

**CORPORACIÓN INMOBILIARIA VESTA, S.A.B. DE C.V.**

**BYLAWS**

**CHAPTER ONE**

**NAME, PURPOSE, LIFE, DOMICILE AND NATIONALITY**

**ONE. Name.** The name of the Company will be "Corporación Inmobiliaria Vesta" to be always followed by the words "Sociedad Anónima Bursátil de Capital Variable", or the abbreviation "S.A.B. de C.V."

**TWO. Corporate Purpose.** The purpose of the Company is:

1. To acquire and/or execute construction of real property for leasing or acquisition of rights to earn income from the leasing of such property, and to such effect grant loans secured by the property in question.

2. Directly or indirectly, through any entity, vehicle or contract, develop real estate projects for business, industrial, residential, hotel or any other nature; build, supervise, refurbish, design, use, administer, operate and lease real property of any nature, personally or in name of third parties; and perform any kind of constructions, buildings, real estate developments, housing parks, office buildings or facilities, operation centers or any kind of establishment.

3. Purchase, sale, use, lease, grant or receive under gratuitous loan, possess, exchange, give away, transfer or dispose of ownership of any kind of real property and other rights *in rem* or rights *in personam* thereon in order to build, develop, erect or adapt such property for industrial, commercial, residential, hotel or any other purposes.

4. Promote, incorporate, organize, acquire and hold an interest in the capital stock or patrimony of any kind of commercial or civil companies, partnerships, entities or corporations of industrial, commercial, service or any other nature, regardless their name, both domestic as well as foreign, and actively participate in management thereof.

5. Acquire, under any legal title, shares, interest, partnership interest, company shares or any other holdings, regardless their name, of any kind of business, civil companies or entities, whether domestic or foreign, either by participating at the time of incorporation or by later acquisition, and sell, dispose of and negotiate with such shares, interest, partnership interest or holdings, including any other negotiable instrument or security.

6. In accordance with the Stock Market Law and provided Company shares are entered in the National Security Registry, may place or acquire shares representing its own capital stock, without granting to its shareholders preemptive subscription rights, in accordance with the provisions of the Stock Market Law that so allow.

7. Receive from other companies or individuals and render and provide to other companies or individuals, directly or through its subsidiaries or affiliates, any service that may be required for attainment of its purposes or company purposes, such as, among other, administrative, financial, treasury, auditing, marketing, balance and budget preparation, program and manual elaboration, operating result analysis, assessment, productivity information, preparation of capital availability studies, technical assistance and advisory or consultancy services.

8. Obtain, acquire, develop, market, make improvements, use, grant and receive licenses, permits and any kind of authorizations, dispose of under any legal title of any kind of patents, trademarks, invention certificates, trade names, utility models, industrial designs, industrial secrets and any other industrial property rights, in any country and under any laws, as well as copyrights and related or similar rights or options thereon.

9. Obtain and grant any kind of financing, credits, loans and finances, as well as issue obligations, commercial paper, ordinary holding certificates, stock certificates, obligations, notes and, in general, any negotiable instrument, in series or in mass, instruments representing Company obligations that may be now or in the future, issued in the United Mexican States ("Mexico") or abroad, in accordance with the laws of any jurisdiction, to be placed amongst investor public or amongst investors to be elected, with or without particular guarantee.

10. Grant any kind of real guarantee, including pledge, mortgage, trust or any kind of guarantee allowed by applicable laws (including foreign laws).

11. Grant any kind of personal guarantees, as guarantor, avail, surety or in any other capacity in accordance with the laws of any jurisdiction, and act as joint or several obligor to guarantee obligations and debts of any third parties (including subsidiaries and affiliates).

12. Execute any kind of derivative transactions in accordance with Mexican or foreign law, independently their denomination, currency of their denominated, how they are settled or underlying assets in question.

13. Issue, endorse, avail, draw, accept and negotiate with any kind of negotiable instruments subject under the laws of any

jurisdiction.

14. Give or take under lease, gratuitously borrow, acquire, possess, exchange, dispose of, transfer, sell or encumber ownership or possession of any kind of property, real or personal, and other rights *in rem* or rights *in personam* thereon that may be required or convenient for its corporate purpose or for transactions or corporate purposes of commercial or civil companies, partnerships and institutions of any nature, regardless the name, in which the Company may hold an interest or share of any nature.

15. Act as commission broker, mediator, agent, representative, dealer or intermediary of any individual or legal entity.

16. Production, transformation, adaptation, import, export, leasing and purchase and sale, under any title of machinery, equipment, spare parts, materials, raw material, industrial products, items and merchandising of any kind.

17. Execute any kind of agreements, contracts, instruments and documents, including, without limitation, purchase and sale, subscription, capitalization, gratuitous loan, loan, leasing (financial or otherwise), trust, exchange, management, operation, franchise, services, technical assistance, consultancy, marketing, commercial agency, partnership interest, partnership and any other in accordance with domestic or foreign laws, as may be deemed appropriate or convenient for the attainment of the corporate purpose.

18. Obtain, grant and, in general, use and exploit, in its own account or in the account of third parties, any kind of concessions, franchises, permits, licensees, sublicenses and authorizations regarding any kind of personal property (including rights) or real property and intellectual or industrial property, including, without limitation, for services, technology, technical assistance, invention patents, industrial models, drawings, utility models, designs, trademarks, service marks, trade names, advertising, engineering and copyrights and rights related or similar thereto, as may be deemed needed or appropriate for the attainment of the corporate purpose.

19. Render and provide any kind of professional and commercial services to third parties, including, without limitation, the rendering of staffing, administration, operation, construction, planning, development, engineering, research, training, accounting, management, assistance, consultancy and supervision services to individuals and legal entities, whether affiliates or not, domestic or foreign, in Mexico or abroad, and contract the rendering of any kind of professional and commercial services, including those listed hereunder.

20. Issue shares not subscribed to be placed amongst the public, in terms of Article 53 (Fifty-three) of the Stock Market Law or any substituting provision in accordance with the procedure established in these Corporate Bylaws and in the applicable laws.

21. Perform any act and create any Committee that may be required or allowed by applicable laws, including the Stock Market Law.

22. In general, perform any kind of acts and execute any kind of agreements, contracts, instruments, including those of civil or commercial nature, allowed by applicable laws, in Mexico or in any other jurisdiction.

**THREE. Life.** The life of the Company will be indefinite.

**FOUR. Domicile.** Domicile of the Company is the City of Mexico, Federal District, Mexico. The Company may open offices, warehouses, distribution and sales centers, operation centers, agencies, branches or any kind of facility required for its operations and provide conventional domiciles anywhere in or outside Mexico, without by such fact deeming its company domicile as changed.

**FIVE. Nationality.** The Company is of Mexican nationality. Foreigners that at the time of incorporation or at any subsequent time may acquire Company shares commit before the Department of Foreign Affairs to be deemed as Mexican regarding (a) Company shares or rights they may acquire, (b) property, rights, concessions, holdings or interest owned by the Company, and (c) rights and obligations deriving from contracts to which the Company is party, and it will be understood that they waive to their right to invoke protection of their government under penalty, in the contrary event, of forfeiting in the benefit of the Mexican nation rights and property acquired.

## CHAPTER TWO

### CAPITAL STOCK AND SHARES

**SIX. Capital Stock and Shares.** The capital stock of the Company is of variable nature. The minimum fixed capital without right of withdrawal, entirely subscribed and paid-in is \$50,000.00 (fifty thousand and 00/100 pesos, legal tender of the United Mexican States.), represented by 5,000 (five thousand) shares. The capital stock will be represented by single series, ordinary, registered shares, without par value.

Capital stock shares will belong to a single series. The entirety of shares in which the capital stock is divided will be freely subscribed, in terms of the Foreign Investment Law, its Regulations and all other applicable legal provisions.

Each share will confer equal rights and obligations to their holders. Each share will grant to their holders same patrimonial rights, therefore, all shares will be equal, without distinction, regarding dividends, reimbursement, amortization or distribution of any kind in terms of these Corporate Bylaws, except as to segregation right

contemplated under Clause Thirteen of these Corporate Bylaws. However, to prevent distinction in the share stock price, interim or final share titles will not differentiate between shares representing minimum fixed capital and those of the variable portion. Each share will confer a right to cast one vote at General Shareholders' Meetings.

In accordance with Article 54 (Fifty-four) of the Stock Market Law, after having first obtained authorization from the National Banking and Securities Commission, the Company may issue nonvoting shares, limited by other corporate rights and restricted vote shares other than or in accordance with the provisions of Articles 112 (One hundred and twelve) and 113 (One hundred and thirteen) of the General Business Corporations Law.

Shares other than ordinary without voting right or with limited or restricted voting right may not exceed 25% (twenty-five percent) of the capital stock the National Banking and Securities Commission deems as placed amongst investor public on the date of public offering. National Banking and Securities Commission may extend the above limit, provided about programs contemplating the issue of any kind of shares that must be converted into ordinary shares within a term not exceeding 5 (five) years as from the date of their placement or when about shares or investment programs limiting voting rights in function of nationality of their holders. Shares without voting right will not be taken into account for the purposes of establishing quorum at General Shareholders' Meeting, while limited or restricted votes rights will only be calculated for the legal holding of Shareholders' Meeting to which their holders must be called to exercise their voting right.

Upon issue of shares without voting right or limited or restricted vote, the General Shareholders' Meeting resolving issue thereof will define corresponding rights. As applicable, shares issued in terms with the above paragraph will be of a series other than the series to all other shares representing the Company capital stock.

**SEVEN. Treasury Shares; Placement.** The Company may issue and subscribe shares which will be kept in Company treasury to be delivered upon their subscription and payment.

Also, the Company may issue unsubscribed shares for placement amongst investor public, in accordance with the terms and always in compliance with conditions foresee to such effect under Article 53 (Fifty-three) of the Stock Market Law, including to first obtain public offering authorization issued by the National Banking and Securities Commission. Preemptive subscription right referred to under Article 132 (One hundred and thirty-two) of the General Business Corporations Law and Clause Twelve of these Bylaws will not apply when about capital increases in terms with such Article 53 (Fifty-three) of the Stock Market Law or any substituting provision.

**EIGHT. Acquisition of Own Shares; Provisions regarding Change of Control.**

(a) Acquisition of Own Shares. The Company may acquire shares representing its own capital stock or negotiable instruments or any other representing such shares, without applying the provision referred to under paragraph one of Article 134 (One hundred and thirty-four) of the General Business Corporations Law. Acquisition of own shares will be at any domestic stock market, at market prices, except in public offerings or biddings authorized by the National Banking and Securities Commission. Acquisition of own shares will be charged against stockholders' equity, in which event acquired shares may be held by the Company without need to reduce capital stock, or else, charged to the capital stock, in which event they will be converted into unsubscribed shares that the Company will keep in treasury, without need of resolution by the Shareholders' Meeting. The General Ordinary Shareholders' Meeting must expressly resolve each corporate year the maximum amount of funds that may be destined to acquire own shares or negotiable instruments or other instruments representing such shares, with the only restriction that total funds destined to such end are not to exceed the aggregate of the total balance of Company's net profits, including those withheld from prior years. As applicable, the Company must be up-to-date with payment of obligations deriving from debt instruments entered in the National Security Registry. The Board of Directors must appoint to the individuals responsible for acquisition and placement of own shares.

