

tomotriz must first meet the foreign exchange budget in accordance with

Rationalization by Decree of the Automobile Industry and the rules on the particular set the Interministerial Commission of In - Automotive industry: At the same time must

observe the minimum degree of integration national establishing said he decreed for Streamlining the Automotive Industry.

The Secretary of Finance may grant subsidies up to 100% of the import place overall import in favor of business auto parts industry that cause new machinery and equipment that are intended for the manufacture of components, - fashion issue such rules and Secretariat, listening to the Interministerial Commission on the 'Automotive.

ARTICLE 14.-Be repealing provisions granting tax exemptions or right-

federal rights, except exemptions stated in the laws establishing these taxes and duties and under the Fiscal Code of the Federation.

The provisions of federal laws - ral grant tax exemptions, majoras taxes, fees or other contributions - established laws of the States, the District or Federal municipalities are repealed.

TRANSIENT

ARTICLE I.-This Act shall take effect throughout the Republic on it January 1985.

ARTICLE SECOND. He changes the tax rates for the export and import made by the Federal Government during the year '1984, to approve the

the report in compliance with the provisions of the second paragraph of Article 131 Constitutional and Regulatory Law, has rendered the government itself refers al.H. Congress

- Union.

Mexico City, December 21, 1984.-In - wealth Izquierdos Soto, DP-Rarhize Celso Humberto Delgado, Nicholas Orozco • SP-Ra - MIREZ, DS-Berrera Rafael Armando Morales, SS-Headings. "

In compliance with the provisions of the fraction of Article 89 of the Constitution of States Mexico and for - bida publication and observance, I issue pre present - Decree at the residence of Executive Power - Federal tive, in Mexico City, Federal District. the twentieth day of December 1980 and four.-Miguel de la Madrid Hurtado: -. Heading - The Secretary of Finance and Public Credit, Jesus Silva Herzog

Elores.-Rúbrica.-The Secretary of Governors -, Manuel Bartlett D. Rubric.

Organic Law of the Bank of Mexico

The margin a seal with the national emblem, which says U.S. President - Mexicanos.-dence of the Republic.

MIGUEL DE LA MADRID HURTADO, Pre - Constitutional President of the United Mexican States, its people, know:

That the Congress of the Union has sent me the following

DECREE:

"The Congress of the United States Mexican American countries, decrees:

ORGANIC LAW OF BANCO DE MEXICO

CHAPTER I

Aims and Functions

ARTICLE 1. This Law is a monetary rule of Articles 28 and 73, X fraction of the Political Constitution of the United Mexican States ICD, and is intended to regulate the decentralized public entity of the Federal Government, with personality and heritage; own, called Banco de Mexico.

The agency said the bank's Central Nation aims and resolves issue currency put into circulation monetary signs and seek favorable credit conditions and exchange rate stability acquisition device power of money, the development of the system financial and, in general, the healthy growth of the national economy.

The Bank shall have its domicile in the city of Mexico and may establish branches or agencies or appoint correspondents.

ARTICLE 2. The Bank, in accordance with the displayed in this Act, shall perform the functions

- tions following:

I. Regular issuance and circulation of the monetary currency, credit and changes;

II. Operating with credit institutions as reserve bank and lender of last resort as well as regular service compensation market;

III. Provide treasury services to the Federal Government and Government act as financial agent operations internal and external credit;

IV. Serve as advisor to the government Federal in economic and particularly financial, and

V. Participation in the International Monetary Fund and other international financial cooperation agencies or grouping central banks.

The exercise of these functions must produce effect in accordance with the objectives and priorities of the national development planning and in accordance with the guidelines of monetary and credit policy stipulated by the Ministry of Finance and Public Credit.

CHAPTER II

Issuance and Monetary Circulation

ARTICLE. The 3rd. provisions correspond to the Bank of Mexico and issue notes or coins minting and putting two signs in circulation through the operations authorized by this Act read as follows.

The Bank may make their own notes or ordering such manufacturing services.

ARTICLE 40 banknotes issued by the Bank of Mexico shall contain: the nation-denominated ticket with number and letter; and number series thereof; the date of the agreement emission; facsimile signature of a member of the Board of Governors, the Director General or Deputy Director General and

Chief Cashier of the Bank; the words "Bank of Mexico," and other features to bring their own 'Bank pursuant to the provisions of this Act

ARTICLE television Bank, directly or through correspondents, must switch to view notes and coins put into circulation, with others of the same denomination, without limitation and will of the holder.

