chapter III
Transactions

ARTICLE 7.- Banco de México may perform the following acts:
I. Trade with securities;
II. Grant credit to the Federal Government, to credit institutions and to the decentralized agency denominated Instituto para la Protección al Ahorro Bancario (Institute for the Protection of Bank Savings);
(Amended by decree published in the Official Journal of the Federation on the 19th of January, 1999.)
III. Grant credit to the entities referred to in article 3 section VI;
IV. Constitute deposits in either domestic or foreign credit institutions or security depository institutions;
V. Purchase securities issued by international financial organizations or foreign legal entities, as included in article 20 section II;
VI. Issue monetary regulation bonds;
VII. Receive bank deposits from the Federal Government, domestic and foreign financial institutions, public economic development trusts and from those referred to in section XI below, from the securities depository institutions, as well as entities of the federal public administration, when so established by law;
VIII. Receive bank deposits from the legal entities referred to in article 3 section VI;
IX. Receive credits from the legal entities referred to in article 3 section VI and from foreign financial institutions, exclusively for foreign exchange regulation purposes; as well as make guarantees in cash or with securities in regards to the financial transactions that it executes with said entities pursuant to the present Law, derived from the international reserves administration.
(Amended by decree published in the Official Journal of the Federation on the 10th of January, 2014)
X. Carry out transactions involving foreign currency, gold, and silver, including repurchase agreements;
XI. Act as trustee when appointed by law or regarding trusts whose purposes contribute to the performance of the functions of the Bank or that have been established by the Bank to fulfill its labor obligations, and
XII. Receive deposits of credit instruments or securities from the legal entities referred to in sections VII and VIII above, either for safekeeping or for administration.

The Bank may also receive deposits of other effects from the Federal Government.

The Bank may only perform the acts explicitly set forth in this Law or those closely related thereto.

ARTICLE 8.- The transactions referred to in article 7, shall be entered into in accordance with the prevailing market conditions at the time of their constitution, except for those transactions with no market value due to their nature.

Additionally, transactions performed by the Central Bank involving securities, except those set forth in article 7 sections IV, V and XII, and in article 9 section I, shall be carried out exclusively through auctions of credit instruments payable by the Federal Government, credit institutions or by the Bank itself.

ARTICLE 9.- Banco de México shall not lend securities to the Federal Government nor acquire them from it, except for purchases of securities payable by the Government itself that meet one of the two following conditions:
I. The purchases are covered by cash deposits not withdrawable before their maturity date, constituted by the Government in the Bank with the proceeds of the placement of said securities, with amounts, terms and yield equal to those of the traded securities; or
II. The security purchases result from bids raised by the Bank in the primary auctions of said securities. The amount of those purchases under no circumstance may exceed the amount of the credit instruments payable by the Government, owned by the Bank that expire on the date the securities are auctioned.

ARTICLE 10.- The role as agent of the Federal Government for the issuance, placement, purchase and sale of government domestic debt securities and, in general, for the service of said debt, shall pertain solely to the Central Bank.

ARTICLE 11.- Banco de México may only grant credit to the Federal Government through the current account that the Federal Treasury holds in the Bank, and subject to the provisions of article 12. For the purposes of this Law, securities
payable by the Federal Government that are owned by the Central Bank are not considered as credit.

**ARTICLE 12.** Banco de México shall manage a current account for the Federal Treasury, according to the terms agreed upon by both parties, but in all cases subject to the following:

I. Charges or payments to this account shall be made only under direct order from the Federal Treasurer to the Bank. The Bank shall receive said order at least one banking business day before the date the respective charge or payment shall be made;

II. Banco de México may, without the authorization of the Federal Treasurer, charge the account in order to cover the service of the domestic debt of the Federal Government;

III. No checks or any other documents payable to third parties may be drawn on this account, and

IV. The balance of the Federal Government in the current account, if any, shall never exceed the equivalent to 1.5 percent of the expenses of the Federal Government as laid out in the Federal Expenditure Budget for the corresponding year, without considering the expenditures indicated for redemption of the debt of said Government; except when the temporary differences between public revenues and expenses increase considerably, due to extraordinary circumstances.

Should the negative balance of the account exceed the aforementioned limit, the Bank shall place on the market securities on behalf of and payable by the Federal Government, for an amount equivalent to such surplus. If deemed necessary or appropriate, the Bank, likewise, on behalf of the Federal Government, shall issue securities payable by the Government to place them on the market. In determining the characteristics of the placement and, if applicable, the issuance, the Bank shall seek the best possible terms for the Government, as the market allows it.

The Bank shall place the aforementioned securities within fifteen business days counted from the date on which the limit is exceeded, settling the excess credit with the proceeds of the corresponding placement. In exceptional cases the Board of Governors of the Bank may extend that term in one or more instances, for a total duration of no longer than three months, if deemed adequate to avoid disruptions in the financial market.

**ARTICLE 13.** When the laws state that Banco de México shall make contributions to international financial institutions, the Federal Government will provide the Bank with the respective funds in a timely manner, except as provided for hereafter. The payment of contributions to the International Monetary Fund shall be made with resources from Banco de México.

**ARTICLE 14.** The transactions carried out by Banco de México with credit institutions shall be effected through auctions or in accordance with the general provisions issued by the Bank. Financing granted by the Central Bank to credit institutions, whether by granting credit or purchasing securities, may only have monetary regulation purposes.

**ARTICLE 15.** Provisions from articles 8 paragraph two and 14, shall not apply to financing granted by the Central Bank to credit institutions in order to prevent disruptions in the payment systems, nor to transactions by the Bank as lender of last resort.

**ARTICLE 16.** Financing granted by Banco de México to credit institutions shall be guaranteed by cash deposits and securities that said institutions hold at the Central Bank. On the maturity date of the aforementioned financing, the Bank shall be entitled to charge the corresponding amounts to the accounts in which the cash deposits are registered.
ARTICLE 17.- Monetary regulation bonds issued by Banco de México, shall be credit instruments registered or payable to bearer, and shall have other characteristics as determined by the Bank. Said securities shall be kept in deposit for the Bank administration whenever the Bank so determines.

Chapter IV
International Reserves and the Exchange Rate Regime

ARTICLE 18.- Banco de México shall maintain an international reserve aimed at supporting the stability of the domestic currency purchasing power, by offsetting imbalances between the foreign currency incomes and disbursements of the country.

ARTICLE 19.- The reserve referred to in the previous article shall be constituted of:

I. The foreign currency and gold, property of the Central Bank, that are free of all encumbrances and whose availability is not subject to any restriction;

II. The amounts resulting from the difference between the participation of Mexico in the International Monetary Fund and the balance of the liabilities that are payable by the Bank, when this balance is less than the aforementioned participation, and

III. The foreign currency received from financings obtained for exchange regulatory purposes, from the legal entities referred to in article 3 section VI.

To determine the amount of the reserve, it shall not be taken into consideration foreign currency not yet received from the sale of domestic currency. Furthermore, the liabilities of the Institution in foreign currency and gold shall be deducted, except for those liabilities with maturities over six months and those corresponding to the financing referred to in section III of this article.

ARTICLE 20.- For the purposes of this Law, the term foreign currency includes: foreign banknotes and coins, bank deposits, credit instruments, and all types of credit documents payable abroad and denominated in foreign currency, as well as, in general, international means of payment.