While shares acquired belong to the Company, these may not be represented or voted at Shareholders' Meetings nor any corporate or economic rights be exercised regarding such acquired shares.

Acquisition and disposal of shares foreseen hereunder, reports on such transactions must be submitted to the consideration of the General Ordinary Shareholders' Meeting, the standards of disclosure in financial information, as well as the form and terms in which these transactions are to be disclosed to the National Banking and Securities Commission, the applicable stock market and the investor public will be subject to the Stock Market Law and general provisions issued by the Commission itself.

(b) **Provisions regarding Change of Control.**

Definitions.

For the purposes of this Clause Eight, below terms will be understood as having meaning that follows:

"Shares" are any and all shares representing capital stock of the Company, regardless its class, series or denomination, any certificate, security, right (detachable or not, represented by any instrument or resulting from conventional or contract provisions and not from any other instrument) or instrument issued or created based on such shares, including ordinary interest certificates, deposit certificates or negotiable

instruments regarding such shares, regardless the governing law or the market where they may be placed or were executed or granted, or conferring any right thereon or being convertible into or exchangeable for such shares, including derivative instruments and transactions, options, warrants or any similar or equivalent right or instrument, or any integral or partial right regarding or related to shares representing capital stock of the Company.

"Voting Agreement" will have the meaning foreseen under the wording of this Clause Eight.

"Affiliate" is any company Controlling, Controlled of or under Common Control by any Person.

"Competitor" is any Person directly or indirectly, by any means and through any entity, vehicle or contract, mainly or rarely engaged in (i) real estate project development for commercial, industrial, residential or hotel use, including, without limitation, purchase, sale, construction, refurbishing or leasing, whether directly or indirectly, or any similar modality, of real property, (ii) purchase and sale, leasing or similar transactions regarding real property of any nature and to any end, and/or (iii) any activity performed at any time during its life by the Company or any of its Subsidiaries representing 5% (five percent) or more of gross income on a consolidated basis, of the Company and Subsidiaries, in the understanding that the Board of Directors of the Company may, on a case by case basis, agree exceptions to Competitor concept, by resolutions adopted in terms of these Company Bylaws.

"Consortium" means the set of legal entities, of any nature, regardless their name and independently of the jurisdiction under which they may be incorporated, linked amongst themselves by one or more individuals which in whole hold Control of the former, integrating a Partnership or not, in the understanding that amongst the concept of legal entities will be included trust or similar contracts.

"Control", "Controlling" or "Controlled" means the capacity of a Person or Group of Persons, regardless their nature, or their name and independently of the jurisdiction of incorporation, to perform any of the following acts: (i) directly or indirectly impose resolutions or decisions at General Shareholders' Meetings, partners' meetings or equivalent entities, or appoint or destitute a majority of the members of the Board, administrators or equivalent persons of the Company, (ii) maintain ownership of Shares or rights thereon, directly or indirectly, allowing casting a vote regarding more than 50% (fifty percent) of the Company's capital stock, (iii) direct or in any manner establish, directly or indirectly, management, strategies or main policies of the Company through ownership of

shares per contract or otherwise.

"Entrepreneurial Group" is the set of legal entities of any nature, regardless their name and independently the jurisdiction under which they may be incorporated, organized under direct or indirect holding of capital stock programs, or otherwise, in which a single legal entity maintains control of all other legal entities, in the understanding that legal entity concept will be understood as including trusts or similar contracts.

"Group of Persons" are Persons that may have agreements of any nature, whether oral or in writing, to adopt resolutions in a same sense or jointly acting. It is assumed, unless otherwise demonstrated, that a "Group of Persons" is:

- (i) the persons that are related by blood, affinity or under law up to sixth degree, spouses or common-law spouses;
- (ii) legal entities of any nature, regardless the name and independently of the jurisdiction under which they may be incorporated participating in a Consortium or Entrepreneurial Group and person or set of persons holding control of such legal entities, in the understanding that the concept of legal entities will be understood as including trusts or similar contracts.

"Significant Influence" means of the ownership of rights directly or indirectly allowing by any means the exercise of vote regarding at least 20% (twenty percent) of the capital stock of a legal entity, in the understanding that the legal entity concept will be understood as including trusts or similar contracts.

"20% Holding" means ownership or holding, individually or jointly, directly or indirectly, through any legal entity, trust or equivalent, vehicle, entity, company, Consortium, Group of Persons or Entrepreneurial Group, or any other form of economic or commercial partnership of any nature, regardless their name, legally incorporated or not, and established under laws of any jurisdiction, at least holding 20% (twenty percent) of the capital stock or equivalent holding in a legal entity.

"Person" is any individual or legal entity, company, joint partnership, trust or equivalent, vehicle, entity, company or any other form of economic or commercial partnership or any Subsidiary or Affiliate thereof, regardless their nature or their name, with legal existence or not, and in accordance with the laws of any jurisdiction, or any Consortium, Group of Persons or Entrepreneurial Group acting or intending to act jointly, in agreement or coordinately for the purposes of this clause.

"Related Persons" are those Persons which, regarding the Company, fall in any of the following assumptions:

- (i) Persons Controlling or having Significant Influence or 20% Holding in any legal entity part of the Entrepreneurial Group or Consortium to which the Company belongs, as well as members of the board, administrators or relevant directors of Persons integrating such Consortium or Entrepreneurial Group;
- (ii) decision makers of any nature regarding a Person integrating the Consortium or Entrepreneurial Group to which the Company belongs ;
- (iii) the spouse, common-law spouse and persons related by blood or by law up to sixth degree, with individuals falling in any of the assumptions identified under paragraphs (i) and (ii) above, as well as partners, co-owners and individuals listed in such paragraphs or with whom business relations may be maintained;
- (iv) legal entities that are members to the Consortium or Entrepreneurial Group to which the Company belongs;
- (v) legal entities regarding which any of the persons listed under paragraphs (i) through (iii) above exercise Control or Significant Influence.

"Subsidiary" means any company regarding which a Person owns a majority of shares representing capital stock or regarding which a Person is entitled to appoint a majority of members of its board of directors (or equivalent management body) or its administrator.

Authorization to Acquire Stock by the Board of Directors.

Any and all acquisitions of Shares of any nature, regardless their name, that may be attempted, under any title or means, in a single act or in a series of acts, without limiting time between one and another, including for these purposes mergers, consolidations or any other similar transactions, directly or indirectly, by one or more Persons, Related Persons, Group of Persons, Entrepreneurial Group or Consortium, will require for validity thereof, a favorable, prior written resolution issued by the Board of Directors whenever the number of Shares intended to be acquired, in aggregate of Shares integrating prior, direct or indirect, shareholding by any means, results in a number equal to or exceeding any percentage in the capital stock of 9.5 (nine point five) or any other multiple of 9.5 (nine point five).

Any acquisition or attempt to acquire any Share, of any nature and regardless its name, intended to occur in accordance with any title or means, whether in a single act or in a series of acts, without limit

of time amongst them, including for these purposes mergers, consolidations and other similar transactions, whether direct or indirect, independently of the capital stock percentage outstanding such attempted acquisition represents, by any Competitor, above 9.5% (nine point five percent) of the capital stock, will require the favorable approval of the Board of Directors in accordance with the provisions of this Clause Eight.

Having first obtained The favorable approval from the Board of Directors, will be indistinctly required whether the acquisition of Shares is intended through the stock market or over-the-counter, directly or indirectly, in a single transaction or a simultaneous or successive series of transactions of any legal nature, without limit of time between them, in Mexico or abroad.

The Board of Directors' written prior approval will be required for the execution of oral or written agreements, regardless their name, establishing or adopting mechanisms or partnerships vote or for a joint or aggregate vote implying a change of Company Control, a 20% Holding or a Significant Influence over Company (each a "Voting Agreement" and jointly "Voting Agreements").

For these purposes, the Person individually or jointly with Related Persons in question, or else, the Group of Persons, Entrepreneurial Group or Consortium intending to close any acquisition (including mergers, consolidations or similar transactions) or execute any Voting Agreements, must satisfy the following:

1. Interested party or parties must file written request to the consideration of the Board of Directors. Such request must be addressed and delivered by indisputable means to the Chairman of the Board of Directors, copy to Secretary, at the Company domicile. The above request must include the following information:
  - (i) number and class or series of Shares which the Persons in question and/or any Related Person thereto or Group of Persons, Entrepreneurial Group or Consortium (A) holds or co-owners, whether directly or through any Person or Related Person, and/or (B) regarding which it may hold, share or enjoy any right, whether under agreement or otherwise, including any Voting Agreement;
  - (ii) number and class or series of Shares intending to acquire, whether directly or indirectly, by any means or that will be subject of any Voting Agreement;
  - (iii) number and class or series of Shares regarding which there is an intention to share any right, whether under a Voting Agreement, contract or otherwise;

- (iv) (A) percentage of Shares referred to under paragraph (i) above representing the entirety of Shares issued by the Company, (B) the percentage of Shares referred to under paragraph (i) above representing the applicable class or series of Shares, (C) percentage Shares referred to under paragraphs (i), (ii) and (iii) above representing over the entirety of Shares issued by the Company, and (D) the percentage Shares referred to under paragraphs (i), (ii) and (iii) above represent as to the entire class or series of applicable Shares;
- (v) identity and nationality of Person or Persons, Group of Persons, Consortium or Entrepreneurial Group intending to acquire Shares or execute a Voting Agreement in question, in the understanding that should any of them be a legal entity, investment company, trust or equivalent, or any other vehicle, entity, company or economic or commercial partnership of any nature, legally incorporated or not, and under the laws of any jurisdiction, the identity and nationality of partners or shareholders, trustors and trust beneficiaries or equivalent, beneficiaries, members of technical committee or equivalent, beneficiaries, administrator or equivalent, members or associates, identifies must be disclosed, including identity and nationality of Person or Persons directly or indirectly Controlling the legal entity, investment company, trust or equivalent, vehicle, entity, company or economic or commercial association of any nature, legally incorporated or not, and incorporated under the laws of any jurisdiction in question until the individual or individuals Controlling or maintaining any ultimate right, interest or share of any nature in the legal entity, trust or equivalent, vehicle, entity, company or economic or commercial partnership of any nature legally existing or not and incorporated under the laws of any jurisdiction in question are identified;
- (vi) reasons and purposes why the Shares subject matter of filed request or execution of Voting Agreement in question are intended, particularly mentioning whether for the purposes of directly or indirectly (A) acquiring shares other than those listed under the authorization request, (B) a 20% Holding, (C) Company Control, or (D) Significant Influence of the Company;
- (vii) whether a direct or indirect Competitor of Company or any Subsidiary or Affiliate of Company and whether there is capacity to acquire Shares and execute Voting Agreement in question, in accordance with the

provisions of these Corporate Bylaws and the applicable laws; if applicable, whether under process to obtain any consent or authorization, from whom and terms and provisions under which such authorization is expected; also, the request must specify whether Person or Persons intending to acquire Shares in question have Related Persons that may be deemed a Competitor of the Company or any Subsidiary or Affiliate of Company, or whether there is any economic or business relationship with a Competitor or any interest or share whether in the capital stock or in the direction, management or operation of a Competitor, directly or through any Person or Related Person;