If such Bank or its correspondents dispute Sieren notes or coins of the denomination requested, the obligation to exchange tickets or be discharged by supplying coins of denominations that put, closest to the defendants.

Exceptions to the provisions of this Article, the metal to the refer Section II Article 36 of this Law and the 2nd article coins. bis of the monetary law of the United Mexican States.

CHAPTER III

Credit Regulation and Changed

ARTICLE 60. The Bank of Mexico, to perform his duties, perform the following operations:

I. Receiving national currency bank deposits of the Federal Government, agencies of the Public Administration and Federal business the principal purpose of financial intermediation.

The Ministry of Finance will identify the entities of the Federal Public Administration whose character is not the middle of financial interest that positados must keep at the Bank of Mexico resources in national currency to the Secretariat itself determine ;

II. Receive foreign currency bank deposits;

III. Issue bonds for monetary regulation. Such bonds are debt securities, the per carrier, with or without cause interest, denominated in local or foreign currency and have other characteristics that the Bank set to emit pesos, should be maintained in administration deposited at the Bank when it so determined;

IV. Get credit entities domiciled in the exterior;

V. Establish bank deposits of money;

-VI. Give credit to the Federal Government under the terms of Article 90., And credit institutions, whether they can act on their own or as trust in public trusts of economic development. The titles that discounts should always be negotiated with the responsibility of the discountario. If the debtor does not settle or discountario credit or securities when due, the Bank may charge the amount in the account, if necessary, take them;

Receive VII securing the loans it grants, cash deposits made at the Bank of Mexico itself, being able to load the same amount of the obligations guaranteed enhanced if their maturity they are not settled;

VIII. Trading bonds provided in Section III, with values by the Federal government and bank bonds and other securities issued by credit institutions, as well as the values included in Section II of Article 13.

Case of securities by the Federal Government or of credit institutions, the Bank shall not purchase directly from the debtor, except when acquisitions remain convertible removable with no cash

deposits before maturity, the vessel itself constituted the product placement, which amounts, maturities and yields equal to those of the subject of the transaction in question values.

The Bank of Mexico may receive as collateral any securities, when necessary or desirable for the safety of its operations – tions;

IX. Operate the bodies were re – relates the fraction V of article 2, and, in general, foreign financial institutions;

X. Make payments or receipts that do require the Federal Government abroad;

XI. Acting as trustee when by law assigned that task or in the case of trusts whose purpose contribute to perform – mance functions of the Bank. This may cana – Lizar resources to trusts in which it has as trustee, through – by this Act authorized to carry out operations;

XII. I hold all kinds of currency trading, gold and silver, including repurchase agreements;

XIII. Receive deposits or securities in custody or under administration;

XIV. Buying goods and services necessary or convenient for the exercise of their functions and

XV. Other operations under this Act

The Bank may not practice but acts and transactions expressly provided for in the dis – position of this Act or that are related or consequence.

For purposes of this Act, be domestic financing of the Bank of Mexico the balance of your car – tera credit and credit values of the Federal Government ago. credit institutions and fideico – ments, plus the balance of deposits of money in the bank itself constitute institutions

credit, less the balance of itos to

under the second paragraph of section VIII

of Article 6. It also counted as part of that funding, accrued interest not paid on assets to be. in this paragraph, less, if applicable, accrued unpaid interest on deposits ultimately cited.

Shall not be considered within the limit of fi internal nance: the debit balance of the general account of the Treasury of the Federation, e) amount of deposits that the Bank constituted to meet strict needs of corre – ponsalía and supports granting institutions credit to help them cope with problems originated – abnormal – liquidity woes funds withdrawals.

Once the Bank has fixed the limit referred to in this Article, it shall inform the Federal Executive and the Congress v. in the recesses of the latter, in Per-'permanent Commission, by publicizing the arguments that were the basis to determine it.

The growth we experience the finances – internal displacement of the Bank of Mexico the first of January to the date the referred – wave maximum balance is fixed, calculated for the purpose of this and may not exceed one-twelfth of the growth that the very domestic financing has had in the previous year.

ARTICLE deprivation – Banco de Mexico 80.-It shall:

- I. To be the custodian of all funds that do not immediately use the Federal Government;
- II. Carry out the situation and focuses – fund all offices of Go itself – ment;
- III. Ensure, on behalf of the Federal Government, the issuance, placement, purchase and sale of securities representing debt of said inner – Government and, in general, be – vice of the same, and
- IV. Perform the acts referred to.

section III, with regard to ex – internal debt of the said Government, unless – according to law be entrusted to one or more other ins – tions.