Foreign currencies that may qualify as part of the reserve are:

I. Foreign banknotes and coins;

II. Deposits, credit instruments, securities and other obligations payable abroad that are considered to be first rate in international markets, denominated in foreign currency, and payable by foreign governments, international financial organizations and foreign entities, provided that they are highly liquid or due within a term no longer than six months;

III. Current credits payable by central banks, due within a term no longer than six months, and

IV. Special Drawing Rights issued by the International Monetary Fund.

ARTICLE 21.- Banco de México shall act on foreign exchange matters, in accordance with the guidelines set forth by Foreign Exchange Commission. Said Commission shall be comprised by the Secretary and Undersecretary of the Ministry of Finance and Public Credit, another Undersecretary of said Ministry appointed by the corresponding Secretary, the Governor of the Bank and two more members of the Board of Governors designated by the Governor. Members of the Commission shall not have alternates.

Commission meetings shall be presided by the Secretary of Finance and Public Credit, in his absence, by the Governor...
and, in the absence of both, by the undersecretary appointed by the aforementioned Secretary. Whoever presides the session will have the decisive vote in case of a tie.

The Commission may meet at any time upon request of the Secretary of Finance and Public Credit or by the Governor; at least three of its members shall be present for its sessions, provided that both, the Secretary of Finance and Public Credit and Banco de México are represented. Resolutions of the Commission will be made by majority vote, being required at least one favorable vote from one of the representatives of the aforementioned Ministry in all cases. The Governor will inform the Board of Governors of said resolutions.

The secretary of the Board of Governors and his/her alternate will also function in these capacities on the Foreign Exchange Commission.

**ARTICLE 22.** The Commission shall be entitled to:

I. Authorize the procurement of the credits referred to in article 7 section IX;

II. Establish the criteria that the Bank shall be subject to, in the exercise of its duties set forth in articles 32, 34 and 35, as well as in article 33 concerning development banking, and

III. Establish guidelines for the management and valuation of the reserve referred to in article 18.

**ARTICLE 23.** In pursuing its main objective, Banco de México may offset any increase in the amount of currency into circulation or in its on-demand obligations that result from the purchases of foreign currency made pursuant to the guidelines referred to in article 21, by placing, or in such case by issuing, securities payable by the Federal Government under the terms established in article 12, section IV, paragraph two. The placement referred, on account of the Federal Government, can be carried out only if the amount of securities payable by the Federal Government, and held by the Bank as part of its assets, is less or equal to the amount of the deposits referred to in article 9 section I, and the Bank does not have any other highly tradable securities available. Upon carrying out the placement, the Bank will deposit the proceeds thereof into a non-interest bearing securities, payable by the Bank in favor of the Government. The deposited funds will be given to the Government at the time of, and in the amount equivalent to, the net sales of foreign currency that the Bank carries out, and that, on their own, determine a decrease in the circulation of currency or in the amount of on-demand obligations payable by the Bank.

**Chapter V**

**Issuance of Regulations and Sanctions**

**ARTICLE 24.** Banco de México may issue regulations in terms of the present Law exclusively for monetary or exchange regulation purposes, the sound development of the financial system and the proper functioning of the payment systems, or the protection of public interest, without prejudice of further provisions that it may issue as provided in other laws that grant the Bank powers to issue regulation in the matters indicated therein. When issuing its regulations, the Bank shall indicate the reasons for its issuance.


Said regulations shall be of general applicability, and may refer to one or several types of intermediaries, to certain types of transactions or to certain regions or locations.

The sanctions Banco de México imposes pursuant to article 36 Bis of the present Law, to provide for the compliance of its regulation, shall have the objective to preserve the effectiveness of public order provisions established in this Law, and in other laws that empower the Bank to regulate the matters indicated therein, thus providing, where pertinent, to
the purposes mentioned in the first paragraph of this article.

*Paragraph amended by decree published in the Official Journal of the Federation on the 10th of January, 2014*

In the rules issued to this effect, Banco de México shall establish the procedure, as well as the form and terms that the administrative units shall follow for the imposition of the sanctions that the present Law refers to.

*Paragraph added by decree published in the Official Journal of the Federation on the 10th of January, 2014*

**ARTICLE 25.**- Banco de México shall determine the conditions under which credit institutions shall exchange and withdraw banknotes and coins from circulation.

**ARTICLE 26.**- The characteristics of the active, passive, and service operations carried out by credit institutions, as well as those of credit, loans and repurchase agreements executed by stock exchange intermediaries, shall comply with the regulations issued by the Central Bank. Furthermore, the financial institutions shall comply with those other regulations of general nature issued by Banco de México in exercise of the powers granted by the laws that regulate the referred entities in the matters indicated.

*Paragraph amended by decree published in the Official Journal of the Federation on the 10th of January, 2014*

Banco de México will regulate the fees and active and passive interest rates, as well as any charge of transactions entered into by financial institutions with customers. For the exercise of such powers, Banco de México may request the opinion of the Comisión Nacional Bancaria y de Valores (National Banking and Securities Commission), the Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros (National Commission for the Protection of Users of Financial Services) or the Comisión Federal de Competencia (Federal Antitrust Commission) and apply, for such purposes, the provisions of the Law for Transparency and Regulation of Financial Services.

*Paragraph added by decree published in the Official Journal of the Federation on the 25th of May, 2010*

The provisions of this article shall also apply to trusts, mandates and commissions of the stock exchange intermediaries and of the insurance and surety institutions.

**ARTICLE 27.**- Banco de México, in the imposition of the sanctions referred to in this Law, will consider the following:

I. The profit obtained, as well as the amount of the loss or pecuniary loss caused, as the case may be;

II. The risks that the pertinent intermediaries and entities incurred upon the entering into transactions that gave place to the corresponding sanction;

III. The duration of the breach;

IV. The recidivism, the causes that originate it and the corrective action applied by the presumed transgressor, in such case.

Whoever incurs in the same breach that has already been committed and penalized within the two years immediately after the date on which the corresponding resolution became final, will be considered a recidivist. The recidivism may be fined with a civil money penalty equivalent to double of the amount originally applicable;

V. The seriousness of the breach committed;

VI. The economic capacity of the transgressor; and

VII. Any other particular circumstances that Banco de México deems applicable for the individualization of the respective sanction.

In the case of the sanctions referred to in subsections a) and b) of section III in article 36 Bis, Banco de México will
consider, in addition to the aspects referred to in the previous sections, the causes that originate the shortages that gave place to the corresponding breach, and in particular, if these were a result of unusual fund withdrawals, critical situations of intermediaries, or to errors or omissions of administrative nature in which, in the opinion of the Bank, no bad faith was involved.

Considering the circumstances of each case, in addition the corresponding penalty imposed, Banco de México may caution the transgressor, or, only admonish him considering its background, the seriousness of the conduct, if the interests of third parties are not affected, and, in such case, the existence of mitigating factors. For purposes of this article, a mitigating factor shall be considered, in the imposition of an administrative sanction, among others, when the presumed transgressor attests to the Bank, the compensation of the damage caused.