- (viii) the origin of economic funds intending to be used to pay the price for Shares subject matter of request; in the event that sources come from a financing, applicant must specify identity and nationality of the Person providing such funds, financial statements or any other creditworthiness evidence of the Person providing funds, and must deliver, jointly with authorization request, documents undersigned by such Person reflecting a commitment thereby not subject to any condition and demonstrating and explaining the terms and conditions of such financing, including any guarantee that may be established. The Board of Directors may request the establishment or granting of a (A) bond, (B) guarantee trust, (C) irrevocable letter of credit, (D) depositor, or (E) any other guarantee for up to an amount equivalent to 100% (one hundred percent) of the Share price intending to be acquired subject matter of Voting Agreement in question, appointing the Company or its shareholders, through the Company, as beneficiaries, in order to guarantee indemnity of harm and damage that the Company or its shareholders may suffer due to false nature of information filed or as consequence of request or any act or omission of applicant, whether directly or indirectly;
- (ix) whether economic funds have been received under loan or under any other concept from a Related Person or a Competitor or economic funds have been facilitated under a loan or any other concept to a Related Person or a Competitor in order to pay the price for Shares or to execute the transaction or agreement in question;
- (x) the identity and nationality of financial institution that would act as intermediary in the event the acquisition in question is made through public

offering;

- (xi) if applicable, if a purchase public offering, copy of information brochure or similar document intending to use for acquisition of Shares or in relation with the operation or agreement in question, updated to this date, and a statement regarding whether the same has been authorized or filed for authorization with pertinent authority (including the National Banking and Securities Commission); and
- (xii) a domicile in Mexico, Federal District, to receive notices and communications in relation to filed request.

When so determined by the Board of Directors by virtue of incapacity to learn certain information upon receiving the pertinent request that such information may not yet be disclosed or otherwise, the Board of Directors may waive performance with one or more requirements above listed from applicant.

2. Within 8 (eight) business days following the date of authorization request filing referred to under paragraph 1 above, the Chairman or Secretary will call to the holding of a Board of Directors' meeting to take into consideration, discuss and resolve on the above referred to authorization request. Calls to hold Board of Directors' meetings must be in writing, sent by the Chairman or the Secretary to each standing and alternate members of the board, with minimum advance foreseen hereunder, by certified mail, private courier service, telefax or e-mail, at their domiciles or at the places identified by the board members themselves in writing to be called for the issues referred to hereunder. Calls must specify hour date, place of meeting and the applicable Agenda.
3. The Board of Directors will resolve on the authorization request filed in terms of this Clause hereunder within 90 (ninety) calendar days following the date of filing of request, provided, and will be counted as from, filing of request containing all information required in accordance with this clause. Should the Board of Directors fail to resolve within the above referred to 90 (ninety)-calendar day term, the authorization request will be deemed as denied.

The Board of Directors must request to the Person intending to acquire Shares in question to execute the pertinent Voting Agreement, further documents and clarifications deemed required and to hold any meetings to resolve on the authorization request filed, in the understanding that the terms referred to hereunder will not start running nor the request will be deemed as full but until the Person intending to acquire Shares in question files all further information and has made all clarifications requested

by the Board of Directors.

4. For the purposes of deeming a Board of Directors' meeting has validly held in first or subsequent call for dealing of any issue in relation to any authorization request or agreement referred to hereunder, the attendance of at least 75% (seventy-five percent) of its standing members or pertinent alternates will be required, in the understanding that the absence of Chairman of the Board of Directors will not be an impediment for the holding of meeting, provided the applicable quorum is met. Resolutions will be valid upon adoption by 75% (seventy-five percent) of Board of Directors' members. The meetings of the Board of Directors will be called and resolutions will be adopted only in relation to authorization request referred to hereunder (or portions of such authorization request).
  
5. Should the Board of Directors authorize acquisition of Shares as presented or the execution of proposed Voting Agreement and such acquisition, operation or agreement implies of a 20% Holding or more, (ii) a change of Control, or (iii) the acquisition of Significant Influence, notwithstanding such authorization is granted, the Person intending to acquire Shares in question or to execute the Voting Agreement must make public offering to purchase 100% (one hundred percent) minus one of outstanding Shares at a price paid in cash not below the price resulting higher between:
  - (i) the book value per Share in accordance with the last quarterly financial statements approved by the Board of Directors or filed with the National Banking and Securities Commission or the pertinent stock market; or
  - (ii) the highest closing price per Share regarding stock transactions published in any of the 365 (three hundred and sixty-five) days prior the date of filing of request or authorization by the Board of Directors is granted; or
  - (iii) the highest price paid regarding purchase of any Shares at any time by the Person individually or jointly, directly or indirectly, intending to acquire Shares or intending to execute an agreement subject matter of request authorized by the Board of Directors,

plus in each of one of the above cases, a premium equal to 20% (twenty percent) regarding the price per Share due in relation to acquisition subject matter of request, in the understanding that the Board of Directors may modify, upward or downward, the amount of such premium, taking into consideration the opinion of a prestigious well-known investment institution.

The purchase public offering referred to hereunder must be closed within 90 (ninety) days following the date of acquisition of Shares or the execution of Voting Agreement in question has been authorized by the Board of Directors in accordance with the provisions of this clause.

The price paid per share will be the same, independently the class or series of Shares in question.

Should the Board of Directors receive an offer from a third party at or prior the completion of acquisition or execution of Voting Agreement in question, as reflected in a request to acquire Shares in question (including by means of a merger, consolidation or similar transaction), in better terms for shareholders or holders of Company Shares, the Board of Directors will be authorized to take into consideration and, as applicable, authorize such second request, maintaining the previously granted authorization pending and submitting to the consideration of the Board of Directors itself both requests to the effect of allowing Board of Directors to approve as deemed appropriate thereby, in the understanding that any approval will be without detriment of the obligation to launch a public purchase offering in terms of Clause Eight and the applicable laws.

6. Those acquisitions of Shares that do not imply (A) acquisition of a 20% Holding or higher, (B) a change of Control, or (C) the acquisition of Significant Influence, may be entered in the Company's Share Registry Book, following the authorization by the Board of Directors and the closing thereof. Those acquisitions, or Voting Agreements, implying (A) acquisition of a 20% Holding or higher, (B) a change of Control, or (C) the acquisition of Significant Influence, will not be entered in the Company Share Registry Book but until the purchase public offering in question hereunder is closed. Therefore, in the latter case, resulting corporate rights of Shares may not be exercised but until pertinent purchasing public offering is closed.
7. The Board of Directors may refuse to grant authorization for acquisition of Shares applied for or to execute the proposed Voting Agreement, in which event will reply in writing to applicant, providing bases and grounds of refusal to grant authorization, with capacity to add terms and conditions under which the Board of Directors would be able to authorize the applied for Share acquisition or to execute the proposed Voting Agreement. Applicant will be entitled to apply for and hold a meeting with the Board of Directors or an ad-hoc committee appointed by the Board of Directors to explain, broaden or clarify the terms of the request and to express applicant's own position in a written document to be submitted to the consideration of the Board of Directors.

General Provisions.

For the purposes of this Clause Eight, Shares of a same Person will be understood as Shares held by a Person plus Shares (i) held by any Related Person, or (ii) held by any legal entity, trust or equivalent, vehicle, entity, company or economic or commercial association, of any kind, incorporated under the laws of any jurisdiction, when such legal entity, trust or equivalent, vehicle, entity, company or economic or commercial association, with legal existence or none, is Controlled by the above referred to Person. Furthermore, when one or more Persons intend to acquire Shares jointly, coordinately or in concert, in a single act or a series of acts, notwithstanding the originating legal act, will be deemed as a single Person for the purposes hereof. The Board of Directors, taking into consideration definitions contemplated this Clause Eight, will determine whether one or Persons intending to acquire Shares, or execute Voting Agreements, must be deemed as a single Person for the purposes hereof. When such determination is made, any information *de jure* or *de facto* may exist available to the Board of Directors may be taken into consideration.

From the assessment made to authorization requests referred to hereunder, the Board of Directors must take into account factors deemed pertinent thereby, such as Company interest and the interest of its shareholders, including financial, market, business, moral and economic soundness of potential acquirers the origin of funds the potential acquirer may use to complete acquisition, potential conflict of interest, protection of minority shareholders, expected benefits for future development of Company, impact on Company plans and budgets, quality, accuracy and veracity of information referred to hereunder potential acquirers had submitted, feasibility of offer, the offered price, conditions to which the offer is subject, identity and reliability of offerors (to the extent it may be determined without liability for the members of the board or shareholders), reasons for the execution and the life of the Voting Agreement, financing sources of offer and the term for completion, and any other deemed pertinent.

Should Share acquisition be closed or restricted Voting Agreements be executed in terms hereunder, without adhering to the requirement of obtaining Board of Directors' prior written favorable authorizations, Shares subject matter of such acquisitions or Voting Agreement will grant no right to vote at any Company Shareholders' Meeting nor any economic right under the liability of acquirer or group of acquirers. Shares subject matter of such acquisitions or Voting Agreements will not be entered in the Company's Share Registry Book, and entries previously made will be cancelled and Company will not acknowledge nor give any value to proof or listing referred to under Article 290 (Two hundred ninety) of the Stock Market Law, demonstrating no ownership of Shares nor crediting rights to attend to the holding of Shareholders' Meetings or legitimize exercise of any share, including those of procedural nature.

Authorizations granted by the Board of Directors in accordance with the provisions of this clause will cease to have effect if information and documents based on which such authorizations were granted are not or cease to be true and/or legal.

In the event of contravention with the provisions of this clause, the Board of Directors may agree, among other, the following measures: (i) reversion of transactions completed, mutual restitution between the parties, when possible, or (ii) disposal of Shares subject matter of acquisition to an interested third party approved by the Board of Directors at minimum reference determined by the Board of Directors.

The provisions of this clause will not apply to (i) acquisitions or transfers of Shares by succession, as inheritance or legacy, or (ii) acquisition or transfer of Shares or any agreement or pact (1) by Person or Persons in aggregate holding Control of the Company, or Significant Influence over the Company, immediately prior the date of adoption of this clause by the Company (that is, prior launching of initial public offering of subscription of Company Shares), (2) by any legal entity, trust or equivalent, vehicle, entity, company or any other economic or commercial partnership, legally existing, under the Control of Person or Persons referred under immediately prior paragraph (1), (3) succession of property of Person or Persons referred to in the prior paragraph (1), (4) by direct line ascendants or descendants up to third degree of Person or Persons referred to under prior paragraph (1), (5) by Person or Persons referred to under prior paragraph (1), when buying Shares of any company, trust or equivalent, vehicle, entity, company, economic or commercial association, with legal existence or not, of any nature and incorporated under the laws of any jurisdiction, ascendants or descendants referred to under paragraphs (3) or (4) above, and (6) by the Company or its Subsidiaries, or by trusts established by the Company itself or its Subsidiaries or by any other Person Controlled by the Company or its Subsidiaries, or (iii) the establishment into a trust of control or similar entity by current shareholders on the date of initial public offer of Company Shares in Mexico, that may occur at any time in the future.