The Bank receives remuneration for services rendered to the Federal Government, shall be agreed with the Ministry of Finance.

The Bank of Mexico is not obliged. Federal Government to provide more services, which expressly provided in this Act

ARTICLE 90.-The Bank shall keep a general account to the Federal Treasury. This account shall be subject to the following rules:

L The Bank will only make transfers or payments from it, when authorized by the Treasurer of the Federation. The charges do not meet this requirement may objec – Tarsus for any reason;

H. creditors or debtors balances on the account, cause – payable monthly interest which is credited or debited to the account itself, but for the latter is re –. wants authorization under – an inner fraction;

III. The Bank of Mexico will report daily to the Treasurer of the Federation on the state –'s account, and

IV. The balance by the Federal Government shall not exceed one percent of the total consolidated perceptions – solidated under the Revenue Act of the Federation for the year in question, except for extraordinary circumstances – tions significantly increase the differences temporary-ences between revenues and expenditures in the same fiscal year.

To determine the overall perceptions of the preceding paragraph of this frac – concerns, those will be deducted from the amount of amortization of public debt under the respective Expenditure Budget of the Federation – ration.

ARTICLE I. The Bank of Mexico reports quarterly to the President and the Congress of the Union, and in the recesses of this ul – thymus, its Standing Committee, the move – ment that have taken daily during this period the Bank's own internal financing and general account leading to the Federal Treasury, within forty-five days after the end of each quarter.

It will also be released daily to the Secretary of Finance and Public Credit balance its internal funding, and this will pro – porcionará reports necessary to understand and predict the state of public finances.

ARTICLE 11. The Bank will have an international reserve asset, which will seek to ensure compensation – imbalances imbalance between revenues and expenditures of foreign exchange of the country, thereby fostering the conduct of international operations in a manner that con – ute at national economic development.

ARTICLE 12. Booking the preceding article shall constitute a net position of foreign exchange, gold and silver owned by the Bank, which is free of any liens

and whose availability is not subject to restriction

alguma

The amount of liabilities in foreign currency, gold or silver, by the Bank, shall be corre –

pondido by assets in the respective species, same as in the case of currencies, shall be referred to in sections I to V of the ar – Article 13.

To calculate the net position to be re – relates the first paragraph of this section and for the purposes of the second paragraph thereof, liabilities arising from ex-ternal support granted for purposes of exchange controls and the liabilities are excepted from credits with maturity longer term to six months to make the computation time of booking.

. ARTICLE 13 For purposes of this Act, the term comprises currency banknotes and foreign coins, bank deposits, securities – you credit and all 'kind of loan documents, on foreign denominated in foreign currency mo – and other international media in-charge.

Currencies likely to form part of the reserve referred to in Articles 11 and 12 refer only are:

I. The foreign notes and coins – passengers; II

. Deposits, securities and. other obligations payable outside the territory na – tional denominated in foreign currency and by governments from countries other than Mexico, international financial agencies or institutions in order from abroad, provided they are extended liquidity;

III. The balances for the Bank of Mexico, due to term not exceeding six months, derivatives contracts swaps with foreign central banks who are current in their payments;

IV. Special Drawing Rights of the International Monetary Fund and

V. The reserve tranche not drawn by the Government of Mexico – Go to the Interna – tional Monetary Fund. This section corresponds to the difference between the participation of Mexico in that or – organism and the balance of the liability by the Bank for the above purpose, when the balance is less than said participation.

ARTICLE 14. Interest rates, commissions – sions, prizes, discounts or other similar concepts, amounts, terms and other charac – tics of active, passive and service operations that perform the credit institutions in the country with residents and the foreign – jero, shall comply with the provisions issued by the Bank of Mexico.

These provisions will ge – neral character, but may apply to certain types

institutions or certain kinds of opera – tions.

ARTICLE 15. Banco de Mexico, for purposes of monetary and credit regulation, active rows indicate in which credit institutions must invest the amount of its liabilities other than that which the Bank itself does not consider the effects computable for of this Article. The exercise of these functions are subject to the following rules – ing:

L Up to ten percent of the liability computed – computable in cash deposits at the Bank of Mexico, with or without cause interest;

II. Up to sixty-five percent of liabilities computable values, lines of credit and other asset other than – Swim mentioned in the previous section, the Bank determined – mine. The Bank may raise this percentage, reducing, if any, expected in fraction L

Mandatory capital expenditures by the Federal Government and entities of the Federal Public Administration, with the exception of the Bank of Mexico, shall not exceed forty-five percent of the liability computed – ble;

III. Not less than twenty five percent of computable liabilities may keep going – values, credits and other assets without limit – more than those in law or pursuant thereto;

VI. The amount, total or partial, of the failed – sented incurred by credit institutions in respect of. Items for active what must maintain pursuant to Section II, of – positará at the Bank of Mexico, when so determined, without interest or with interest the

the same point; -

VII. The Bank may charge to the institutions penal interest on the amount of missing incurred in respect of which any of the rows – active man – have to be in accordance with these rules, up to one hundred fifty percent det cost per cent – tual average funding for the month in which they cause those interests, estimate repre – sentative for the whole term liabilities of credit institutions.

