

CLIENT UPDATE

MEXICAN PRESIDENT SUBMITS BILL FOR FINTECH ACT TO CONGRESS

On October 19, 2017, President Enrique Peña Nieto submitted to the Mexican Congress a proposal to adopt a Financial Technology Institutions Act (the “FinTech Act”) and amend a number of statutes related to the FinTech Act.

Please refer to our memorandum dated August 21, 2017 for a review of the proposal.

The following are highlights of the last changes made to the proposal, after our memorandum and before submitting the same to Congress:

- Procedures for obtainment of the previous opinion of relevant authorities, as required, in respect to the authorization of the National Banking and Securities Commission (“CNBV”) for the incorporation of Financial Technology Institutions (“ITF’s”), are streamlined.
- A definition of “virtual assets” which encompasses private digital currencies is included.
- The purchase of shares of ITF’s is made subject to requirements to be issued by the CNBV.
- Certain ITF’s, as well as Mexican banks will be permitted to operate with virtual assets, including private digital currencies, with the authorization of Banco de México (Mexico’s Central Bank).
- Provisions to prevent and detect money laundering activities are further strengthened. Such provisions include mechanisms for a broad and expedient exchange of information between Mexican regulators, as well as maintenance of a “blocked persons list”.

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We will keep you posted on transactional, regulatory and contractual issues, relating to the FinTech Act and the use of technology to facilitate the provision of financial services.

Please do not hesitate to contact us with any questions.

BERDEJA ABOGADOS, S.C.

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November 6, 2017