The provisions hereunder will apply in addition to mandatory laws and general provisions on stock acquisitions in the stock market where Shares or any other securities issued in relation thereto or rights derived thereof are traded; should this clause be entirely or partially in contravention to such laws or general provisions, the provisions of the mandatory law or general provisions on stock acquisition will prevail.

This clause will be entered in the Public Registry of Commerce of the Company domicile and express reference must be made to its provisions in share certificates representing Company capital, for the purposes of its entry into effect before any third party.

This clause may only be eliminated from the Corporate Bylaws or be amended with favorable resolution of shareholders at least

representing 85% (eighty-five percent) of outstanding Shares at the time of elimination or modification in question be approved, provided they have not voted against elimination or modification of shareholders at least holding 5% (five percent) of outstanding Shares upon voting against elimination or modification in question.

**NINE. Share Registry.** The Company is to keep a Share Registry Book in accordance with Articles 128 (One hundred and twenty) and 129 (One hundred and twenty-nine) of the General Business Corporations Law, and in terms of Article 290 (Two hundred ninety) of the Stock Market Law. The Share Registry Book must be kept by the Secretary of the Board of Directors of the Company, except when the shareholders or the Board of Directors appoint another person to keep such registry. The Company may, in applicable legal terms, entrust institutions for stock deposit, share registry and the entry of pertinent notations in the Share Registry Book.

The Company will be deemed as lawful holder of shares representing capital stock of the Company to the person appearing entered in the Share Registry Book.

Should shares representing Company's capital stock be traded in stock markets, registration in such Book will be sufficient indicating such circumstance and the stock deposit institution where certificates representing such shares have been deposited and, in such event, the Company will acknowledge as shareholders to the persons demonstrating such capacity by means of proof issued by the applicable stock deposit institution, supplemented by the listing of applicable shareholders drafted by the persons appearing as depositors in such proof, in terms of Article 290 (Two hundred ninety) of the Stock Market Law.

The Share Registry Book will remain close as from the date proof is issued in accordance with Article 290 (Two hundred ninety) of the Stock Market Law, up to the business day following the holding of applicable meeting. During such periods no entry in the Book will be made.

**TEN. Acquisition of Shares by Related Parties.** Legal entities regarding which the Company is arable to (i) directly or indirectly impose resolutions at General Shareholders' Meetings or appoint or replace a majority of members, administrators or equivalent persons, (ii) maintain ownership of rights directly or indirectly allowing exercise of vote regarding more than 50% (fifty percent) of capital stock, or (iii) directly or indirectly direct management, strategy or main policy, whether through ownership of stock, by contract or any other way, may not directly or indirectly acquire shares representing capital stock of the Company or negotiable instruments or other instruments representing such stock, except (a) through acquisitions that may be made through investment companies, or (b) in the event companies where Company holds a majority of shares may acquire Company shares in order to comply with share sale options or planned that may be established or that may be designed or subscribed in favor of

employees or officers of such companies or the Company itself, provided the number of shares acquired to such end does not exceed 25% (twenty-five percent) of the total Company outstanding shares.

In accordance with the provisions of Article 366 (Three hundred sixty-six) of the Stock Market Law, Company related persons and trustees of trusts established for the purposes of establishing share purchase plans for employees and retirement funds, pensions, seniority premiums and any other fund with similar purposes, directly or indirectly established by the Company may only dispose of or acquire from the Company shares representing capital stock or negotiable instruments representing them in a public offering or auction authorized by the National Banking and Securities Commission, except in cases foreseen under Article 367 (Three hundred and sixty-seven) of the Stock Market Law and all other applicable provisions.

**ELEVEN. Capital Increases.** Except for (i) capital stock increases by issue of unsubscribed shares for placement amongst investor public, in accordance with Article 53 (Fifty-three) of the Stock Market Law, and Clause Seven hereof, (ii) capital stock increases resulting from placement of own shares referred to under the first part of above Clause Eight, (iii) conversion of obligations convertible into shares and shares issued to such effect, and (iv) shares that may be issued as a result of mergers, independently of their nature as to the Company, capital stock increases will be made by resolution of General Ordinary or Extraordinary Shareholders' Meeting, as the case may be, in accordance with the provisions of the General Business Corporations Law and the rules foreseen hereunder.

The increase of fixed portion of the capital stock will be implemented by resolution of the General Extraordinary Shareholders' Meeting in accordance with Corporate Bylaws, including pertinent amendment to Corporate Bylaws.

Increase of variable portion of capital stock will be by resolution by General Ordinary Shareholders' Meeting in accordance with Corporate Bylaws only by means of legalization of pertinent minutes before public notary, without need of entering applicable public instrument in the Public Registry of Commerce at the Company's domicile.

Upon adopting resolutions regarding capital stock increases, the Shareholders' Meeting decreeing the increase, or any subsequent Shareholders' Meeting, will define terms and conditions under which such increase may occur, who will in turn delegate such capacity to the Board of Directors.

Shares that must be delivered as they are subscribed by resolution of the Shareholders' Meeting decreeing their issue may be offered for subscription and payment by the Board of Directors or the special delegate or delegates in accordance with the powers granted thereto by the Shareholders' Meeting in question, in any event honoring

preemptive rights established under Clause Twelve below, except in above described cases.

Capital increases may be effected by stockholders' capital account capitalization in accordance with the provisions of Article 116 (One hundred and sixteen) of the General Business Corporations Law, by payment in cash or in kind, by capitalization of liabilities or any other means allowed by applicable laws. In capital stock account capitalization increases all shares will be entitled to the prorated portion corresponding thereto in the increase, without need of issuing new shares representing such increase.

Except for capital stock increases resulting from placement of own shares acquired by the Company in terms of the first part of Clause Eight hereof, every capital increase must be entered in the Capital Variations Book that the Company is to maintain in accordance with the provisions of Article 219 (Two hundred nineteen) of the General Business Corporations Law, through the Secretary of the Board of Directors.

**TWELVE. Preemptive Subscription Right.** In capital stock increases, shareholders will have preemptive right to subscribe new shares that may be issued or that may be outstanding representing the increase prorated the number of shares held thereby upon decreeing increase in question. This right must be exercised within the term established by the Shareholders' Meeting decreeing the increase to such effect, which under no event may be less than 15 (fifteen) calendar days as from the date of publication of pertinent notice in one of broadest circulation newspapers at the Company domicile. Shareholders will not have preemptive right referred to hereunder in relation to shares issued (i) by reason of company merger or similar combination, (ii) for conversion of obligations convertible into shares of the Company or as consequence of such conversion, (iii) for placement of own shares acquired in terms of part of one of Clause Eight hereof, and (iv) for public offering in terms of Article 53 (Fifty-three) of the Stock Market Law, and Clause Seven of these Corporate Bylaws.

Should following termination of term during which shareholders may exercise preemptive right there be shares without having been subscribed, these may be offered for subscription and payment under conditions and terms determined by the Shareholders' Meeting decreeing capital increase or, if so resolved by the Shareholders' Meeting, in terms provided for by the Board of Directors or delegates appointed by the Shareholders' Meeting.

Should shares be not subscribed and paid-in, they may remain in the Company treasury or may be cancelled, in both cases prior reduction of capital as determined by the Meeting in accordance with applicable laws.

**THIRTEEN. Reduction of Capital Stock.** Except for capital stock reductions deriving from segregation right contemplated under

applicable laws and those resulting from acquisition of own shares as referred to under Clause Eight (a) above, capital stock may only be reduced by resolution of a General Ordinary or Extraordinary Shareholders' Meeting, as the case may be, in accordance with the provisions hereof.

Fixed capital reductions may be adopted by resolution at a General Extraordinary Shareholders' Meeting in accordance with these Corporate Bylaws, in which case these Corporate Bylaws will be amended in any event in adherence to the provisions of Article 9 (Nine) of the General Business Corporations Law, except when capital stock reductions resulting from acquisition of own shares as referred to under Clause Eight (a) above.

Variable capital reductions may be adopted by resolution of the General Ordinary Shareholders' Meeting, in accordance with these Corporate Bylaws, with sole formality that the pertinent minutes be legalized before public notary without need of entry of applicable notarial instrument in the Public Registry of Commerce, in the understanding that upon shareholders exercising their withdrawal right or upon reductions resulting from acquisition of own shares as referred to under Clause Eight (a) above, resolution of Shareholders' Meeting will not be required.

Capital reductions may be effected to assume losses upon exercise of withdrawal right, as a result of acquisition of own shares in terms established in the first part of Clause Eight hereof, or any other case allowed in terms with applicable law.

Capital reductions to assume losses will be effected prorata amongst all shares representing capital stock, without need of cancelling shares by virtue that they express no par value.

In accordance with Article 50 (Fifty) of the Stock Market Law, holders of shares or certificates representing the variable portion of capital stock of the Company will not be entitled to right of withdrawal referred to under Article 220 (Two hundred twenty) of the General Business Corporations Law.

Except for capital stock reductions resulting from acquisition of Company shares in terms of Clause Eight (a) of these Corporate Bylaws, every capital reduction must be entered in the Capital Variations Book that the Company is to maintain to such effect in accordance with the provisions of Article 219 (Two hundred nineteen) of the General Business Corporations Law, through the Secretary of the Board of Directors.

**FOURTEEN. Share Amortization.** General Extraordinary Shareholders' Meeting may resolve to amortize shares with distributable profit in compliance with the provisions of Article 136 (One hundred and thirty-six) of the General Business Corporations Law or by any other equitable means for shareholders.

Should shares be listed in a stock market the amortization will be by means of acquisition of own shares in the stock market in question, in accordance with the system at the prices, under the terms and all other conditions agreed by the applicable Shareholders' Meeting, which may delegate to the Board of Directors or special delegates the authority to define the system, prices, terms and all other conditions to such effect.

Amortized shares and share certificates covering must be cancelled.

**FIFTEEN. Cancellation of Entry.** In the event the entry of shares representing capital stock of the Company or certificates representing such shares in the National Security Registry be cancelled, whether at the request of the Company itself, prior resolution of the General Extraordinary Shareholders' Meeting and with the favorable vote of shareholders or certificate holders representing 95% (ninety-five percent) of the Company capital stock, with or without voting right or limited vote, or by resolution) of the National Banking and Securities Commission, the Company must, prior such cancellation, a public purchasing offer, within 180 (one hundred eighty) days following requirement or authorization from the National Banking and Securities Commission, as the case may be, in accordance with Article 108 (One hundred and eight) of the Stock Market Law, adhering to such effect, when applicable, to the provisions of Articles 96 (Ninety-six), 97 (Ninety-seven), 98 (Ninety-eight), Fractions I and II, and 101 (One hundred and one), paragraph one, and all other applicable articles of the Stock Market Law.