The Bank may lower interest pe – tions has affixed as provided in the preceding paragraph, taking into account the causes that led to the aforementioned missing, and particularly if they are due to abnormal re – shots funds, situations Reviews of institutions, or errors or omissions of an administrative nature in which, in the opinion of the Bank itself, has not mediated in bad faith, and

VIII. Banking institutions dese – ment shall be subject to the regime provided in sections I and VII, covering liabilities that capture the public.

The rules issued by the Bank of Mexico – form to this article may refer to one or more types of institutions, certain liabilities – Swim or certain areas or localities.

ARTICLE 16. The Bank established the compulsory deposit scheme which owe their – jetarse credit institutions in perfor – mance of trusts, mandates or receive commissions through which funds for lending.

A missing incurred by credit institu – tions to the deposit – thorium requires that the preceding paragraph refers, we shall apply the provisions of Article 15, frac – VII.

Excepted from the provisions of this article the trusts created by government – DERAL Fe.

ARTICLE 17. Lending institutions shall furnish to the Bank of Mexico the general information it requires them about their operations, asf and. those data to estimate your financial situation if.

The Bank may suspend some or all of its operations, with institutions infinjan the provisions of this article.

ARTICLE 18. Banco de Mexico or deter – mine the exchange rates to be calculated Larse – equivalence of the national currency to settle payment obligations in foreign currency – eign, contracted in or out of the Repub – lic to be fulfilled in this, being able to finish them – also operations by which currencies are purchased against delivery of mo – national currency, provided that both or either of these benefits ea na – tional territory is met.

Article 19 The Federal Government, when necessary or appropriate to the proper protection of the national economy, may, by means of me – issuing decrees exchange control. Prohibit or restrict – imports, exports and trade within of the Republic of currencies; import and ex – porting of national currency; and this – establish obligations and requirements regarding the use and application of the relevant foreign exchange operations within the control cam

Subject to these decrees, as well as any additional requirements which dictate is – Secretariat of Finance and Public Credit, the Bank of Mexico will be allowed to apply such control and to establish the terms and condi – tions that credit institutions, other companies whose main object is the in – financial intermediation and exchange houses, have to intervene, if necessary; in its operation.

- During the term of the mentioned decrees –Swim in the first paragraph, operate a co – Technical Committee Change Control, which shall consist of representatives of the Ministry of Finance and Public Credit, the Secretary of Commerce and Industrial Development, Bank of Mexico and the Mexican Institute of Foreign Trade. The Committee shall have a Secretary who shall be appointed by the Bank of Mexico.

Technical Change Control Committee co – rresponderá: a) act as a consultative body on matters relating to the control of cam – bios; b) where appropriate, recommend to the competent authori – ties issuing provisions – exchange control; c) approve terms and conditions for cum – ance of obligations imposed exchange controls, provided that, in the opinion of the Committee itself, the treatment granted by virtue of these authorizations is convenient to extend it to all people who are in the same course, and d) other that is – Nalen The provisions referred above.

The Federal government itself report to Congress, not later than November 15 of each year, the use he has made of these powers.

The Ministry of Finance and Public Credit

- impose, who violates the exchange control regime, the following sanctions:

I. In case of use or application of na – tional currency or currencies in contravention of exchange control regime, fine up to three goals of the national currency or the equivalent in that currency of the currency in question.

This equivalence will be determined based on the prevailing exchange rate at the date of the in – fraction, which is the highest of the set by the Bank of Mexico within said men – regime;

II. The penalty also applies scheduled before whom contributes to commit – infringements referred to in the preceding section, as well as who participates in the simulation of legal acts which also proves his – pulling one currency or currency , to con – trol of updates. Which employed inter – come in such acts of solidarity respond – payment of the fine, and

III. Anyone who does not meet the requirements set pre – documentation or have the re – registers or authorizations required by the exchange control regime, provided that such non – compliance does not

cause the aforementioned – fractions, penalty will be imposed in domestic currency in an amount of not less than fifty nor more than one thousand times the minimum daily wage in the Federal District in the month of the in – fraction.