Banco de México may abstain from penalizing the financial entities or intermediaries, provided that the cause for such an inaction is justified and there is reference to facts, acts, or omissions that do not display seriousness, recidivism does not exist, and there are not enough elements to demonstrate that the interests of third parties or of the financial system are affected and these do not constitute a crime.

(Article amended by decree published in the Official Journal of the Federation on the 10th of January, 2014)

ARTICLE 28.- Banco de México has the faculty to determine the portion of liabilities that credit institutions shall invest in cash deposits in the Central Bank, with or without interest, in highly tradable securities, or in both types of investments.

The previous paragraph will also apply to trusts, mandates and commissions, except for those constituted by the Federal Government, through which trust institutions obtain public deposits, or receive funds whose purpose is granting credit or investing in securities.

The mandatory investments referred to in paragraphs one and two of this article may not exceed twenty and fifty percent, respectively, of the corresponding liabilities or funds.

The Bank may also determine that up to one hundred percent of the resources raised by credit institutions for specific purposes, or in accordance with special regimes provided by law, remain invested in certain types of assets consistent with those purposes or regimes.

ARTICLE 29.- (Repealed)
(Article repealed by decree published in the Official Journal of the Federation on the 10th of January, 2014)

ARTICLE 30.- The Bank representatives in the governing bodies of the financial system supervisory commissions, shall be entitled to suspend, for up to five business days, the execution of the resolutions adopted by said commissions that may affect monetary policy. Within this period, the Bank shall inform its opinion to the respective governing body so it may issue a final resolution.

Resolutions adopted by competent authorities regarding the purchase of securities by investment funds, payable by the Federal Government or by Banco de México, shall be subject to the approval of the Central Bank before their implementation.
ARTICLE 31.- The Central Bank may regulate fund transfer services that are provided by credit institutions or by other companies dedicated professionally to the provision of such services.

ARTICLE 32.- When credit institutions, stock exchange intermediaries, foreign exchange firms, as well as other intermediaries, are part of financial groups or subsidiaries of the aforementioned institutions or stock exchange intermediaries, they will arrange their transactions with foreign currency, gold and silver according to the regulations issued by Banco de México. On equal terms, the Bank will have preference over any other person or legal entity with regard to purchases, sales and other transactions usually carried out in the respective markets.

Whenever the Bank so provides, the aforementioned intermediaries will be obligated to constitute on demand money deposits in favor of the Bank and payable by first rate foreign institutions, denominated in the foreign currency normally used by the Bank to intervene in the foreign exchange market, for the amount in which the assets of said intermediaries in foreign currency, gold and silver exceed their obligations in such effects. The Bank will pay the intermediaries with the equivalent in domestic currency of said deposits, computed using the exchange rate published by the Bank in the Official Journal of the Federation as of the date on which the respective resolution is issued. Foreign currencies other than those referred to above, as well as gold and silver, will be valued according to the regulations issued by the Bank, which shall not reflect different terms as the ones established by market conditions on the corresponding date.

Pursuant the seriousness of each case, the Bank may order those financial intermediaries that infringe the provisions of this article to suspend all or some of their transactions in foreign currencies, gold or silver, for up to six months.

ARTICLE 33.- Banco de México may establish limits on the amount of active and passive transactions of the intermediaries mentioned in article 32, provided that they imply foreign exchange risks.

(Paragraphs second and third repealed by decree published in the Official Journal of the Federation on the 10th of January, 2014)

ARTICLE 34.- The agencies and entities of the Federal Public Administration that are not financial intermediaries shall keep their foreign currency and carry out their transactions with these, according to the regulations, guidelines and policies set forth by Banco de México. For this purpose, they will provide the Bank with the information requested regarding their foreign currency transactions and will be obligated to sell their foreign currency to the Bank in the terms of the provisions it issues, which shall not reflect different terms as the ones established by market conditions.

ARTICLE 35.- Banco de México will issue regulations according to which the exchange rate or exchange rates will be determined in order to calculate the equivalence, in domestic currency, to address obligations denominated in foreign currency, undertaken within the national territory or abroad if payable within national territory. Likewise, the Bank is entitled to establish the exchange rates applicable to transactions where foreign currency is exchanged for domestic currency, as long as both or one of the these obligations is fulfilled within the national territory.

ARTICLE 35 Bis.- Banco de México, in order to provide for the compliance of the regulation issued by the Bank itself, may supervise the financial intermediaries and entities subject to said regulation. Such powers will include inspection and surveillance faculties to verify financial intermediaries and entities’ compliance with the provisions of the present Law and with the provisions issued by Banco de México. For the exercise of these powers, the Bank will act by operation of law, pursuant to the provisions of this Law and the rules that are issued by the Board of Governors for
such effects.

Banco de México will carry out the inspection that the previous paragraph refers to through visits, verification of transactions, and records and systems review, in the installations, offices, branches, or automatic equipment of the intermediaries, with the purpose of confirming the compliance with the provisions issued by Banco de México, subject to the exceptions established under special laws.

For effects of the provisions stated in the previous paragraph, financial intermediaries, as well as their representatives and employees, will be obligated to allow accredited personnel of Banco de México the access to the place or places and systems matter of the visit, as well as to provide assistance and information to said personnel for the proper development of their task.

In case the person or persons with whom the proceedings of the visits that Banco de México is performing, in terms of the rules that the present article refers to, refuse to receive the respective visit order, or prevent, obstruct, or hinder, in any manner, the practice of said proceeding, the financial intermediaries and entities in question will be sanctioned pursuant to the provisions set forth in the first paragraph of article 36 Bis, section II, subsection b), of this Law, without prejudice that Banco de México continues the visit in terms of said rules.

The surveillance will be done through the analysis and monitoring of the information that the financial intermediaries supply to Banco de México.

(Article added by decree published in the Official Journal of the Federation on the 10th of January, 2014)

ARTICLE 36.- Financial intermediaries shall provide Banco de México with the information that the latter requests regarding their transactions, including some of their transactions or even in relation with one in particular, as well as to provide the data necessary to evaluate their financial situation and, in general, all information required by the Bank to adequately perform its functions.

Notwithstanding the powers of supervision set forth in article 35 Bis of this Law, Banco de México will pursue coordination with the financial system supervisory commissions, in accordance with their capacities, with the intention of jointly carrying out the visits programmed on a yearly basis, without prejudice to the visits that Banco de México and the aforementioned authorities may practice in an extraordinary manner, or in any moment, pursuant to the applicable provisions.


Article 36 Bis.- The breaches to the present Law or the provisions that Banco de México issues based on this or other laws referred to in the first paragraph of article 26 will be penalized with an administrative penalty imposed by Banco de México pursuant to the following:

I. Civil money penalty for an amount equivalent to 1,000 days of general daily minimum wage in Federal District, in force on the day the behavior is committed, up to five percent of the total sum of the non-assessable stock and stock reserves of the financial intermediary or entity in question, reported, in terms of the applicable provisions, in the shortest period after committing the conduct subject to sanction:

   a) To the financial intermediaries and entities for the active, passive or service transactions carried out in breach of the present Law or the provisions that that the Bank issues in terms of this same Law, as well as for the breach of the other provisions that other ordinances empower it to issue;
b) To the financial intermediaries that carry out the transactions indicated in the first paragraph of article 32, in breach of the provisions that the Bank issues to that effect, and
c) To the financial intermediaries mentioned in the first paragraph of article 32 that transgress the limits that Banco de México establishes pursuant to article 33.