Controlling shareholders (as such term is defined in the Stock Market Law) will be subsidiary liable with the Company for the performance with the provisions of this clause when about a requirement of cancellation by the National Banking and Securities Commission.

For the purposes of complying the provisions of Article 108 (One hundred and eight) of the Stock Market Law, and in accordance with the provisions of Article 101 (One hundred and one) of the Stock Market Law, the Board of Directors of the Company must prepare, no later than on the 10<sup>th</sup> (tenth) business day subsequent the inception of public purchase offering, hearing to Company Practice Committee, and disclosing to investor public, its opinion regarding public purchasing offer price and conflicts of interest which, as applicable, each member of the Board of Directors may have regarding the offer. Such opinion may be accompanied by other opinion issued by an independent expert. Furthermore, the members of the Board of Directors and the Chief Executive Officer of the Company must disclose to the public, jointly with such opinion, the resolution that will be adopted as to stock or securities referred to shares they hold.

**SIXTEEN. Certificates Representing Shares.** Final or interim share certificates representing Company shares will be registered and may

cover one or more shares, will include the legends referred to under Article 125 (One hundred and twenty-five) of the General Business Corporations Law, and indication of series, must have the wording of Clause Five inserted and the applicable reference to Clause Eight of these Corporate Bylaws, and must be undersigned by 2 (two) standing members of the Board of Directors. Interim or definitive share certificates will not differentiate between shares representing minimum fixed capital and variable part shares.

When about share certificates being deposited with a security deposit institution or when such institution directly receives from the Company securities from the exercise of patrimonial rights in the account of depositors, Company may, prior approval from security deposit institutions, deliver multiple services or a single certificate covering shares subject matter of issue and deposit, the institution itself having to enter applicable registries to determine rights of pertinent depositors. In any event, share certificates will be issued with a notation of being deposited in the pertinent security deposit institution, without requiring to express in the document the name, domicile or nationality of the holder.

The Company may issue certificates without adhered coupons, in which case, proof issued by security deposit institution in question will act as such accessory coupons for any and all legal purposes in terms of the Stock Market Law.

### **CHAPTER THREE**

#### **SHAREHOLDERS' MEETING**

**SEVENTEEN. Shareholders' Meeting.** The General Shareholders' Meeting is the supreme entity of the Company. Shareholders' Meetings may be General or Special, and the former may be either ordinary or extraordinary. Extraordinary Meetings will be those called in order to deal with any of the issues listed under Article 182 (One hundred and eighty-two) of the General Business Corporations Law, as well as those held in order to deal with any issue listed under paragraph (b), Clause Twenty-two, of these Corporate Bylaws, or Clause Eight, paragraph (b), part two. Ordinary Meetings will be those called in order to deal with any of the issues listed under Article 181 (One hundred and eighty-one) of the General Business Corporations Law, and to deal with any other matter that is not reserved for Extraordinary Meetings, including those contemplated under paragraph (a), Clause Twenty-two, of these Corporate Bylaws.

Special Meetings will be those held in order to deal with matters that may affect rights of a single series of shares and will be subject to provisions applicable to General Extraordinary Shareholders' Meeting as to attendance quorum, voting and legalization of minutes.

**EIGHTEEN. Calls.** Calls issued for the holding of Shareholders'

Meetings may be issued by the Board of Directors, the Secretary, and the Chairman of the Board of Directors or by any Auditing or Company Practice Committees. Shareholders with voting shares, even if limited or restricted, individually or in aggregate holding 10% (ten percent) of the capital stock, may request the Chairman of the Board of Directors, the Audit Committee or Company Practice Committee to call the holding of a General Shareholders' Meeting, without to such effect applying the percentage identified under Article 184 (One hundred and eighty-eight) of the General Business Corporations Law.

Any holder of 1 (one) ordinary share will have same rights in any of the cases referred to under Article 185 (One hundred and eighty-five) of the General Business Corporations Law regarding the Board of Directors or Audit or Company Practice Committees. If the call were not made within 15 (fifteen) days following the date of request, a civil judge or a district judge with jurisdiction at Company domicile will do it at the request of any interested shareholder who must demonstrate ownership of shares to such end.

Except otherwise provided in these Corporate Bylaws, the calls to hold General Ordinary, Extraordinary or Special Shareholders' Meetings must be published in the official gazette at the Company domicile or any newspaper of broad circulation at such domicile at least 15 (fifteen) days in advance to the date set for the meeting. Calls will contain the agenda and must be signed by the person or persons issuing them.

From the moment the call is published for Shareholders' Meetings, they must be available thereto at Company offices, immediately and gratuitously, information and documents that may exist or be produced in relation to each item in the Agenda to be dealt with at the Meeting called, including formats referred to under Article 49 (Forty-nine), Fraction III, of the Stock Market Law.

In accordance with the provisions of Article 178 (One hundred and seventy-eight, paragraph two, of the General Business Corporations Law, resolutions adopted without holding a minute, by unanimity of shareholders with voting right or special series of shares in question, as the case may be, will be for any and all purposes as valid as if adopted in a General or Special Shareholders' Meeting, provided shareholders confirm such fact in writing.

**NINETEEN. Proof of Ownership.** Only persons entered as shareholders in the Share Registry Book, as well as those reproducing proof issued by S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V., or any other institution acting as security depository, supplemented by depositor list thereof, will be entitled to appear or be represented at Shareholders' Meeting, to which end the provisions of the Stock Market Law will apply. The members of the Board of Directors of the Company may not represent any shareholder at Company Shareholders' Meetings. Shareholders may be represented at Shareholders' Meetings by the person or persons appointed thereby to

such effect, by proxy granted under form prepared by the Company, in satisfaction with requirements identified under Article 49 (Forty-nine), Fraction III, of the Stock Market Law, that the Company makes available thereto through stock market brokers or by the Company itself, at least 15 (fifteen) calendar days in advance to the holding of each Meeting, under the supervision of Secretary, and reported to the Shareholders' Meeting, which will be evidenced in the Meeting's Minutes.

Any shareholder for attendance to a Special or General Shareholders' Meeting in question must demonstrate, at the satisfaction of the Secretary of Company's Board of Directors, that is not under the assumptions requiring approval by the Board of Directors or Shareholders' Meeting of the Company referred to under Clause Eight of these Corporate Bylaws.

**TWENTY. Meetings' Minutes.** Meetings' Minutes will be prepared by the Secretary, transcribed into the pertinent book and signed by the Chairman and Secretary.

**TWENTY-ONE. Chairman and Secretary.** Meetings will be chaired by the Chairman of the Board of Directors and, in his/her absence, by the individuals appointed by shareholders then in attendance by a majority of vote.

The person holding the office as Secretary of the Board of Directors will act as such at Shareholders' Meetings, and in his/her absence, the person appointed to such effect by shareholders therein attendance by majority of votes. The Chairman will appoint 2 (two) tellers amongst shareholders, shareholder representatives or guests at meetings for counting shares represented thereat, to determine whether quorum has been established or not and, as applicable, for counting of votes cast.

**TWENTY-TWO. (a) General Ordinary Shareholders' Meetings.** General Ordinary Shareholders' Meetings will be held at least once a year, within 4 (four) months following the closing of the corporate year, for the purposes of dealing with the issues listed in the applicable Agenda and any of the following issues:

- (i) Discussion, approval or modification and resolution in relation to the Chief Executive Officer and the Board of Directors' report, as a whole, on the Company financial position and all other accounting documents, in terms of Article 172 (One hundred and seventy-two) of the General Business Corporations Law and the Stock Market Law.
- (ii) Discuss, approve or modify the reports by chairmen of Company Practice Committee and Audit Committee.
- (iii) Discuss, approve or modify the report by the Chief Executive Officer in accordance with Article 44 (Forty-

four), Fraction XI, of the Stock Market Law.

- (iv) Discuss, approve or modify the report by the Board of Directors in terms of paragraph b), Article 172 (One hundred and seventy-two), of the General Business Corporations Law.
- (v) Hear the opinion of the Board of Directors as to the contents of the Chief Executive Officer's report.
- (vi) Resolve on the application of profit, as applicable.
- (vii) Appoint to the members of the Board of Directors, Secretary and alternates, as applicable, to committee members and appoint and remove to the chairmen of Audit Committee and Company Practice Committee.
- (viii) As applicable, establish the cap to funds that may be destined for share repurchase.
- (ix) Approve transactions intended by the Company or legal entities under Company's control within a corporate year, when consolidated Company assets represent 20% (twenty percent) or more based on figures corresponding at the closing of immediately prior quarter, independently of how such transactions are carried out, whether simultaneously or successively, but that by virtue of their features they may be deemed as a single transaction. Shareholders of voting shares, even those with limited or restricted voting rights, may cast a vote at such meetings.
- (x) Qualify independent members of the Board.

(b) **General Extraordinary Shareholders' Meeting.** General Extraordinary Shareholders' Meeting will be called in order to deal with any other matters indicated under Article 182 (One hundred and eighty-two) of the General Business Corporations Law. Furthermore, General Extraordinary Shareholders' Meeting will deal with any of the following issues:

- (i) Amortization by Company of capital stock shares with distributable profit and issue of bonus shares or limited vote, preferable or any kind of share other than ordinary shares.
- (ii) Cancellation of registration of shares representing Company capital stock or stock representing them in the National Security Registry.
- (iii) Increase of capital stock in terms of Article 53 (Fifty-three) of the Stock Market Law.

- (iv) All other matters for which the applicable law or corporate bylaws expressly demand a particular quorum.

**TWENTY-THREE. Quorum and Resolutions by Ordinary Meetings.** For a General Ordinary Shareholders' Meeting be deemed as legally convened by virtue of first call, at least 51% (fifty-one percent) of voting shares representing subscribed and paid capital stock must be represented and resolutions will be valid when adopted by majority of votes of shares represented thereat. If in second or subsequent call, Ordinary Shareholders' Meeting may be validly held provided at least 51% (fifty-one percent) of voting shares representing paid-up and subscribed capital stock must be represented and its resolutions will be valid when adopted by a majority of votes of shares represented thereat.

**TWENTY-FOUR. Quorum and Resolutions by Extraordinary Meetings.** For a General Extraordinary Shareholders' Meeting be deemed as legally convened by virtue of first call, at least 75% (seventy-five percent) of voting shares representing subscribed and paid capital stock at the meeting in question must be represented and its resolutions will be valid when adopted by favorable vote of voting shares representing subscribed and paid-in capital stock representing more than half of the capital stock, as to case foreseen under Clause Eight, paragraph (b), part two, the favorable vote of 90% (ninety percent) of capital stock of the Company will always be required. If in second or subsequent call, Extraordinary Shareholders' Meetings may be validly held if at least 51% (fifty-one percent) of voting shares representing subscribed and paid-in capital stock are represented thereat, represented by ordinary voting shares and its resolutions will be valid if adopted by favorable vote of voting shares representing subscribed paid-in capital stock representation more than half of the capital stock.