The Secretary shall determine the sign said fines – tonnes in the previous sections, and founding. giving reasons for its decision, for which take into account: a) the amount of the transaction; b) where appropriate, the use of deception or artifice to carry out the offense, and c) if the offender's recidivism – dente.

Against administrative decisions imposing fines, that the remedy of cancellation under the Tax Code of the Federation, whose interposition resolution substantiation and all its provisions shall apply –. This remedy must be exhausted prior to filing – any other means of legal defense

Against final decisions on resource state – ci, the trial will proceed to the Tax Court of the Federation.

ARTICLE 20. Lending institutions adjust their currency trading, gold and silver to the rules issued by the Bank of Mexico. This, being equal, will – once preferred over any other person in these operations.

The above institutions will be forced to disclose their positions to the Bank Currency, gold and silver, provided that the request is the same as transferring, when so requested, their

assets in these effects, which are in excess of its obligations thereof. The transfer will be the price they have quoted market currencies, gold and silver on the date that the Bank of Mexico issued by the relative agreement.

The positions of foreign exchange, gold and silver, which credit institutions maintain in excess of those authorized by the Bank of Mexico are, must be deposited entirely in the latter, the species concerned. A missing that exist with respect to such deposits shall apply as mandatory provisions in Article 15, Section VII.

The Bank of Mexico, taking into account the seriousness of the case, may order the credit institutions that violate the provisions of Article tie, suspension for up to six months in some or all of its operations with di – visas, gold or silver.

ARTICLE 21. Dependencies and entities of the Federal government that can not be characterized financial intermediaries must maintain their currencies and make their operations with the same, subject to the rules, guidelines and policies that the Bank of Mexico , if set. In effect, the agencies and entities providing the Bank – Naran information requested by him in respect of their foreign exchange transactions and Taran – obliged to dispose of their currencies that Institutions in the terms of Article 20 and the general regulations that, pursuant to that pre – cept, issued by the Bank.

CHAPTER IV

Organization, Government and Security

ARTICLE 22. Exercising the functions of the Bank of Mexico and the administration thereof, shall be assigned, in the scope of their respective powers, a Governing Board, a Credit and Exchange Commission and a Director General.

ARTICLE 23. The Governing Board is integrated by eleven members and their respective alternates. Be members proprietors – riers: the Secretaries of Finance and Public, Programming and Budget and

Co – Trade and Industrial Development; the 'Director-Ge neral – Bank of Mexico; Undersecretary of the Ministry of Finance Public Credit

designate such Holder; the res-

tive chairmen of the National Commission

and Insurance and the National Securities Commission; the President of the Mexi – cana Banking Association, and three persons of recognized competence in financial matters, appointed by the Federal Government, through the Secretary of Finance and Public Credit, which do not provide

labor-related services to the above depend – dence, agencies and entities.

Substitutes of the regular members of the Board shall, respectively: A subse-Secretary of the Ministry of Finance and Credit, Public who will both Holder and the deputy secretary of the dependencia; two separate sub – secretaries secretaries of Budget and Planning and Development Comercio and Indus – trial; a deputy director general of the Bank 'Mexico; a vice-president of the National Commission of Banking and Insurance, the National Commission of Securities and of the Mexican Association of Banks. The holders of those dependencies and agencies who will nominate alternates. Alternate members of the three last-mentioned owners mino – ter in the preceding paragraph shall be desig – Swim by the Federal Government, through the Secretary is – of Finance and Public Credit, – Biendo such appointments. be persons who meet the same requirements as those owners must meet.

ARTICLE 24. The Governing Board will be chaired by the Secretary of Finance, and in his absence, by the Di – rector General Bank. Person chairing the Board of Governors have a casting vote in case of tie.

The Board shall meet at least once every two months, without prejudice to do so at any time whenever called by the Chairman, the Director General of the Bank, or by at least three members of the other owners.

The meetings of the Board shall be held with the assistance of at least seven of its members – bers, must always be counted on the pre – sence of any member of the Secretariat of Public Credit Ha – hacienda and the Director of the Bank or his deputy. Each member, whether or alternate, shall have one vote and resolutions shall be taken by majority vote of those present.

The Governing Board shall appoint the Secretary of the same, as well as a deputy. Such Appointing officials shall select the institution.