II. Civil money penalty for an amount equivalent from 3,000 and up to 15,000 days of general daily minimum wage in Federal District, in force on the day on which the breach occurred:
   a) To the financial intermediaries and entities that fail to comply with the obligation of supplying, in the form, conditions, terms and in proper time, as well as the other characteristics that Banco de México determines, the information or documentation that the latter requests in terms of the provisions set forth in this Law or in any other that grants the Bank power to do so, as well as in the provisions that, to those effects, issues pursuant to said laws, and
   b) To the financial intermediaries and entities that refuse to receive a visit order, or prevent, obstruct, or hinder, in any manner, the exercise of the supervisory power of Banco de México.

III. Civil money penalty for an amount equivalent from 5,000 days of general daily minimum wage in Federal District, in force on the day on which the breach occurred, and up to five percent of the total sum of the non-assessable stock and stock reserves of the intermediary reported, in terms of the applicable provisions, in the shortest period after committing the conduct subject to sanction:
   a) To the financial intermediaries for incurring in shortages in regards to the investments that shall be maintained pursuant to the provision in article 28 of the present Law, and
   b) To the financial intermediaries for abstaining from making the deposits that the second paragraph of article 32 of the present Law refers to when the Banco de México so defines.

As an exception to what is provided in this article, the sanctions indicated herein will not apply regarding the breaches of provisions by Banco de México established in other ordinances that, concurrently, consider specific sanctions applicable to such events.

(Article added by decree published in the Official Journal of the Federation on the 10th of January, 2014)

Article 36 Bis 1.- The financial intermediaries and entities, through their general director or equivalent, and with the opinion of the auditing committee, may submit, to the authorization of Banco de México, an auto-correction program, when, in the fulfillment of their activities, or when the auditing committee, as a result of the duties conferred upon them, detect irregularities or breaches to the provisions considered in this Law as well as any other applicable provisions.

In terms of the present article, the following may not be subject to an auto-correction program:

I. Irregularities or breaches detected by the financial system supervisory committees in the exercise of their inspection and surveillance powers before the presentation by the financial intermediaries and entities of the respective auto-correction program.
   In the case of powers of surveillance, it will be understood that the irregularity was detected previously by the financial system supervisory committees, when the financial intermediaries and entities have been notified of the irregularity. In the case of powers of inspection, when the irregularity was detected during the visit of inspection or, if it was corrected after official request during such visit;

II. When the breach to the norm in question corresponds to a crime, or

III. When any of the breaches are considered serious by Banco de México, the laws or the applicable provisions.
(Article amended by decree published in the Official Journal of the Federation on the 10th of January, 2014)

**Article 36 Bis 2.** - The auto-correction programs that the foregoing article refers to will be subject to the provisions of general nature issued by Banco de México. Additionally, they shall be signed by the chairman of the auditing committee of the financial intermediaries and entities, and be presented to the Managing Board or equivalent body in the session immediately following the authorization request presented to Banco de México. Likewise, they shall include the irregularities or breaches committed indicating the provisions considered breached; the circumstances that originated the irregularity or breaches committed, as well as mention the actions adopted or that are intended to be adopted by the financial intermediaries and entities to correct the irregularity or breach that prompted the program.

In case the financial intermediaries and entities request a term to correct the irregularity or breach committed, the auto-correction program shall include a detailed calendar of activities to be carried out to this effect.

If Banco de México does not order modifications or corrections to the auto-correction program of the financial intermediaries and entities in question within the twenty business days following its presentation, the program shall be understood as authorized in all its terms.

When Banco de México orders modifications or corrections to the financial intermediaries and entities so that the program abides to the contents set forth in the present article and other applicable provisions, they will have a term of five business days from the respective notification to correct such deficiencies. Said term may be extended in only one occasion for up to five additional business days with previous authorization of Banco de México.

If the deficiencies that the previous paragraph refers to are not amended, the auto-correction program shall be considered as not presented, and, consequently, the irregularities and breaches committed may not be object of other auto-correction programs.

(Article added by decree published in the Official Journal of the Federation on the 10th of January, 2014)

**Article 36 Bis 3.** - During the effect of the auto-correction programs authorized by Banco de México in terms of articles 36 Bis 1 and 36 Bis 2 of this Law, Banco de México shall abstain from imposing on the financial intermediaries and entities, the sanctions established in this Law or in the provisions issued, for the irregularities or breaches whose correction are included in said programs. Furthermore, during such period, the expiration term to impose the sanctions will be suspended until the existence of a determination stating that the irregularities or breaches subject to the auto-correction program were not rectified.

The auditing committee of financial intermediaries and entities shall observe the instrumentation of the authorized auto-correction program and report its progress to the Board of Directors and the general director or the persons in equivalent positions, as well as to Banco de México following the form and conditions that the latter establishes in the general provisions referred to in article 36 Bis 2 of this Law. The abovementioned, without prejudice of the power of Banco de México to supervise, at any given moment, the progress and fulfillment of the auto-correction program.

If, as a result of the reports from the auditing committee or of the inspection and surveillance tasks of Banco de México, the latter determines that the irregularities or breaches subject to the auto-correction program were not fulfilled in the established term, it shall impose the corresponding sanction, increased by up to forty percent; this sanction may be updated pursuant to the applicable tax provisions.
This article shall apply to financial entities and clearing houses referred to in the Law for Transparency and Regulation of Financial Services.

(Article added by decree published in the Official Journal of the Federation on the 10th of January, 2014)

ARTICLE 37.- Banco de México may suspend all or some of its transactions with the financial intermediaries that infringe this Law or the provisions resulting thereof.

Chapter VI
Governance and Supervision

ARTICLE 38.- The performance of the functions and the management of Banco de México shall be entrusted to a Board of Governors and a Governor, each one under their respective competence.

The Board of Governors shall be comprised by five members, who shall be appointed pursuant to the provisions of article 28, paragraph seven, of the Constitution. From among these members, the President of the Republic will appoint the Governor of the Bank, who shall preside over the Board of Governors; the remaining members will be denominated Deputy Governors.

Public servants who fail to comply with the provisions of this Law may be subject to impeachment, as provided for in articles 108 and 110 of the Political Constitution of the United Mexican States.

(Paragraph added by decree published in the Official Journal of the Federation on the 25th of May, 2010)

ARTICLE 39.- To be appointed as member of the Board of Governors, candidates shall fulfill the following requirements:

I. Be a Mexican citizen by birth that does not acquire any other nationality, in full capacity to exercise his or her political and civil rights and not being older than sixty-five years at the date in which the performance of his or her term in office begins;


II. Have renowned competence in monetary matters, and have held, at least for five years, high-ranking positions within the Mexican financial system or in agencies, organizations or institutions with authority functions on financial matters.

For the appointment of two of the five members, the fulfillment of the requirements provided in the previous paragraph will not be strictly necessary; but in such case, they shall be distinguished professionals in economic, financial or law matters. None of these two members shall be appointed as Governor until having held their position for three years, and,

III. Not have been convicted for intentional crimes; banned or disqualified to perform trade operations, or to hold posts, positions or commissions within the public service or in the Mexican financial system; nor have been previously dismissed as member of the Board of Governors, unless the latter was the result of a physical disability already overcome.