**TWENTY-FIVE. Certain Minority Rights.**

(a) **Adjournment.** In accordance with the provisions of Article 50 (Fifty), Fraction III, of the Stock Market Law, the holders of shares at least representing 10% (ten percent) of voting shares, even with limited or restricted vote, represented at a General Ordinary or Extraordinary Shareholders' Meeting at which they are entitled to vote, may request its adjustment once for 3 (three) calendar days without need of a new call to complete voting on any matter regarding which they are not deemed sufficiently informed, without applying percentage identified under Article 199 (One hundred and ninety-nine) of the General Business Corporations Law.

(b) **Opposing Right.** The holders of shares at least representing 20% (twenty percent) of voting shares, even when limited or restricted vote, may judicially oppose to resolutions adopted by General Shareholders' Meeting regarding which they are entitled to vote, without application of percentage referred to under Article 201 (Two hundred and one) of the General Business Corporations Law.

(c) **Responsibility Shares against Members of the Board.** Those

shareholders individually or in aggregate holding voting shares, even those with limited or restricted vote, or no vote, representing 5% (five percent) of the capital stock, may directly exercise responsibility action against any member of the Board, the Chief Executive Officer or any relevant executive for nonperformance with diligence and loyalty duties in favor of the Company or the legal entity controlled thereby or over whom the Company has a significant influence.

**TWENTY-SIX. Special Meetings.** The same rules foreseen under clause Twenty-four above, that apply to General Extraordinary Shareholders' Meeting will apply for Special Meetings, but referring to a special category of shares in question.

## CHAPTER FOUR

### ADMINISTRATION AND OVERSIGHT OF COMPANY

**TWENTY-SEVEN. Board of Directors.** The management of businesses and property of Company will be entrusted to a Board of Directors and to a Chief Executive Officer. The Board of Directors will be comprised by up to 21 (twenty-one) members, as resolved by the applicable Shareholders' Meeting, at least 25% (twenty-five percent) of which must be independent members of the Board, in terms of that provided for under Articles 24 (Twenty-four) and 26 (Twenty-six) of the Stock Market Law. An alternate may be appointed per standing member of the Board, in the understanding that alternates of independent Members must also be independent.

Every shareholder or group thereof at least representing 10% (ten percent) of voting rights, even those having limited or restricted vote, will be entitled to appoint and revoke a member of the Board and his/her alternate who will act in any absence of the former. Such appointment may only be revoked by all other shareholders when the appointment of all other members of the Board is also revoked, in which event the substituted individuals may not be appointed as members of the Board during the 12 (twelve) months immediately following the date of revocation.

Appointment or election of the members of the Board of Directors will be executed by the General Ordinary or Special Shareholders' Meeting, as the case may be, with favorable vote of majority of holders of voting shares representing the capital stock then present at the applicable Meeting.

For the purposes of these Corporate Bylaws, independent members of the Board are understood to be those individuals that are selected due to their experience, capacity and professional prestige, in satisfaction with requirements contemplated under Article 26 (Twenty-six) of the Stock Market Law and any other provision issued by the National Banking and Securities Commission.

The General Ordinary Shareholders' Meeting must qualify independency of the members of its Board. The National Banking and Securities Commission, prior hearing right of Company and member in question, may object to the qualification of independency of Board of Directors' members upon existence of elements demonstrating lack of independency within 30 (thirty) business days as from the date of notice to the Company.

**TWENTY-EIGHT. Requirements applicable to members of the Board.**

Members of the Board of Directors may or may not be shareholders, will occupy office for 1 (one) year, though they may continue performing their respective positions for up to 30 (thirty) calendar days in the absence of appointment of replacement or while the replacement has not taken possession of the office, without being subject to the provisions of Article 154 (One hundred and fifty-four) of the General Business Corporations Law.

The b Department may appoint interim members of the Board, without intervention of the Shareholders' Meeting, in cases when the member of the Board appointment term in office is terminated, when the member of the Board resigns or upon occurring the assumption described under Article 155 (One hundred and fifty-five) of the General Business Corporations Law. The Shareholders' Meeting of the Company will ratify such appointments or appoint replacement members of the Board at the meeting held following the occurrence of such event.

**TWENTY-NINE. Chairman and Secretary of the Board of Directors.**

The Chairman of the Board of Directors will be appointed by the General Ordinary Shareholders' Meeting. In the absence of express appointment by the Meeting, the Board of Directors, in the first Meeting held immediately following the holding of Shareholders' Meeting appointing its members, will appoint from amongst its members the Chairman and, as applicable, the alternate thereof.

When the Secretary is not expressly appointed by the General Ordinary Shareholders' Meeting, the Board of Directors will appoint a Secretary not a member of the Board of Directors who will be subject to obligations and responsibilities established under Stock Market Law and in these Corporate Bylaws. Furthermore, the Board of Directors will appoint to the individuals holding all other seats in the Board of Directors that may be created for best performance of its functions. Temporary or definitive absences in the Board of Directors will be covered by respective alternates.

The Chairman of the Board of Directors must be of Mexican nationality, will chair the meetings of the Board of Directors and if there is no chairman or in his absence, such meetings will be chaired by one member as appointed by all other in attendance by majority of votes and, if applicable, must comply and execute resolutions of Shareholders' Meetings and of the Board of Directors without need of any special resolution. The Chairman will also chair Shareholders'

Meetings.

The Chairman of the Board of Directors will also be a delegate member of the Board. As such, the Chairman of the Board will give compliance to resolutions adopted by Shareholders' Meeting and the Board of Directors without need of any special resolution and, merely due to the fact of his/her appointment, will be vested with powers conferred to the Board of Directors in accordance with these Corporate Bylaws, except for those powers which in terms to applicable law may only be exercised by the Board of Directors itself.

Copies or proof of Minutes of Board of Directors and Shareholders' Meetings Minutes, as well as the entries in corporate books and records and, in general, any document in Company archives, may be authorized and certified by the Secretary of the Board of Directors or the alternate, who will be permanent delegates to appear before public notary of their choice for legalization of Board of Directors and Shareholders' Meeting Minutes, and to grant instruments evidencing powers granted by the Board of Directors itself. Furthermore, the Secretary of the Board of Directors or the alternate will be in charge of drafting and consigning in pertinent books the Shareholders' Meetings and Board of Directors' Meetings Minutes, including of Audit Committee Company Practice Committee, and issue, compare and certify such minutes and appointments, signatures and authority of Company officers.

The Board of Directors must be held at least 4 (four) times each year.

**THIRTY. Calls.** Calls for Board of Directors' meetings must be sent by mail, telefax or courier to the members of the Board of Directors to their respective domiciles at least 5 (five) calendar days in advance (without exceeding 3 (three) business days in advance in the event of a special or emergency meeting) to the intended date of meeting, delivering unquestionable evidence of delivery of pertinent call. Such calls must contain the Agenda to the meeting and indicate place, date and time of holding.

The Chairman of the Board of Directors, the Audit Committee or Company Practice Committee or the Secretary of the Board of Directors, and 25% (twenty-five percent) of Company members of the Board, may call to the holding of a Board of Directors.

The Company's independent auditor may be called to the meetings of the Board of Directors as guest with voice and no vote and must refrain from being present regarding those issued in the Agenda in which the independent auditor has a conflict of interest or that may compromise such independent auditor's independency.

Pertinent minutes of Board of Directors' meetings must be authorized by the persons acting as Chairman and Secretary of the applicable meeting and must be entered in a particular book maintained

to such effect.

Resolutions may be adopted without holding a Board of Directors' meeting by unanimity of its members and such resolutions will for any and all legal purposes be as valid as if adopted by members reunited at a Board of Directors' meeting, always confirmed in writing. The document evidencing written confirmation must be sent to the Company's Secretary and the latter will transcribe pertinent resolutions in the pertinent minute book indicating that such resolutions were adopted in accordance with these Corporate Bylaws.

**THIRTY-ONE. Quorum and Resolutions by the Board of Directors.**

Except otherwise provided in these Corporate Bylaws, for the purposes of valid Board of Directors' meetings, the attendance of majority of its members will be required and resolutions will be valid when adopted by majority of votes of members in attendance constituting required quorum. In the event of tie, the Chairman of the Board of Directors will not have casting vote. Should in 2 (two) different meetings of the Board of Directors a resolution be not reached due to a voting tie, the pertinent matter will be submitted to the consideration of a General Extraordinary Shareholders' Meeting as established in these Corporate Bylaws.

The meetings of the Board of Directors will be held at the corporate domicile or anywhere else the Board of Directors may deem appropriate.

**THIRTY-TWO. Powers and Obligations.** The Board of Directors is the legal representative of the Company with capacity to perform, in name and in the account of Company, any and all acts that the Law or these Corporate Bylaws have not reserved to the Shareholders' Meetings. The Board of Directors will have the following powers and obligations, without limitation:

(a) General powers for lawsuits and collections, with all general powers and those special powers requiring a special clause in accordance with Law, without limitation, in accordance with the provisions of paragraph one of Article 2554 (Two thousand five hundred and fifty-four) of the Federal Civil Code and the correlative articles of the civil codes of all states in the Mexican Republic and the Federal District. The Board of Directors will be vested with powers to, without limitation, file complaints, criminal accusations and grant pardon, to become the offended party or a coadjutant in criminal proceedings; abandon actions filed, including *amparo* proceedings; settle; submit to arbitration; make and answer questions; assign property; challenge judges; receive payments and execute any and all acts ordered by Law, including representation of Company before court and administrative authorities of criminal, civil or any other nature and before labor authorities and courts;

(b) general power for acts of administration and ownership, in accordance with the provisions of paragraphs two and three of Article

2554 (Two thousand five hundred and fifty-four) of the Federal Civil Code and the correlative articles of the civil codes of all states in the Mexican Republic and the Federal District;

(c) power to appoint and remove the Chief Executive Officer in terms of that provided for under paragraph (4), item (1) of this Clause Thirty-two, any other Officers and General or Special Managers, as well as all other executives, attorneys-in-fact and employees of Company; assign the powers, obligations, labor conditions and remuneration, in the understanding that the approval to remuneration of Chief Executive Officer must be annual, taking into consideration remuneration earned by comparable officers prevailing in the market;

(d) issue, draw, subscribe, accept, endorse, avail and in any other manner negotiate with any kind of negotiable instruments, in terms of Article 9 (Nine) of the General Negotiable Instruments and Credit Transactions Law;

(e) open and cancel bank accounts or accounts with any other financial institution, in any jurisdiction and in accordance with any applicable provisions, as well as to make deposits and draw against such accounts and appoint the persons that may draw against them and their specific capacity;

(f) call to hold General Ordinary, Extraordinary or Special Shareholders' Meetings and execute their resolutions;

(g) draft internal working regulations;

(h) establish Company offices and branches and set tax and conventional domiciles anywhere in the Mexican Republic or abroad;

(i) establish general strategies for the Company's business and any legal entities controlled thereby;

(j) oversee management and direction of Company and legal entities under its control, taking into consideration relevance of the latter in the Company's financial, administrative and legal position, as well as performance by relevant executives;

(k) aid Committees deemed appropriate and to appoint the members of the Board of Directors integrating such Committees (except for appointment and ratification of person acting as Chairman of Audit and Company Practice Committees who must be appointed by the Shareholders' Meeting in accordance with the provisions of these Corporate Bylaws and applicable laws);

(l) approve, prior opinion of applicable Committee:

(1) policy and guidelines for use or enjoyment of property integrating Company patrimony and that of legal entities controlled thereby, by related parties;

(2) transactions, each, individually, with related persons intended by the Company or legal entities controlled thereby.