. ARTICLE 25 The Governing Board shall have the following powers:

I. Determine the maximum amount you can achieve the balance of domestic financing of the 'Bank in accordance with the provisions of the 7th article.;

H. Understand and consider the reports. Director-General shall submit to the balance of domestic financing of the Bank;

III.Meet the Director General's proposals on the terms and conditions of the loan made by the Bank to the Government – DERAL Fe, as provided in article 9. and, if you approve;

IV. Meet the reports submitted by the Director General on the economic and financial, internal and external situation, and make recom – mendations regarding the shares to em – turn by the Bank;

V. Determine the characteristics of the bi – paper money, subject to the provisions of article 4. and metal compositions of the mo – coins, when they must undergo – considers the Secretariat of Finance and Pú – PUBLIC;

VI. Deciding on the demonetization of bi – Lletes in the terms of Article 22 of the. Monetary Law of the United Mexican States;

VII. Decide on procedures for disabling and destruction of currency;

VIII. Constitute a proposal of the Director General, Regional Councils;

IX. Agree on the establishment, change of location and closing of branches and agendas;

X. To decide on the acquisition or disposes – tion of shares or by the Bank of companies providing services;

XI. Authorize the acquisition and disposition of property;

XII. Know, before publication, the annual report of the Director General on the economic situation of the country, and make recommendations – margin;

XIII. Review and, if appropriate, approve the financial statements for each financial year;

XIV. Consider and; if appropriate, approve the proposal of the Director General, the proposed budget for current expenditures and physical investment for the next underwriting year and the corresponding budget to do that since – amending portions;

XV. Appoint, on the proposal of the Director general to DDGs, – derles licenses granted and learn waivers

submit. These appointments should re – fall when people have less

god of services in five senior positions at the Bank of Mexico, the Ministry of Finance and Public Credit, or in institutions, credit. The designations in question, will be giving preference to the staff of the institution, to equal merit; •

XVI. Appoint and remove the Secretary of the Board and his deputy;

XVII. Establish general criteria to be observed by the Bank's relations with its employees and fix the salary of the Director General, and

XVIII. To consider the proposal of the Director General, the Internal Regulations of the Bank and its amendments and, where appropriate, approve.

ARTICLE 26. Commission Credit and Changes will be composed of the Secretary of Finance and Public Credit, the undersecretaries of the Unit who are members pro-Pietario and alternate of the Board of Governors, the Director General of the Bank, his deputy in ci – tada Board and Deputy General Manager of the institution designated by the holder thereof. Members of the Commission shall not have his – alternates.

, The Commission will be chaired by the Secretary of Finance and Public Credit, or in their absence, by the Director General of the Bank. The functionary of the above is presiding officer, have a casting vote in case of tie.

The Commission may meet at any time at the request of its Chairman or the Director-General; its meetings should be held with the assistance of at least three of its members, provided that two separate officials including the Ministry of Finance and the Bank of Mexico are present. The resolutions of the Commission shall be taken by majority vote, being necessary in any case the favorable vote of at least one of the representatives of that Ministry of Finance and Public Credit.

He will report to the Governing Board on those decisions in terms that the Commission itself determines.

The Secretary of the Governing Board and its alternate member will also be of Credit and Exchange Commission.

. ARTICLE 27 The Commission shall function for:

I. Determine criteria according to which the Bank should carry out its market operations for regulatory purposes credit and exchange;

II. Determine the amounts, plazas, yields, installation conditions and other characteristics of monetary regulation bonds;

III. Determining which obligatory investment for lending institutions that Article 15, sections I and II concerns.

IV. Establish criteria general character, to be subject to the Bank in the exercise of the powers conferred on article 14;

V. Set criteria to be subject to the Bank in the exercise by the powers legally conferred to regulate operations of third currencies, gold and silver;

VI. Set standards for the determination of import and exchange, according to the relevant provisions, the Bank completed set, and

VII. Provide guidelines regarding the amount, composition and valuation of the reserve referred to in Article 11.

. ARTICLE 28 The Director General shall be appointed by the President of the Republic, or in his absence such appointment in person meeting the following requirements:

I. be a Mexican citizen, and

II. Being recognized competence in monetary, credit and banking matters and have occupied for five years at least, senior-level decision-making on financial matters, in the Bank of Mexico, the Ministry of Finance or credit institutions.