ARTICLE 40.- The Governor position term will last six years and the Deputy Governor one will last eight years. The term of the Governor will start on January the first, of the fourth calendar year period of the term of the President of
the Republic. The terms of the Deputy Governors shall be staggered, succeeding each two years and starting on January the first of the first, third and fifth year of the term of the President of the Republic, respectively. The individuals occupying these positions may be appointed members of the Board of Governors for more than one term.

**ARTICLE 41.**- Vacancies in any Deputy Governor position will be filled by the new member appointed for the Board of Governors. If the Governor position is vacant, the President of the Republic may appoint one of the acting Deputy Governors to fill said vacancy, or appoint a new member of the Board of Governors and, after the Board has been integrated, designate the Governor from among its five members. Before the new Governor is appointed, the Deputy Governor with more seniority will be the Interim Governor of the Bank, and shall preside over the Board of Governors. If there are two or more Deputy Governors with the same seniority, the Board of Governors will elect the Interim Governor from among them.

Members of the Board filling vacancies produced before the end of the respective term, will hold that position only for the time remaining until the conclusion of the term of the member being replaced. If upon termination of the term of the Governor, a Deputy Governor on duty is appointed to the post of Governor, said appointment will be for six years independent of the time the appointee had been Deputy Governor.

**ARTICLE 42.**- The Governor and Deputy Governors shall abstain from participating, in representation of the Bank, in any act of political partisan nature.

**ARTICLE 43.**- A member of the Board of Governors shall be removed upon the following causes:

I. Mental disability, as well as physical disability that restrains the adequate fulfillment of their functions for more than six months;

II. The performance of any job, position or commission other than those provided for in article 28, paragraph seven, of the Constitution;

III. Stops being a Mexican citizen or fulfilling any of the requirements set forth under article 39, section III;

IV. Failure to observe the agreements of the Board of Governors or deliberately acting in excess or breach of his/her duties;

V. Use confidential information available to him/her as a result of his/her position in his/her own benefit or that of third parties, or disclosing said information without the authorization of the Board of Governors;

VI. Knowingly submitting false information for the Board of Governors consideration, and

VII. Being absent from his/her position without authorization from the Board of Governors or without a force majeure cause or a justified motive. The Board of Governors shall not authorize absences for more than six months.

The Governor may also be removed for not observing the agreements sanctioned by the Foreign Exchange Commission.

**ARTICLE 44.**- The Board of Governors shall determine whether the conditions for removal mentioned in the previous article are met, upon request of the President of the Republic or by at least two of its members. The determination will be obtained by a majority of votes from the members of the Board of Governors after having granted the affected party the right to a hearing and without his/her participation in the vote.

The determination, including the supporting documentary evidence and the written arguments the affected party may have presented, shall be sent to the President of the Republic. The President of the Republic shall refer the aforementioned, together with his/her considerations on the admissibility or inadmissibility of the removal, to the Senate or, if applicable, to the Permanent Commission, for a final resolution.
ARTICLE 45.- The Governor or at least two of the Deputy Governors may summon meetings of the Board of Governors which sessions shall be held with the presence of at least three of its members. If the Governor does not attend a meeting, the session shall be presided by who he/she designates or, in case there is no such designation, by the corresponding Deputy Governor pursuant to the procedure stated in the first paragraph of article 41.

For resolutions to be valid, the approving vote of the majority of the present members is required, except in the case described in the first paragraph of article 44. The member presiding over the session shall have the decisive vote in case of a tie.

The Secretary and Subsecretary of Finance and Public Credit may attend the Board of Governors’ meetings with voice but without vote for which they shall be previously called and informed of the corresponding agenda. These officers may call for a Board of Governors’ meeting and propose issues to be addressed during the meeting.

The Board of Governors may call for the presence of any Bank official at its meetings so that they may directly furnish the information requested from them.

Individuals attending the meetings shall maintain confidentiality regarding the issues addressed therein, except if disclosure is expressly authorized by the Board of Governors for communication purposes.

ARTICLE 46.- The Board of Governors shall have the following powers:

I. Determine the characteristics of banknotes in accordance with the provisions set forth in article 5, and propose to the Secretaría de Hacienda y Crédito Público (Ministry of Finance and Public Credit) the metallic composition of coins pursuant to the Monetary Law of the United Mexican States;

II. Authorize orders to mint coins and to manufacture banknotes;

III. Decide on the demonetization of banknotes and on the procedures for coin invalidation and destruction;

IV. Decide on the granting of credit from the Bank to the Federal Government;

V. Establish operational policies and guidelines according to which the Bank performs its transactions, being able to determine the characteristics of these transactions and of those that shall be submitted to its previous approval on a case by case basis, due to their nature;

VI. Authorize the issuance of monetary regulation bonds and set forth their characteristics;

VII. Determine the characteristics of securities payable by the Federal Government and issued by the Bank pursuant to article 12, section IV, second paragraph, as well as the conditions in which those and the other securities referred to in said paragraph are placed;

VIII. Establish the policies and guidelines according to which the regulations set forth under chapter V, should be issued, without prejudice of the powers of the Foreign Exchange Commission in accordance with article 22;

IX. Authorize the statements and reports issued by the Bank and by the members of the Board of Governors on the policies and activities of the Bank;

X. Authorize the financial statements corresponding to each fiscal year as well as the consolidated monthly statements;

XI. Issue the general rules and guidelines to which the preparation and execution of the current expenditure and physical investment budget of the Bank shall conform to, as well as authorize said budget and any modification thereto that may be required throughout the financial year. The Board of Governors shall perform the aforementioned observing that the evolution of said budget remains consistent with that of the Federal Expenditure Budget;
XII. Issue, subject to the general guidelines set forth in article 134 of the Constitution, the rules according to which the Bank shall perform the purchases and sales of personal property, the leasing of all types of assets, the execution of real estate projects, and the procurement of all types of services;

XIII. Decide on the purchase and sale of stocks or shares by the Bank, of companies that provide it their services;

XIV. Authorize the purchase and sale of real estate property;

XV. Decide on the composition of the reserves referred to in article 53;

XVI. Approve the Bylaws of Banco de México, which shall be published in the Official Journal of the Federation;

XVII. Approve the General Labor Conditions that shall govern the relations between the Bank and its personnel and the salary structure of the Bank, considering that wages earned by the officers of the Bank and employees shall not exceed those earned by members of the Board of Governors, except in those cases in which a higher remuneration is required due to market conditions for a given professional specialty;

XVIII. Appoint and remove the secretary of the Board of Governors and his/her alternate, both of whom shall be Bank officials;

XIX. Appoint and remove officials holding the three top hierarchical ranks of the personnel of the Bank;

XX. Approve policies to cancel, either totally or partially, third parties debts, payable to the Bank, when the factual impossibility of their collection is evident or that it would be economically inconvenient for the Institution, and

XXI. Decide on issues submitted by the Governor for consideration of the Board.

ARTICLE 47.- The Governor of Banco de México shall:

I. Be in charge of the management of the Bank, its legal representation and the fulfillment of the tasks of the Bank, without affecting the powers granted to the Board of Governors by this Law;