The Board of Directors' approval will not be required in the transactions listed below, provided in adherence to policy and guidelines approved by the Board to such effect:

(A) transactions which given their amount lack relevance to the Company or legal entities controlled thereby;

(B) transactions between Company and legal entities under its control or over which it has significant influence or amongst any of them, provided:

(i) within ordinary or day-to-day line of business;

(ii) be deemed in an arm's-length transaction or supported in assessments by specialized independent agents.

(C) Transactions by employees, provided under conditions that are granted to any kind of client or as a result of general labor benefits;

(3) transactions executed whether simultaneously or successively that due to their futures may be deemed as a single transaction intended to be executed by the Company or legal entities under its control, within one corporate year, when they are not extraordinary or recurrent, or else, the amount thereof represents, based on figures corresponding to the closing of the immediately prior quarter in any of the following assumptions:

(A) the acquisition or disposal of property worth equal to or exceeding 5% (five percent) of Company consolidated assets; or

(B) granting of guarantees or assumption of liabilities for a total amount equal to or exceeding 5% (five percent) of Company consolidated assets.

Excepted are debt security or bank instruments investments, provided in accordance with policy approved by the Board of Directors itself;

(4) appointment of the Chief Executive Officer and, as applicable, removal of the Chief Executive Officer, and policy for appointment and integral consideration to all other relevant directors;

(5) policy for the granting of gratuitous loans, credits or any kind of borrowings or guarantees to related parties;

(6) waivers to allow a member of the Board, relevant director or decision maker, taking advantage of business opportunities to own benefit or in favor of third parties corresponding to the Company or legal entities under its control or over which the Company has a significant influence. Waivers for transactions the amount of which is below that referred to under paragraph three hereof may be delegated to Audit Committee or Company Practice Committee;

(7) internal control and internal audit Company guidelines and those of legal entities under Company's control;

(8) Company accounting policy, adjusting to accounting principles acknowledged or issued by the National Banking and Securities Commission through general provisions or by any other competent organism to such effect;

(9) Company financial statements;

(10) the contracting of legal entity rendering independent audit services and, as applicable, services other than or supplementary to independent audit;

When resolutions of the Board of Directors are not in agreement with opinions provided by pertinent Committee, such Committee must instruct the Chief Executive Officer to disclose such circumstance to the investor public through the stock market where Company shares are traded, adhering to terms and conditions provided by such stock market in its internal regulations;

(m) submit to the consideration of the General Shareholders' Meeting held by reason of the company year closing:

(1) the report prepared by the Chief Executive Officer in accordance with that identified under Article 172 (One hundred and seventy-two), except for that provided for under paragraph b), of the General Business Corporations Law, accompanied by independent auditor report;

(2) the report by the Board of Directors in terms of paragraph b), Article 172 (One hundred and seventy-two) of the General Business Corporations Law, regarding main accounting and information policy and criteria followed during preparation of financial information;

(3) an opinion of the Board of Directors as to the contents of the Chief Executive Officer;

(4) reports by the Company Practice and Audit Committee Chairmen;

(5) report on transactions and activities in which it had intervened in accordance with the provisions of the Stock Market Law;

(n) follow up major risks to which the Company and legal entities under its control are exposed, identified based on information submitted by Committees, the Chief Executive Officer and the legal entity rendering independent audit services, as well as accounting, internal control and internal audit, recordal, filing or information systems of any of them, which may be completed through the Committee exercising auditing functions;

(o) approve information and communication to shareholders and market policy, as well as to members of the Board and relevant executives;

(p) determine applicable acts for the purposes of curing irregularities known thereto and implement applicable corrective measures;

(q) establish terms and conditions to which the Chief Executive Officer will adhere in exercise of Chief Executive Officer's acts of ownership powers, if conferred thereto;

(r) order to the Chief Executive Officer the public disclosure of relevant events known thereto, without detriment of Chief Executive Officer's obligation referred to under Article 44 (Forty-four), Fraction V, of the Stock Market Law;

(s) approve terms and conditions for public offering and disposal of Company treasury shares issued in accordance with the provisions of Article 53 (Fifty-three) of the Stock Market Law;

(t) appoint to the person or persons in charge of keeping effect to the acquisition or placement of shares authorized by the Shareholders' Meeting, in accordance with Article 56 (Fifty-six) of the Stock Market Law, and the terms and conditions of such acquisitions and placements, within limits established by the Stock Market Law itself and by the Shareholders' Meeting and report the results to the Shareholders' Meeting any year when such attributes are exercised;

(u) appoint interim members of the Board in accordance with the provisions and as allowed by the Stock Market Law;

(v) approve terms and conditions of any court agreement by virtue of which there is an intention to close any act of liability due to nonperformance with diligence or loyalty duty of any member of the Board;

(w) act before union or unions with whom collective bargaining agreements have been executed and for any and all collective conflict; act before workers personally considered and for any and all purposes of individual conflicts, in general for every worker employer matter, and to act before any labor and social security authority referred to under Article 523 (Five hundred and twenty-three) of the Federal Labor Law; may also appear before Conciliation and Arbitration Boards, whether local or federal; consequently, will have employer representation for the purposes of Articles 11 (Eleven), 46 (Forty-six) and 47 (Forty-seven) for the purposes of demonstrating personality and capacity in court or out-of-court, in terms of Article 692 (Six hundred and ninety-two), Fractions II and III, may appear to the presentation of confessional evidence, in terms of Article 787 (Seven hundred and eighty-seven) and 788 (Seven hundred and eighty-eight) of the Federal Labor Law, with capacity to make and answer questions, present confessional evidence in all its parts; may also identify domiciles to hear notices, in terms of Article 866 (Eight hundred and sixty-six); may appear with sufficient legal capacity before the hearing referred to under Article 873 (Eight hundred and seventy-three) in its 3 (three) phases: conciliation, accusation and exceptions and evidence offering and admission, in terms of Articles 875 (Eight hundred and seventy-five), 876 (Eight hundred and seventy-six), Fractions I and VI, 877 (Eight hundred and seventy-seven), 878 (Eight hundred and seventy-eight), 879 (Eight hundred and seventy-nine) and 880 (Eight hundred and eighty); may also appear at the evidence presentation hearing, in terms of Articles 873 (Eight hundred and seventy-three) and 874 (Eight hundred and seventy-four); also, powers are conferred to present settlement agreements, execute transactions, adopt any kind of resolutions, negotiate and subscribe labor agreements; it may also act as company representative as administrator, regarding to and for any kind of labor proceedings or actions that may be heard before any authority. At the same time, it may complete labor contract execution and rescind them;

(x) confer, grant, revoke and/or cancel general or special powers within its authority, granting substitution powers and their delegation, except those powers the exercise of which exclusively corresponds to the Board of Directors in terms with the Law of these Corporate Bylaws, reserving always exercise of its powers; and

(y) all other established under the Stock Market Law or as foreseen in these Corporate Bylaws in accordance with such legal ordinance.

The Board of Directors will be responsible for overseeing performance with resolutions by Shareholders' Meetings which may occur through the Audit Committee.

**THIRTY-THREE. Board of Directors' Committees.** If so resolved by the Board of Directors, intermediate administration entities may be established such as committees other than the Audit and Company Practice Committees, each integrated by an uneven number of standing

and alternate members appointed by the Board of Directors from amongst the board standing or alternate members.

Both Audit and Company Practice Committees, as well as all other committees will act always as collegiate body.

The members of Committees that may be appointed in accordance with this Article will occupy their office of 1 (one) year, but in any event they will remain in office until the persons appointed for their substitution take possession of; may be reelected or revoked in their appointments at any time and will earn remuneration determined by the General Ordinary Shareholders' Meeting. The appointment of any member will be deemed as revocable upon the individual is no longer member of the Board of Directors.

Audit and Company Practice Committees and all other appointed in terms hereof will meet on the dates and as frequently as determined by each committee in the first and last meeting held during each company year (in the latter case regarding the calendar of meetings to be held the following company year), without need of call to their members every time a meeting is previously scheduled under the meeting calendar approved by Committee. Each Committee will meet when so determined by the Chairman of such Committee, the Secretary of the Board of Directors or any of its standing members, prior notice 3 (three) days in advance to all standing members of the Committee and to the alternates required. The Company's independent auditor may be called at Committee meetings as guest, with voice and no vote.

The call for the holding of any Committee meeting must be sent by mail, telegram, telefax, courier or any other means guaranteeing delivery to Committee members at least 3 (three) days in advance. The call may be signed by the Chairman of such Committee, by the Secretary of the Board of Directors who will act as such in the Committee itself, or by the person making the call. Committees may meet at any time without prior call in the event all its standing members are in attendance.

In order for Committee meetings to be deemed as legally held, the attendance of a majority of its members will be required and resolutions are to be adopted by the favorable vote of a majority of Committee members.

Committees to be established under this article will be vested with powers expressly granted thereto by the Board of Directors. The powers will not include in any event those reserved under Law or these Bylaws to the General Shareholders' Meeting or to the Board of Directors, the Audit Committee or the Company Practice Committee.

No Committee may delegate the entirety of its powers to any person, but may appoint delegates who are to execute its resolutions. Each Committee chairman will be authorized to individually execute the resolutions without express authorization. Each Committee established

in terms hereof must report to the Board of Directors annually as to the activities completed, or else, when in its opinion facts or acts that are of major transcendence to the Company occur. Minutes must be drafted of each Committee meetings that will be transcribed in a special book. The minutes will evidence the attendance of members of the Board and resolutions adopted and must be signed by those acting as Chairman and Secretary.

**THIRTY-FOUR. Liability of members of the Board and Committee Members and Limiting Liability.**

(a) **Diligence Duty.** The members of the Board of Directors and the members of any Committee must act in accordance with the diligence duly contemplated under Article 30 (Thirty) et.al. of the Stock Market Law.

To which effect, they will be entitled to request, at any time and in accordance with the terms deemed convenient, information on Company officers and legal entities under Company control.

In accordance with the provisions of the Stock Market Law and general provisions dictated to such effect by the National Banking and Securities Commission, nonperformance by any member of the Board or any Committee, with its diligence duty, will be subject severally with other nonperforming or guilty members of the Board, for harm and damage the Company may suffer, which will be limited to direct harm and damage, but no punitive or consequential damage, that the Company may suffer and when the member in question has acted in bad faith, unlawfully or as a result of gross misconduct.

(b) **Duty of Loyalty.** The members of the Board of Directors and the members of any Committee must act in accordance with the loyalty duty contemplated under Article 34 (Thirty-four) et.al. of the Stock Market Law.