. ARTICLE 29 The director General:

- I. Be responsible for the governance of the Bank, the legal representation of it and the performance of their duties, without prejudice to the powers conferred by this Act to the Governing Board and the Credit and Exchange Commission;
- II. Implement the resolutions of the Board of Government and Credit and Exchange Commission;
- III. Acting in the capacity of agent and delegate trustee under the terms of Regulation Interior;
- IV. Report to the Governing Board, at intervals determined by it, on the balance of domestic financing of the Bank;
- V. Submit annually to the Board of Government's financial statements;
- VI. Approve the consolidated accounts statements given and provide monthly publication;
- VII. Appoint and remove proxies and delegates trust;
- VIII. Appoint and remove the Bank staff and fix their salaries and other pres-tions, under the overall allocations of current expenditure budget approved by the Governing Board, and
- IX. Issuing the general working conditions that regulate labor relations between the Bank and its employees.

ARTICLE 30. The Bank may have regional councils, which will query functions and deobtención and dissemination of information. general training in economic matters, and particularly financial.

ARTICLE 31. Federal Executive, through the competent agency shall appoint a commissioner and an external auditor, the institu - tion.Both will have the broadest powers to examine and determine the financial statements - cial Bank, as well as to review the conta - bility and other documentation of the latter.

The commissioner may attend meetings of the Governing Board.

CHAPTER V

Reserves, Funds and Operating Remnants.

ARTICLE 32. The Bank shall establish reserves and funds necessary for the ade - priate exercise of the functions of monetary, credit and exchange controls this Act entrusted to forecasts that under sound financial and accounting techniques, either - desirable establish order to cover potential losses, including those arising from the estimated - assets and, in general, for the proper performance of their duties.

ARTICLE 33. The Bank's financial year starts on January termi - Nara and December 31 of each year.

At the end of each year there shall be - cheat the assets and liabilities of the Bank in accordance with applicable laws and adjusting - ble with sound accounting techniques, fact which will be passed to determine the re - permanent operation. - nent operation is not considered re quantities have been taken to reserves and funds consti - tituted as provided in this Act

Set the amount of remnant according to the preceding paragraph and – can separate the amount payable as tax pectivo – res and the participation of workers in the profits of the Bank, the balance will be applied as provided in the Section II of Article 34 ar –.

. ARTICLE 34 The Bank will deliver the annual – Federal Government:

- I. The amount of banknotes in circulation to be demonetized and the credit balance, if any, to report the results' derived from the coinage once – duced expenditure on such acu – nation including in them the value of the me-

such, the cost of manufacturing and 'other – related concepts, and

II. The remaining balance of the transaction.

ARTICLE 35. The Bank is obliged to formulate and publish the balance sheet at year end as well as a state – consolidated accounts since the last day of each month.

CHAPTER VI

General Provisions. . ARTICLE 36 The Bank of Mexico may:

I. Develop, compile and publish statistical – economic and financial policies; operating systems based on these information, and collect the data necessary for such purposes;

II. Conduct, directly or through third parties, marketing of commemorative coins, as well as those with special finish or packaging, and

III. Using equipment available in the manufacture sale goods and services to third parties, provided that these uses do not affect the proper performance of their duties.

. ARTICLE 37 prohibited the Bank of Mexico:

I. Provide warranty;

U. acquire property, except those re – want to carry out their duties.necessary that the Bank receives or property or real rights are awarded in payment of their claims, and when they cease to be interested in those that needed owns, – Tara is forced to perform them within a maximum period of three years;

III

.Acquire securities representing the ca – pital corporation; except in the case of companies that provide services or – venientes necessary to perform its functions, and

IV. To pledge your property – piety.

Shall not apply to the Bank ban – and limitations established in this Act, acting in compliance with its obligations related to employment – or – temples make the investments necessary or appropriate for such compliance – ment.

ARTICLE 38. The Bank of Mexico and their

funacionarios and employees, be them licables the provisions on banking secrecy laid down in law.

ARTICLE 39. Resolutions of the National Commissions and Bancat the National Insurance and Securities, affecting the functions of the Bank of Mexico. will have to be approved by

this, prior execution.

ARTICLE 40. Employment relations between the Bank of Mexico and its employees shall be governed by the provisions of Section XIII 'bis paragraph B of Article 123 of the Constitution of the United Mexican States and the Regulatory Law.

Are trusted employees of the Bank of Mexico:

I. The Director General, Directors general attachments, principals, assistant principals, managers, assistant managers, officials of equivalent rank and above 102 em – assigned administrative and service employees personally and directly to Go Board – ment to the Credit and Exchange Commission and the Directorate General.;advisers and staff – cretarial of the aforementioned officials, heads of division and office; security personnel; pilots, co-pilots and flight engineers; technical personnel assigned to areas of changes, metals, investments, securities and infor – matic; contraseñadores operators and telex., as well as technical staff handling confidential information. and

11. The marked in Act Rule – mentary, which are not included in the previous frac – tion. '

ARTICLE 4L Public Service Regulatory Law Banking and Credit, Commercial legisla – tion, banking and commercial uses v Civil Code for the Federal District, spe – nicated to the Bank's operations. Extra-mind to this Act and in the order they are listed.