II. Carry out the resolutions adopted by the Board of Governors and the Foreign Exchange Commission;

III. Submit the statements and reports issued by the Bank and referred to in article 46 section IX, and the documents referred to in article 46 sections X, XI, XII, XVI and XVII, for consideration and, if applicable, for the approval of the Board of Governors;

IV. Act as legal representative and chief trust officer of the Bank;

V. Be the liaison between the Bank and the Federal Public Administration;

VI. Be the spokesman of the Bank, being able to delegate this power onto the Deputy Governors;

VII. Establish regional councils;

VIII. Decide on the establishment, movement and closure of branches;

IX. Appoint the Deputy Governors who shall perform duties or commissions in representation of the Bank;

X. Appoint and remove the legal representatives and chief trust officers of the Bank;

XI. Appoint and remove the personnel of the Bank, except for the referred to in article 46 section XIX;

(Section amended by decree published in the Official Journal of the Federation on the 25th of May, 2010)

XII. Establish, in compliance with the salary structure approved by the Board of Governors, the wages for the personnel of the Bank and authorize the programs for their training and instruction, and

(Section amended by decree published in the Official Journal of the Federation on the 25th of May, 2010)

XIII. Report on the fulfillment of its mandate each year before committees of the Senate, during the second ordinary period of sessions.

(Section amended by decree published in the Official Journal of the Federation on the 25th of May, 2010)

ARTICLE 48.- The regional councils established in section VII of article 47 shall only have functions of consultation, obtainment, and disclosure of general information of economic and, particularly, financial nature.
ARTICLE 49.- The remuneration of the Governor, as well as those of the Deputy Governors, shall be determined by a committee comprised by the Chairman of the National Banking Commission and two individuals appointed by the Secretary of Finance and Public Credit whose appointments do not constitute conflict of interest and who possess renowned experience in the labor market of public or private credit institutions as well as the authorities that regulate said institutions.

The committee shall meet at least once a year and reach its decisions by a favorable majority vote of its members, who shall have no alternates. To reach its decisions, the committee shall consider the current remunerations in the Bank and the evolution of the remunerations in the financial system of the country, guided by the principle that, with the current conditions of the labor market, the Board of Governors is comprised by ideal members and the Bank is able to recruit and preserve duly qualified personnel.

ARTICLE 50.- The Secretaría de Hacienda y Crédito Público (Ministry of Finance and Public Credit) will request a society of public accountants highly representational of said profession to propose three renowned accounting firms, from which said Secretary, with the approval of the Comisión de Vigilancia de la Auditoría Superior de la Federación (Surveillance Commission of the Federal Superior Audit Office), shall hire the selected firm on behalf of the Bank. The external auditor may not be hired for periods longer than five years.

(Paragraph amended by decree published in the Official Journal of the Federation on the 9th of April, 2012)

The auditor shall be fully empowered to review and audit the financial statements of the Bank, as well as to review the accounting of the Bank and related documentation, being obliged to deliver to the President of the Republic and the Congress of the Union a copy of the audits presented to the Board of Governors, along with a report on the execution of the current expenditure and physical investment budget of the Bank.

Chapter VII
General Provisions

ARTICLE 51.- The Bank shall send to the President of the Republic and the Congress of the Union and, during the recess periods of the latter, to their Permanent Commission, the following:

I. Every year, in January, a presentation on the monetary policy to be followed by the Bank during the year, as well as a report of the current expenditure and physical investment budget of the Bank corresponding to that year; and

(Section amended by decree published in the Official Journal of the Federation on the 10th of January, 2014.)

II. No later than forty-five business days after the closing of each quarter, a report on the inflation, the economic evolution, and the performance of the economic indicators of the country in that quarter, as well as the execution of the monetary policy during that quarter and, in general, the activities of the Bank during the corresponding quarter, in the context of the international and national economic situation.

(Section amended by decree published in the Official Journal of the Federation on the 10th of January, 2014.)

Additionally, the Bank shall present an annual report to the Congress of the Union regarding the exercise of the duties and powers conferred to it by the Law for Transparency and Regulation of Financial Services.


ARTICLE 52.- Any Chamber of the Congress of the Union may summon the Governor of the Bank to render a report on the policies and activities of the Bank.
ARTICLE 53.- Banco de México shall preserve, provided that it is possible, the real value of the amount of its equity plus its reserves and increase said value in accordance with the real growth rate of the gross domestic product. Banco de México shall only establish additional reserves to the ones set out in the present article as a result of the revaluation of assets or when accorded along with the Secretaría de Hacienda y Crédito Público (Ministry of Finance and Public Credit).

ARTICLE 54.- The financial year of the Bank shall begin on January first and end on December thirty-first of every year. The Institution shall be obliged to publish the general balance sheet at the end of year, as well as a consolidated account statement the last day of every month.

ARTICLE 55.- The Bank shall be a non-profit institution and shall submit to the Federal Government the full amount of its operating surplus after having established the reserves set forth in this Law, provided this does not implicate reductions in the reserves resulting from the revaluation of assets. The referred submission shall take place no later than April of the financial year following that to which the surplus corresponds.

ARTICLE 56.- The banknotes and coins placed into circulation by Banco de México shall be registered, at their face value, as liabilities in the balance sheet of the Bank. As long as the aforementioned currency is not put into circulation, it shall be registered in the assets of the Bank at its manufacturing cost or purchase value, as the case may be; the corresponding entries shall be adjusted in accordance with the changes in the replacement cost of said pieces. Upon having been placed into circulation for the first time, banknotes and metallic coins shall be deregistered from the assets of the Bank and charged to the profit and loss account. The Bank shall register in its assets the amounts earned from the sale of the metal obtained from coins withdrawn from circulation, charged to the profit and loss account.

Coins referred to in article 2, paragraph c), of the Monetary Law of the United Mexican States which are not intended as general means of payment, and those referred to in article 2 bis of said Law, shall be registered as stated by the Board of Governors.

ARTICLE 57.- Transactions referred to in article 46 section XII shall be carried out through public bidding, excluding the following scenarios:

I. Purchase of foods or other perishables;
II. When no more than three suitable suppliers or bidders can be found;
III. When an agreement is terminated in advance or cancelled;
IV. When the amount of the agreement does not exceed the equivalent of:
   a) Sixty times the annualized general daily minimum wage in force in the Federal District, for the purchase, leasing and provision of services related to personal property;
   b) Ninety times the annualized general daily minimum wage in force in the Federal District, for real estate projects, and
   c) Ten times the annualized general daily minimum wage in force in the Federal District, for sale of personal property, as per appraisal carried out by a legally qualified person;
V. In the event of unforeseeable circumstances or force majeure;
VI. When conservation, maintenance, restoration, repair and demolition projects or services are required and it is impossible to precisely determine their extension, establish the list of items and amounts of work necessary, determine the specifications, or work schedule thereof;
VII. In the case of purchase or sale of real estate, as well as services related to real estate projects;
VIII. In the event of circumstances that may cause serious disruptions, loses or significant additional costs for the Bank;

IX. After having conducted two public biddings, without being possible to award the agreement to neither participant, or

X. In the case of purchase of materials required by the Bank to manufacture banknotes or procured for the minting of coins.

