

## Neutral Investment- Trust

### What does it consist of?

Authorization for Mexican legal entities (incorporated or to be incorporated) that seek to obtain foreign capital in order to expand its operations through the transfer of shares to a trust.

In addition, the fiduciary institution who intends to act as such in the trust agreement may also request for authorization. Likewise, Mexican legal entities or fiduciary institutions that already have a neutral investment authorization and intend to modify the trust agreement or previously authorized scheme shall request this authorization.

### To whom it is targeted?

Mexican legal entities that seek to transfer shares to a neutral investment trust, and fiduciary institutions that intend to establish or modify the neutral investment trusts.

### Where is it conducted?

At the Direction of Legal Affairs and the Foreign Investment National Commission of the General Directorate of Foreign Investment, which is located in Insurgentes Sur 1940, 8th Floor, Florida, Territorial Demarcation Alvaro Obregon, 01030, Mexico City. The reception hours are from Monday to Friday, from 9:00 a.m. to 2:00 p.m.

It can also be carried out through the State Delegations and Sub-delegations of the Secretariat of Economy, which shall receive the request and shall send it to the Direction of Legal Affairs and the Foreign Investment National Commission.

Likewise, it can be submitted online via the System of Legal Affairs for Foreign Investment (<http://sajie.economia.gob.mx>), with a valid e-mail account and an e.firma (formerly known as advanced electronic signature).

### Which are the requirements?

1. Original and copy of the written request comprising: the name of the requesting Mexican legal entity or the financial institution; name of the representative of the applicant; address to hear and receive notices and, if applicable, the name of the persons who can receive them on behalf of the applicant; general information of the trust institution; facts or reasons that motivated the request; economic activity and shareholding structure<sup>1</sup> of the legal entity intending to transfer its shares to the asset of the trust; place and date of the request; and, signature of the representative or person acting on behalf of the company.
2. Power of attorney granted before notary public in favor of the person acting on behalf of the applicant. If this power of attorney is granted abroad, it shall be legalized or apostilled, and if it has been written in language other than Spanish, it shall be translated into Spanish by a certified expert translator. The full text of the document must be translated, including the apostille. In the case the power of attorney is written simultaneously in Spanish and in other language, the translation is necessary for the sections written in language other than Spanish, such as the apostille.
3. Constituent instrument of the Mexican legal entity and of each of the partners or shareholders, complying with the following requirements:
  - a) In the event of a legal entity: Constituent instrument, if it is a foreign legal entity, their documents shall be legalized or apostilled, and, if applicable, translated into Spanish by a

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<sup>1</sup> In the event of incorporated legal entities, they shall submit the details of the company's shareholding structure before and after the authorization is given; as for new companies or companies intended to be incorporated, they shall submit the proposed shareholding structure. It shall also be specified if the company is seeking to have subsidiary offices or branches.





- certified expert translator.
- b) In the event of Persons: Document that certify his/her nationality.
  - c) In the event of Trusts: Document of the entity granting the trust.
4. Draft of the trust agreement or, when applicable, any modifications intended to be made to a previously authorized trust.
  5. Receipt of payment of duties for the total of \$8,954.00 (Eight thousand nine hundred and fifty-four Mexican pesos 00/100 MXN). [See Payment of duties Section].
  6. Other documents. If the legal entity has had changes in its business name, has been merged or has gone through any other modification in its bylaws, it must submit the original and copy of the documents detailing these modifications. Likewise, the legal entity shall submit the draft of its management bylaws.

The documents shall be submitted in original and copy. Prior collation, the originals, excluding the written request and the payment of duties, will be handed back to the applicant.

#### **Maximum response time**

35 business days.

#### **Payment of duties**

Article 72, Section III of the Federal Law of Rights sets the payment of duties at \$8,954.00 (Eight thousand nine hundred and fifty-four Mexican pesos 00/100 MXN). The payment is facilitated through the system [e5cinco](#) (see General Directorate of Foreign Investment).

#### **Legal Foundation**

Articles 18 and 19 of the Foreign Investment Law and 22 of the Regulation of the Foreign Investment Law and the Foreign Investment National Registry.

#### **What happens once the authorization is approved?**

1. If the authorization is granted, the terms and conditions to comply shall be determined in said document.
2. The authorization shall be submitted before Foreign Investment National Registry in order to be registered.

#### **Gob.mx (National Single Window)**

[Code SE-02-009](#)

#### **National Catalog of Regulations, Procedures and Services**

[SE-02-009 - CONAMER \(catalogonacional.gob.mx\)](#)