TRANSIENT

ARTICLE ONE. - This Act shall

into force on 10. January 1985.

ARTICLE TWO - Over one hundred and eighty days after the entry into force of the present Law, the Bank of Mexico should ask the former provisions relating to deposit obli – sory and selective channeling of credit-a that articles 15 and refer 16.

Meanwhile the Bank issued new rules that the preceding paragraph refers to. shall continue to apply all the rules on those matters that are in force.

ARTICLE THREE - The Bank may play the role of trust in trusts currently managed, even

when they correspond not to those provided in Article 60., Section XI, may if necessary, make the opera with such trusts under – fractions 1, II and VI of the state ci article.

ARTICLE Fourth.-The resources that the date of the coming into force of this Act, the encumbered funds Supplementary Stabilisation and Special Provident is in-tegrarán without restriction to the assets of the institution.

ARTICLE Quinto.-Law Or – ganic the Bank of Mexico from April 26, 1941 repealed.

Mexico City, December 21, 1984.-In – wealth Soto Izquierdo, DP-Celso Humberto Del-ado

Ramirez, Arturo Contreras SP-Cuevas,

. S. Mariano Palacios Alcocer-, SS-Rú - factories. "

In compliance with the provisions of the fraction I of Article 89 of the Constitution of the United Mexican States and for the publication and observance, I issue the present Decree at the residence of Executive Power - Federal, in Mexico City, Federal District, on the twentieth day of December 1980 and the Madrid cuatro. Miguel Hurtado.-Rúbrica.-The Secretary of Finance and Public Credit, Jesus Silva-Herzog Flores. rubric. - The Secretary of Budget and Program -, Carlos Salinas de Gortari. - Rúbrica.-E1 Secretary of Commerce and Industrial Development, Héctor Hernández-Rú Cervantes. - rubric.-The Secretary of the Interior Manuel Bartlett D. Rubric.

Decree amending and supplementing the Federal Bonding Institutions. /

Besides a seal with the national Seal that reads: United States Mexican Presidency of the Republic.

MIGUEL DE LA MADRID Hurtado, President of the United States Mexicans -, its inhabitants;

That the Congress to address the following

DECREE:

"The U.S. Congress require-

American countries, decrees:

SE REFO AND ADD THE LAW

D INSTITUTIONS FEDERAL BONDING

ARTICLE UNICO.-Be articles reshape it. first paragraph, 5th., 80., 15 fraction

III, a) and b) and last paragraph and section IV first and last paragraphs, 31 first paragraph, 41 fraction X, a) and b), 42, 52, 56, 65, 66, 78, 83, 110, 111, 112, 112a, 112a 1 112a 2 112a 3 112a 4 112a 5 and 112 bis 6 Federal Bonding Institutions Law and articles are added 15 with a fraction IIa and fraction III with subsection f), 60, with a fraction VIIIa and articles are added 65a, 81a and 89a of the Act itself and, to read as follows:

ARTICLE 10.-This Act shall apply to bonding companies; whose purpose is to provide surety bonds for consideration.

ARTICLE 50.-To organize and function with surety institution granting the Federal Government, which falls discretion granted to the Secretary of Hacienda and Public Credit, only do the review of the National Banking Commission of Insurance is required. These grants are for your part the transferable nature.,

ARTICLE 80 -. Acquisition of control of 10% or more of share capital paid representatives an ion bonding institutions, or one that refers subsection b) of the fraction III of Article 15 to this Act, by means of one or more operations of any na-

nature, simultaneous or successive, should some-

terse to the prior approval of the Secretary of Finance and Public Credit, which shall grant or deny discretionary hearing the opinion of the National Banking and Insurance Commission.

ARTICLE 15. -

a) The Federal Public Administration;

b) Companies which are or may become owners of shares of an institution surety These companies are so-

stuck to the training and supervision of the Commission

sion and ncaria National Insurance and will be

As applicable to their _accionistas, the provisions

since this fraction, the IV and the last paragraph of this section and sections III and IV of Article 111 of this Act

People who bring actions of one or more institutions of the capital bonds tub societies referred to in this subsection may maintain po – interests arising in the capital of the same, by the value of the shares that each give them input,

These companies may not own shares in more than one institution bond, except in the case of institutions that seek to merge as approved by the Ministry of Finance and Public Credit Programs,