

ATTACHMENT FOR MEXICO

Financial Institutions Banks, Brokerage Firms and Investment Funds

1. QI¹ is subject to the following laws and regulations of Mexico governing the requirements of QI to obtain documentation confirming the identity of QI's account holders.
 - Securities Market Law. The purpose of this law is to develop an equitable, efficient and transparent securities market; protect the interests of investors; minimize systemic risk; encourage a healthy competition and regulate securities. Article 212 of the mentioned law obligates brokerage firms to implement mechanisms to prevent money laundering practices, identify customers and report relevant and unusual operations.
 - General Provisions referred to in Article 212 are intended to establish measures and minimum procedures which brokerage firms are required to observe in order to prevent money laundering and terrorism financing and Know-Your-Customer procedures.
 - Credit Institutions Law. The purpose of this law is to regulate banking and credit services, the organization and functioning of Credit Institutions, as well as the activities and operations that such institutions might be able to realize, their healthy and balanced development, the protection of the public interests and the terms under which the State shall enforce the financial rectory of Mexican Banking System. Article 115 of the mentioned law obligates credit institutions to implement mechanisms to prevent money laundering practices, identify customers and report relevant and unusual operations.
 - General Provisions referred to in Article 115 are intended to establish measures and minimum procedures which credit institutions are required to observe in order to prevent money laundering and terrorism financing and Know-Your-Customer procedures.
 - Law on Investment Funds. The purpose of this law is to regulate the organization and functioning of investment funds, the intermediation of their stocks in the securities market and the services that shall be subcontracted for the correct performance of their activities, as well as the organization and functioning of the parties that may render services to such investment funds. Article 91 of the mentioned law obligates investment funds to implement mechanisms to prevent money laundering practices, identify customers and report relevant and unusual operations.
 - General Provisions referred to in article 91 are intended to establish measures and minimum procedures which investment funds are required to observe in

¹ The term "QI" contained in this document refers exclusively to Banks, Brokerage Firms and Investment Funds. Furthermore, any obligation and/or penalty contained shall only be applicable to these entities.

order to prevent money laundering and terrorism financing and Know-Your-Customer procedures.

In order for Brokerage firms, Credit Institutions and Investment Funds (Intermediaries) to comply with laws for prevention of money laundering, identification of customers and reporting of suspicious transactions, Intermediaries must develop monitoring and alerting systems with, among other, the following functions:

- i. Registering, updating and modifying customer's identification information for its consultation.
 - ii. Codifying, encrypting and transmitting data in a safe manner to the Financial Intelligence Unit (UIF) and the National Banking and Securities Commission (CNBV).
 - iii. Generating customer's transactional profiles.
 - iv. Providing warning and alert systems and contribute on the detection, tracking, and analysis of possible suspicious activities;
 - v. Consolidating transactions, contracts and products of a single Customer on a data base;
 - vi. Reporting possible Unusual Operations in a safe, confidential and auditable manner;
 - vii. Screening of customer databases for Politically Exposed Persons, as well as those included in the Sanction List and List of Blocked Persons in order to identify possible risks.
2. QI represents that the laws identified above are enforced by the following enforcement bodies and QI shall provide the IRS with an English translation of any reports or other documentation issued by these enforcement bodies that are relevant to QI's functions as a qualified intermediary.
- Financial Intelligence Unit (UIF, for its Spanish acronym)
 - The National Banking and Securities Commission (CNBV, for its Spanish acronym), agency of the Ministry of Finance.
3. QI represents that the following penalties apply to failure to obtain, maintain, and evaluate documentation obtained under the laws and regulations identified in item 1 above.
- A fine of 10% to 100% of the amount of the act, transaction or services when performed with clients or customers included in the list of "blocked persons".
 - A fine equal to 30,000 to 100,000 days of minimum wage, for Banks and Brokerage Firms and of 20,000 to 100,000 days of minimum wage for companies operating investment funds and distributing shares of investment funds, when:

- (i) Not applying the KYC rules, which include being aware of the Customer's background, certain specific conditions, economic or professional activities and operational locations.
 - (ii) Not obtaining information and documentation evidencing the identity of their Customers having accounts opened with them.
 - (iii) Not complying with the standards to safeguard and guarantee the safety of the information and documentation related to the identification of their Customers, former Customers, as well as registered operations that had to be reported.
 - (iv) Not using automatized systems easing the compliance of the KYC measures and proceedings.
- A fine of 5,000 to 50,000 days of minimum wage, for Banks and Brokerage Firms and of 3,000 to 30,000 days of minimum wage for companies operating investment funds and distributing shares of investment funds, to:
 - (i) Financial Institutions not complying with the terms to provide KYC training to their personnel. Such training must comply with the requirements set forth in the Mexican KYC rules
 - (ii) Financial Institutions not establishing internal structures focused on guaranteeing compliance with the KYC rules.
 - (iii) Any other breach to the KYC rules.
4. QI shall use the following specific documentary evidence (and also any specific documentation added by an amendment to this item 4 as agreed to by the IRS) to comply with section 5 of this Agreement, provided that the following specific documentary evidence satisfies the requirements of the laws and regulations identified in item 1 above. In the case of a foreign person, QI may, instead, use a Form W-8 in accordance with section 5 of this Agreement. Either QI, or a banking or securities association in Mexico, may request an amendment of this item 4.

Natural Persons

- Official ID, among others:
 - Voting ID
 - Valid passport

Legal Persons

- Certified copy of the incorporation deed registered before the Public Registry of the Property and Commerce;

- Certified copy of Civil Society deed registered before the Public Registry of the Property and Commerce.
- Certified copy of Civil Association deed registered before the Public Registry of the Property and Commerce.
- Certified copy of Limited Liability Company deed registered before the Public Registry of the Property and Commerce.

5. QI shall follow the procedures set forth below (and also any procedures added by an amendment to this item 5 as agreed to by the IRS) to confirm the identity of account holders that do not open accounts in person or who provide new documentation for existing accounts other than in person. In the case of a foreign person, QI may, instead, use a Form W-8 in accordance with section 5 of this Agreement. Either QI, or a banking or securities association in Mexico, may request an amendment to this item 5.

- (i) QI shall not open an account by any means other than by establishing in person the identity of a customer through the account holder's own identity documents, except as permitted in (ii), (iii) and (iv) below.
- (ii) QI may obtain by mail or otherwise a copy that is an exact reproduction of the specific documentary evidence listed in item 4 above from another person that is subject to know-your-customer rules that have been approved by the IRS for purposes of qualified intermediary agreements, provided that the laws and regulations listed in item 1 permit QI to rely on the other person to identify the account holder.
- (iii) QI may obtain a photocopy of the specific documentary evidence listed in item 4 by mail or otherwise remotely from the account holder or a person acting on behalf of the account holder, provided that the photocopy has been certified as a true and correct copy by a person whose authority to make such certification appears on the photocopy, and provided that the laws and regulations listed in item 1 permit QI to rely on the certified photocopy to identify the account holder.
- (iv) (a) QI may obtain by mail or otherwise a copy that is an exact reproduction of the specific documentary evidence listed in item 4 from an affiliate of QI or a correspondent bank of QI, provided that the affiliate or correspondent bank has established in person the identity of the account holder and the laws and regulations listed in item 1 permit QI to rely on documentation provided by that affiliate or correspondent bank to identify the account holder.

 (b) For accounts opened prior to January 1, 2001, if QI was not required under its know-your-customer rules to maintain originals or copies of documentation, QI may rely on its account information if it has complied with all other aspects of its know-your-customer rules regarding establishment of an account holder's identity, it has a record that the documentation required under the know-your-customer rules was actually examined by an employee of QI, or an employee of an affiliate of QI or a correspondent bank of QI, in accordance with the know-your-customer rules, and it has no information in its possession that would require QI to treat the documentation as invalid under the rules of section 5.10(B) of this Agreement.