**ARTICLE 58.**- The provisions regarding banking secret and fiduciary secret shall be applicable to Banco de México, the members of the Board of Governors, as well as to the bank officers and employees.

**ARTICLE 59.**- The following shall be non-unionized employees of Banco de México:

I. Officers with a position of deputy manager or superior, employees with equivalent positions to the aforementioned and employees personally and directly assigned to the Board of Governors and to the members thereof; advisors and secretarial personnel assigned to the aforementioned officials; heads of office or division; security personnel; pilots, copilots and flight engineers; technical personnel assigned to the foreign exchange, metals, investments, securities, and computer science services departments; operators and coders of telecommunication devices through which written documents are transmitted, as well as technical personnel handling confidential information, and,

II. Personnel referred to in the Law to Implement Section XIII Bis, Part B of Article 123, of the Mexican Constitution, who are not included in the above paragraph.

The Governor and the Deputy Governors of the Bank shall not be considered as part of the personnel of the Bank.

**ARTICLE 60.**- Officers with rank of deputy manager or above and employees with positions equivalent to the aforementioned shall not hold any charge, position or commission in the Federal Public Administration, excluding those in which they may act in representation of the Bank, or at educational, scientific, cultural or charitable organizations.

**ARTICLE 61.**- The Federal Law of Liabilities of Public Officers shall apply to members of the Board of Governors and to the personnel of the Bank, subject to the following:

I. The application of the aforementioned Law and its strict enforcement, excluding instances of Impeachment to which members of the Board of Governors may be subject, shall be the jurisdiction of a Liabilities Committee, which shall be composed by the member of the Board of Governors appointed by the Board and by the heads of the legal and comptroller departments of the Bank. The Board of Governors shall determine the accountability regarding breaches perpetrated by members of the Board of Governors or by officials holding any of the three highest-ranking positions, and shall impose the corresponding sanction. For this purpose, the Liabilities Committee shall submit the relevant file to the Board of Governors, and

II. Members of the Board of Governors, officers holding positions of deputy manager or above, and the personnel indicated in the Bylaws of Banco de México due to the nature of their duties, shall submit a statement of their economic condition. This statement shall be submitted to the comptroller department of the Bank, which shall keep record of and monitor the evolution of the mentioned economic condition, and inform the Liabilities Committee or the Board of Governors, as the case may be, of any observations that may result from such monitoring.

No means of defense shall proceed before the Tribunal Federal de Justicia Fiscal y Administrativa (Federal Court of Tax
and Administrative Justice) in regards to the resolutions set forth in this article.

(Paragraph amended by decree published in the Official Journal of the Federation on December 31, 2000)

ARTICLE 62.- Banco de México shall be able to:

I. Prepare, collect and publish economic and financial statistics, as well as operate information systems based thereof and collect the necessary data for such purposes, in coordination with other competent authorities;

II. Carry out, directly or through third parties, the trading of commemorative coins, as well as banknotes and coins with special packaging or finish;

III. Use the resources at its disposal, in the production of goods and the provision of services for third parties, provided this does not hamper the proper performance of its duties, and

IV. Purchase or lease the personal property, and contract any services or real estate necessary or convenient for its proper operation and functioning, as well as selling the personal property that become useless for such purposes.

ARTICLE 63.- Banco de México shall not:

I. Grant collateral;

II. Purchase or lease real estate not required to perform its duties. If it results necessary that the Bank receives or acquires real estate or property rights as payment for credits granted, as well as when any property becomes unnecessary to its purposes, it shall be obliged to sell them within a term of three years, and

III. Acquire capital stock of companies, except from those companies that provide necessary or convenient services for the performance of the functions of the Bank.

Prohibitions or limitations referred to in this law shall not apply when the Bank acts in compliance with its labor obligations, or in compliance with obligations undertaken with the members of the Board of Governors in compensation for services provided, being able, in such cases, to engage in the operations and establish the necessary or convenient reserves for the fulfillment of said obligations.

ARTICLE 64.- The motion for reconsideration shall proceed against the sanctions established in this Law, which shall be filed before the administrative unit determined in the Bylaws of Banco de México, within fifteen business days following the date of notification of such resolutions.


The purpose of said motion shall be to revoke, modify or uphold the resolution being appealed. The written petition request shall include the name and address of the appellant, the resolution being appealed and the grievances claimed, backed by the evidence considered necessary and documentation proving the identity of the appellant.

The provisions set forth in articles 130, 132, 134, 135, 136 paragraph three, 137, 139 and 140 of the Federal Tax Code, as well as the regulations applicable to these provisions shall be supplementary applicable to the notifications, process and resolution of the motion for reconsideration.

ARTICLE 65.- The motion for reconsideration shall be decided within twenty business days from the date of its filing; otherwise, the act being appealed shall be considered upheld. The motion shall be exhausted necessarily before resorting to amparo proceedings.

When the aforementioned motion does not indicate the grievances or act appealed, it shall be dismissed due to
inadmissibility. Should any evidence be omitted, it shall be considered as not submitted.

The resolution to the motion shall include the settling of the appealed act, the legal basis in which it relies and the resolution points.

No means of defense shall proceed before the Tribunal Federal de Justicia Fiscal y Administrativa (Federal Court of Tax and Administrative Justice) in regards to the resolution set forth in this article.

(Article amended by decree published in the Official Journal of the Federation on December 31, 2000)

ARTICLE 66.- The resolutions provided for in article 64, paragraph one, shall be executed:

I. When no motion for reconsideration is filed, within the term provided for in article 64;

II. If the affected party does not submit proof, within twenty business days following the date on which it was notified, that it has filed a motion of amparo against the resolution.

III. If in the amparo procedure, the suspension of the appealed act is denied, or

IV. If the suspension is granted as a result of the amparo claim, until the issuance of final judgement against the plaintiff in the amparo suit.

ARTICLE 67.- The penalties that Banco de México imposes shall be paid within fifteen business days following its notification. If the penalties are not paid in the term indicated in this paragraph, the amount will be updated from the month in which it should have been paid until its fulfillment, in the same terms that the Federal Tax Code establishes.

(Paragraph added by decree published in the Official Journal of the Federation on the 10th of January, 2014)

In case the financial intermediaries and entities pay the civil money penalties imposed by Banco de México within the fifteen business days indicated in the previous paragraph, a discount of twenty percent shall be applied to the amount, provided that no means of defense were filed against said penalty.

(Paragraph added by decree published in the Official Journal of the Federation on the 10th of January, 2014)

The administrative enforcement proceeding for the collection of penalties not paid to Banco de México in a timely manner shall be carried out by the Secretaría de Hacienda y Crédito Público (Ministry of Finance and Public Credit) or by the Bank itself through the administrative department indicated in its Bylaws.

The unit indicated in the previous paragraph shall apply the provisions established in the Federal Tax Code for the administrative enforcement proceeding. The offices that should hear and decide on the motions established in the cited Code, relative to this procedure, will be indicated in the mentioned Bylaws.

If the Central Bank holds an account for the transgressor, the enforcement procedure shall not be necessary, being possible to charge the civil money penalty amount to said account.

ARTICLE 68.- The Credit Institutions Law, the commercial legislation, the generally accepted banking and commercial practices and, the Civil Code for the Federal District in local matters and applicable to the Mexican Republic in Federal matters shall be supplementary applicable and in the order mentioned, to the operations of the Bank.