The members of the Board, the members of Committees and the Secretary, in the event of a conflict of interest, must refrain from participating in the applicable matter and from attending during discussion and voting on such matter, without affecting required quorum for holding a Board of Directors or Committee meeting in question.

The members of the Board will be severally liable with those who had previously held the office, due to irregularities incurred thereby if, upon becoming knowledgably thereof, fail to communicate the irregularities in writing to the Audit Committee and the independent auditor. Furthermore, members of the Board must report the Audit Committee and independent auditor every irregularity that during the holding of office are known thereto in relation to the Company or to the legal entities under company control or companies in which the Company holds a significant influence.

In accordance with the provisions of the Stock Market Law,

particularly in terms with that provided for under Articles 34 (Thirty-four) through to 37 (Thirty-seven) and as provided under general provisions published by the National Banking and Securities Commission to such effect, nonperformance by any member of the Board, any member of a Committee or by the Secretary to a loyalty duty will be liable severally with other members of the Board, members of Committee in question or the Secretary that results in fault or guilty for harm and damage caused to the Company and in any event the persons involved will be removed from office.

(c) **Liability Action.** Liability resulting from violation to diligence duty or loyalty duty will exclusively be in favor of Company or the legal entity under Company control, as the case may be, and may be exercised by the Company or by shareholders individually or jointly holding common or limited, restricted or no vote shares representing 5% (five percent) or more of the capital stock. The applicable defendant may only be settled the legal proceeding for the amount of harm and damage indemnity with the approval of the Board of Directors to terms and conditions under applicable settlement agreement.

(d) **Release of Liability.** The members of the Board of Directors or the members of the Committee in question will not incur in any liability for harm and damage the Company or the legal entities under Company control or the company in which the Company holds a significant influence may suffer when the member of the Board or the Committee in question is acting in good faith and upon realization of any exclusion of liability from those referred to under Article 40 (Forty) of the Stock Market Law.

**THIRTY-FIVE. Chief Executive Officer.** The performance, conduction and execution of Company business and business of legal entities under Company control will be under the charge of the Chief Executive Officer in accordance with Article 44 (Forty-four) of the Stock Market Law, adhering to such effect to strategies, policy and guidelines approved by the Board of Directors.

The Chief Executive Officer, for the performance with his/her functions, will be bested with broadest powers to represent Company in acts of administration and lawsuits and collections, including special powers which in accordance with law require a special clause, including any other granted by the Board of Directors. When about acts of ownership, the provisions of Article 28 (Twenty-eight), Fraction VIII, of the Stock Market Law, must be adhered to.

The Chief Executive Officer, in exercise of his/her functions and activities, as well as for due compliance with his/her obligations, will receive the support of executives appointed to such effect and any employee of the Company or the legal entities under Company control.

The Chief Executive Officer and all other executives will be subject to liability foreseen under Article 29 (Twenty-nine) of the Stock Market Law, in their respective spheres of competence, and will

be liable for harm and damage deriving from their functions. Furthermore, the exclusions and limits of liability referred to under Articles 33 (Thirty-three), as limited in accordance with the provisions of Clause Thirty-four of these Corporate Bylaws, and 40 (Forty) of the Stock Market Law, will apply thereto.

Furthermore, the Chief Executive Officer and all other executives will be liable for harm and damage the Company or legal entities under Company control may suffer as a result of (i) lack of due and diligent attention, due to causes attributable thereto, to information and document request within the sphere of their competence demanded thereto by the Board of Directors, (ii) the filing or disclosure, knowingly, of false or misleading information, or (iii) displaying any conducts listed under Article 35 (Thirty-five), Fractions III and IV to VII, and Article 36 (Thirty-six) of the Stock Market Law.

**THIRTY-SIX. Company Oversight.** The oversight of management, conduction and execution of Company business and legal entities under Company control will be under the charge of the Board of Directors through Company Practice and Audit Committees and through the legal entity in charge of the Company independent audit.

The Company Practice Committee will be integrated by at least 3 (three) members who must be independent members (which fact must be disclosed to the public) and must be appointed by the Board of Directors at the proposal of the Chairman of the Board of Directors, except for the Chairman who will be appointed and/or removed from office exclusively by the General Shareholders' Meeting, and will be of the characteristics referred to under Article 43 (Forty-three) of the Stock Market Law.

The Audit Committee will be integrated by at least 3 (three) members who must be independent members (which fact must be disclosed to the public) and will be appointed by the Board of Directors, except for the Chairman who will be appointed and/or removed from office exclusively by the General Shareholders' Meeting, and will be of the characteristics referred to under Article 43 (Forty-three) of the Stock Market Law.

The Chairman of Audit Committee and the Chairman of Company Practice Committee must deliver an annual report in accordance with Article 43 (Forty-three) of the Stock Market Law.

(a) **Company Practice Committee.** Company Practice Committee will have the functions listed under Article 42 (Forty-two), Fraction I, of the Stock Market Law, and the general provisions issued by the National Banking and Securities Commission to such effect.

(b) **Audit Committee.** Audit Committee will have the functions listed under Article 42 (Forty-two), Fraction II, of the Stock Market Law, and the general provisions issued by the National Banking and Securities Commission to such effect.

**THIRTY-SEVEN. Bond.** The members of the Board of Directors, the members of the Audit Committee, the members of the Company Practice Committee or members of any other Committee, the Secretary of the Board of Directors, or the respective alternates of any of the above, nor executives or managers, are obliged to post a bond to guarantee performance with obligations assumed during performance with office, except when the Shareholders' Meeting appointing them establishes such obligation.

**THIRTY-EIGHT. Indemnity.** The Company commits to indemnify and keep the members of the Board, standing and alternates, and officers of the Board of Directors, Audit Committee, Company Practice Committee and any other committees the Company may establish, the Secretary and Alternate Secretary of the Board of Directors, and the Chief Executive Officer and other executives, harmless regarding performance of office, such as any claim, accusation, proceeding or investigation initiated in Mexico or in any country where company shares are registered or traded, including other securities issued based on such shares and other fixed income or variable income securities issued by the Company itself, or in any jurisdiction where the Company or the companies controlled thereby may operate, in which such persons may be parties as members of such bodies, whether standing or alternate, and officers, including payment of any harm and damage suffered and the amounts required to perform, if deemed appropriate, a settlement and the entirety of attorneys' fees and expenses and fees of other advisors contracted to care for interested of such persons in the above referred to assumptions, in the understanding that the Board of Directors will be the body with authority to determine in the above referred to assumptions, whether it is convenient to contract attorneys services and the services of other advisors than those then currently advising Company, as applicable. The indemnity will not apply if such claims, accusations, proceedings or investigations are the result of gross negligence, bad faith or misconduct by indemnified party in question.

## **CHAPTER FIVE**

### **COMPANY YEAR AND FINANCIAL INFORMATION**

**THIRTY-NINE. Company Year.** The company year will coincide with calendar year. Should Company be liquidated or merged, its company year will early terminate on the date of its settlement or merger.

**FORTY. Financial Information.** Within 4 (four) months following closing of each company year, the Chief Executive Officer and the Board of Directors will prepare the following financial information and any other that may be required in accordance with applicable legal provisions, within their respective attributes, in accordance with the provisions of this Corporate Bylaws and the Stock Market Law, and is to be submitted to the consideration of Shareholders' Meeting by the Board of Directors:

(a) A report as to Company ongoing business and those of its major subsidiaries in exercise, and on policy followed by the Board of Directors itself and, as applicable, the main exiting projects;

(b) A report declaring and explaining main accounting and information policy and criteria followed when preparing financial information;

(c) A statement showing the Company financial position as of the closing of the year;

(d) A statement showing the Company results during the year, duly explained and classified;

(e) A statement showing changes in Company financial position during the year;

(f) A statement showing changes in items integrating the Company stockholders' equity occurring during the year; and

(g) Notes that may be required to supplement and clarify information contained in above statements.

## CHAPTER SIX

### PROFITS AND LOSSES

**FORTY-ONE. Profits.** Net profits of each year, as per financial statements, following deduction of amounts required to (i) make payments or provisions in relation to applicable taxes, (ii) segregate amount that are mandatory by law, and (iii) as applicable, the amortization of prior year losses, will be applied as follows:

(a) A 5% (five percent) will be reserved for establishing, increasing or, as applicable, replenishing the legal reserve fund until such fund represents 20% (twenty percent) of the paid capital stock;

(b) Amounts determined by the Shareholders' Meeting to create or increase any general or special reserves;

(c) The amount determined by the Shareholders' Meeting for acquisition of own shares in adherence to the provisions of the applicable law and these Corporate Bylaws; and

(d) The remainder will be applied as determined by the Shareholders' Meeting, including, as applicable, for payment of dividends to all shareholders, prorated of their shareholding.

**FORTY-TWO. Losses.** Losses, as applicable, will be supported by all shareholders, prorated the number of shares held thereby, for up to

the capital stock represented thereby.

## CHAPTER SEVEN

### DISSOLUTION AND LIQUIDATION

**FORTY-THREE. Dissolution.** The Company will be dissolved in any of the cases foreseen under Article 229 (Two hundred and twenty-nine) of the General Business Corporations Law.

**FORTY-FOUR. Liquidation.** Once the Company is dissolved will be liquidated. General Extraordinary Shareholders' Meeting will appoint one or more liquidators who will be vested with powers established under the General Business Corporations Law or as determined by the appointing Shareholders' Meeting.

**FORTY-FIVE. Liquidation Bases.** Liquidators will carry out liquidation in adherence to bases determined by the Shareholders' Meeting and, otherwise, in adherence to the following provisions and those contained in applicable chapter of the General Business Corporations Law:

- (a) closing of businesses as deemed most appropriate;
- (b) collection of credit and payment of debts by the Company;
- (c) sale of Company assets;
- (d) preparation of the final liquidation balance; and
- (e) distribution of the remainder assets amongst shareholders prorate the name of shares held thereby and the amount represented for each, following approval of the final liquidation balance.

During liquidation, the Shareholders' Meeting will be held as foreseen hereunder and liquidators will perform functions that are equivalent to those corresponding to the Board of Directors during the normal life of Company, and Audit and Company Practice Committees will continue performing, regarding liquidators, the same functions they had during the effective term of the articles of incorporation regarding the Board of Directors.

## CHAPTER OCTAVO

### APPLICABLE LAWS AND JURISDICTION

**FORTY-SIX. Applicable Law.** In everything not expressly foreseen in these Corporate Bylaws, the provisions contained in the General Business Corporations Law, the Stock Market Law, general provisions issued by the National Banking and Securities Commission and all other

applicable law in Mexico will prevail.

**FORTY-SEVEN. Jurisdiction.** Every conflict, dispute, difference or disagreement between 2 (two) or more shareholders or between 2 (two) or more groups of shareholders or between any of them and the Company deriving from these Corporate Bylaws or related hereto must be settled by pertinent courts with seat in the City of Mexico, Federal District, United Mexican States, and the parties expressly submit to the jurisdiction of such courts, waiving to any other jurisdiction that may correspond thereto by virtue of their current or future domicile.