TRANSITORY ARTICLES

FIRST.- This Law shall become effective on the first of April, 1994, excluding paragraph two of this article and
transitory articles 3 and 13, which shall become effective as of the day following the publication of this Law in the Official Journal of the Federation.

The first set of members of the Board of Governors shall be appointed pursuant to the provisions of this Law, and shall be appointed before the 31st of March, 1994.

SECOND.- The office term of the first Governor of the Bank shall conclude on December 31, 1997. The terms of the first Deputy Governors shall conclude on the 31st of December of 1994, 1996, 1998 and 2000, respectively; the President of the Republic shall indicate which of the above terms corresponds to each Deputy Governor.

THIRD.- The remunerations of the Governor and Deputy Governors mentioned in the previous article, for the first financial year of the Bank, shall be determined pursuant to article 49 of this Law, prior to the appointment of said members of the Board of Governors.

FOURTH.- The instructions from the Federal Treasurer to the Bank, pursuant to article 12, section I, do not need to be transmitted in advance according to the terms set forth in said section I, for a three years term as of the date on which this Law becomes effective. Within this same period, the Federal Treasurer may continue issuing checks and other documents referred to in section III of the aforementioned article.

FIFTH.- Banco de México, as a decentralized entity of the Federal Government, is hereby transformed into the new legal entity subject to public law provided for in this Law, maintaining the legal ownership of all assets, rights and obligations of which the entity equity was made up of.

SIXTH.- The Bylaws of Banco de México shall be issued within six months from the date on which the Board of Governors is legally integrated. Until such Bylaws are issued, the Bylaws published in the Official Journal of the Federation on the 4th of July, 1985, shall remain in force and the legal recourse set forth in article 64 shall continue to be filed before the Legal Division of Banco de México.

References made to the General Director of the Bank either in the Bylaws currently in force or in any other legal document shall be interpreted as referring to the Governor of the Bank, within the scope of the authority vested upon him by this Law.

SEVENTH.- The legal powers, mandates, designations of trust officers and, in general, all legal representation and powers granted by Banco de México prior to this Law going into effect shall remain in force until they are explicitly modified or revoked.

EIGHTH.- Coins currently in circulation shall become part of the liabilities reported in the balance sheet of the Bank as per the provisions of article 56.

Federal Government funds deposited in Banco de México derived from the difference between the face value of coins delivered by the Mint to the Bank up to one day prior to this Law entering into force and the costs incurred in the production thereof, shall remain in favor of the Bank.

NINTH.- Banco de México may place into circulation, at any time, banknotes whose date of issuance is prior to the date on which this Law goes into effect.
TENTH.- The Bank may continue to act as trustee for the trusts it presently administers and which are not provided for in article 7, section XI, and may receive money bank deposits from such trusts.

Credits granted by Banco de México, prior to this Law going into effect, to the public economic development trusts administered by the Bank may continue under their terms until maturity, and may be renewed in one or more instances for a total duration of no longer than twenty years.

(Paragraph amended by decree published in the Official Journal of the Federation on the 17th of November, 1995)

Regarding trusts other than those referred to in paragraph two of this article, the Bank shall be entitled to wave its trustee commission when it so deems appropriate. In those cases, the replacement trustee shall be appointed by the following people in the order of precedence indicated: the people so empowered in accordance with the legal act by which the trust is bound; the settlor or settlors; the beneficiary or individual beneficiaries; or, lacking these, the same Banco de México. While the Bank remains as trustee of these trusts, the Bank may grant them financing of an exceptional nature, in order to prevent possible breaches on their obligations.

ELEVENTH.- While Banco de México issues the provisions referred to in this Law, those issued prior to this Law going into effect, shall remain in force in their respective matters. The administrative measures taken pursuant to regulations hereby repealed shall remain in force until revoked or modified by competent authorities.

TWELFTH.- Financial intermediaries that performed transactions in breach of regulations hereby repealed and prior to this Law going into effect, shall be bound, regarding said transactions, by the regulations applicable at the time those transactions were performed.

THIRTEENTH.- The last financial year of Banco de México, as a decentralized entity of the Federal Government, shall begin on the 1st of January, 1994, and end on the 31st of March, 1994. During this period, the Bank shall not be subject to provisions set forth under article 7 of the Organic Law of Banco de México. The first financial year of Banco de México as legal entity under this Law shall begin on the 1st of April, 1994 and end on the 31st of December, 1994. The operating surplus of Banco de México, corresponding to the financial year referred to in the first paragraph, shall be handed over to the Federal Government no later than April 1995.

FOURTEENTH.- Within the month following that in which this Law becomes effective, Banco de México shall send the President of the Republic and the Congress of the Union or, if the case may be, to the Permanent Commission, the documents referred to in article 51, section I, corresponding to the first financial year of the Bank, as well as a report on the evolution of the domestic credit of Banco de México and the performance of the account of the Federal Treasury that Banco de México manages on behalf of the Federal Government between January and March 1994. Regarding the first financial year of the Bank, the Bank will not be obligated to deliver the report referred to in article 51 section II.

FIFTEENTH.- As of the date on which this Law becomes effective, and until the total real value of the capital of the Bank plus reserves exceeds twenty percent of the sum of banknotes and coins in circulation, plus the obligations of the Bank obligations in favor of the financial institutions and the Federal Government, excluding the deposits referred to in article 9, section I, the aforementioned total real value shall not be increased according to the expansion of the gross domestic product pursuant to provisions of article 53. During this period, the Federal Government and the Bank may agree on reducing said total real value, provided that those reductions do not imply bringing said value below the
equivalent of the aforementioned percentage nor result in monetary expansion.

SIXTEENTH.- The deposits referred to in article 132 of the Credit Instruments and Operations General Law shall be made at Nacional Financiera, S.N.C. Deposits received by Banco de México prior to this Law becoming effective shall be maintained and handed over by the Bank pursuant to the applicable regulations.

SEVENTEENTH.- References made to Organic Law of Banco de México, or to Banco de México itself, in laws, regulations, decrees, administrative resolutions or other legal ordinances shall be interpreted as referring to this Law and to the Institution governed by it.

EIGHTEENTH.- The Organic Law of Banco de México of the 21st of December, 1984, is hereby repealed.

Article 31, section IV, of the Federal Public Administration Law, article 13, paragraphs one and two, of the Monetary Law of the United Mexican States, article 48, paragraph two and transitory twelve of the Credit Institutions Law, article 24 of the National Savings Council Organic Law, and all other provisions opposing this Law, are hereby repealed.

Provisions regarding Banco de México set forth in article 31, section VII, of the Federal Public Administration Law, in articles 1, 8 and 14 of the Law that creates the Fund for Guarantee and Development of Agriculture, Livestock and Poultry, and articles 1, 2, 8 and 21 section IV of the Bylaws of said institution, are hereby annulled.


In compliance with the provisions set forth in section I of article 89 of the Political Constitution of the United Mexican States, and for its due publication and abidance, I issue the present decree in the Residence of the President of the Republic in Mexico City, Federal District, on the 15th of December, 1993.-Carlos Salinas de Gortari.- Signature.- The Internal Affairs Secretary, José Patrocinio González Blanco Garrido.- Signature.