



[TRANSLATION FOR REFERENCE PURPOSES ONLY]

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GUIDELINES establishing the requirements and the procedure to enter into joint ventures or associations where the assignment of the corporate and managerial control or the control of operations takes place, with respect to the contracts for the exploration and extraction of hydrocarbons.

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TEXT IN EFFECT²

(...)

GUIDELINES ESTABLISHING THE REQUIREMENTS AND THE PROCEDURE TO ENTER INTO JOINT VENTURES OR ASSOCIATIONS WHERE THE ASSIGNMENT OF THE CORPORATE AND MANAGERIAL CONTROL OR THE CONTROL OF OPERATIONS TAKES PLACE, WITH RESPECT TO THE CONTRACTS FOR THE EXPLORATION AND EXTRACTION OF HYDROCARBONS

**Title I
General Provisions
Sole Chapter**

Article 1. Purpose. The Guidelines have the purpose of establishing the requirements and the procedure through which the Commission will resolve the applications for Authorization submitted by the Contractors, prior to, entering into joint ventures and associations where the Assignment of the Corporate and Managerial Control or the Control of Operations takes place.

¹ <https://cnh.gob.mx/media/15933/alianzas-version-compilada-dof-17-12-2020.pdf>

² This translation to English was prepared on January 20, 2021.





Article 2. Definitions. For purposes of the Guidelines they shall be applicable, in the singular and plural, the definitions of the Law, its Regulations and the Administrative Provisions in Matters of Bidding Processes of Contracts for the Exploration and Extraction of Hydrocarbons, published on November 28, 2014, in the Federal Register, as well as the following:

- I. **Petroleum Activities:** The activities of Reconnaissance and Superficial Exploration, as well as those of Exploration, appraisal, Extraction and abandonment undertaken by the Contractor in the Contract Area pursuant to the Contract;
- II. **Authorization:** The administrative act through which the Commission approves to the Contractor the execution of joint ventures or associations where an Assignment takes place;
- III. **Bidding Guidelines:** The guidelines of the bidding process through which a relevant Contract is awarded;
- IV. **Assignor:** Person that carries out an Assignment, in terms of the Authorization granted by the Commission, pursuant to these Guidelines;
- V. **Assignment:** Legal act by virtue of which the Assignor transfers to the Assignee the Corporate and Managerial Control or Control of Operations, the latter in whole or in part, as the case may be, with respect to the Contract Area, in terms of these Guidelines;
- VI. **Assignee:** Person in favor of which the Assignor carries out an Assignment subject to the terms of these Guidelines;
- VII. **Commission:** National Hydrocarbons Commission;
- VIII. **Contract:** Contract for the Exploration and Extraction;
- IX. **Prequalification Certificate:** Document issued by the Commission where it is certified that a certain Person, whether individually, in consortium or in a general partnership (*asociación en participación*), satisfied the prequalification requirements established in:
 - a) The Bidding Guidelines, or
 - b) The bidding guidelines of a project for Exploration and Extraction of a Contract Area of similar characteristics to the Contract subject matter of the Assignment;
- X. **Corporate and Managerial Control:** The ability to carry out any of the following acts: (i) impose, directly or indirectly, decisions at the general meetings of shareholders', partners' or equivalent bodies of the Contractor, or to appoint or remove the majority of its directors, managers or equivalent, (ii) maintain the ownership of rights that allow, directly or indirectly, to exercise the vote with respect to more than fifty percent (50%) of all of the





- Participating Interests or the capital stock of the Contractor, as appropriate, or (iii) direct, directly or indirectly, the management, strategy or principal policies of the Contractor, whether through the ownership of securities, through contract or otherwise;
- XI. **Control of Operations:** The ability of the Operator to direct, assume the representation, leadership and conduction of the Petroleum Activities in a Contract Area. To that end, the Operator shall have the minimum participation in the shareholding structure of the capital stock of the Contractor or the Participating Interest established in the Contract or as appropriate, in the relevant Bidding Guidelines;
- XII. **Participating Interests:** Undivided portion of the property of the Contractor, that represents the participation of each of the State productive enterprises or Legal Entities that comprise a consortium or general partnership as applicable;
- XIII. **Law:** Hydrocarbons Law;
- XIV. **Guidelines:** These Guidelines establishing the requirements and the procedure to enter into joint ventures or associations where the assignment of the corporate and managerial control or the control of operations takes place, with respect to the contracts for the exploration and extraction of hydrocarbons
- XV. **Operator:** Legal Entity or State productive enterprise responsible of directing, assuming the representation, leadership and conduction of Petroleum Activities in a Contract Area and the relationships with the Commission or any governmental authority under a Contract and who as the minimum participation in the shareholding structure of the capital stock of the Contractor or the Participating Interest established in the Contract or, in its absence, the Bidding Guidelines;
- XVI. **Person:** It refers indistinctly to a Legal Entity or a State productive enterprise;
- XVII. **Ministry:** Ministry of Energy;
- XVIII. **Management System:** Concept defined in the Law of the National Agency on Industrial Safety and Environmental Protection of the Hydrocarbons Sector.

Article 3. Enforcement and interpretation of the Guidelines. For administrative purposes, the enforcement and interpretation of these Guidelines corresponds to the Commission.

Article 4. Non-allowed Assignments. The applications for Assignment that contemplate as potential Assignee the Persons that resulted Winning Bidders in the Bid Process of the Contract and that did not execute the latter for causes attributable to them,





shall not be authorized. The breach of this provision shall be considered a serious breach in terms of article 26, section II of the Law.

Title II

The Application and Requirements of the Authorization

Sole Chapter

Article 5. Requirements of the application for Authorization. The Contractor that seeks to carry out an Assignment shall submit to the Commission the application for Authorization, in the forms contained in Annex I and II of these Guidelines.

The application for Assignment shall include in a complete and legible manner the following information and documents:

- I.** Evidence of payment of the governmental fees referenced in article 27 of these Guidelines;
- II.** General information of the Contract subject matter of the Assignment:
 - a) Nomenclature;
 - b) Execution date;
 - c) Corporate name of the Contractor and the Person participating as potential Assignee, as the case may be;
 - d) Contract Area;
 - e) Effective term;
 - f) Origin of the award of the Contract, whether through public bid, award pursuant to article 27 of the Law, migration in terms of the twenty eighth transitory provision of the Law, Assignment, or any other form provided for in the applicable legal rules;
- III.** Data and documentation of the potential Assignee:
 - a) The documentation evidencing the source of the resources and the financial, technical and operational capabilities of the potential Assignee that in due time the potential Assignor evidenced, pursuant to the prequalification requirements established in the Bidding Guidelines or, in case of having it, the respective Prequalification Certificate.
 - b) Statement under oath of the legal representative where it declares that, in case of the Assignment being authorized, this shall not affect the technical, financial, execution and experience capabilities necessary for the Contractor to continue the conduction of the Petroleum Activities efficiently and competitively in the corresponding Contract Area, and that it will assume, without condition and jointly and severally, the totality of the responsibilities inherent to the Contract;
 - c) Notarial or certified copy of the public instrument where it is evidenced its articles of incorporation or restatement of its bylaws, including the



registration information at the Public Registry of Commerce, in addition to the description of the capital structure of the potential Assignee, identifying the direct or indirect participation of each of its partners and shareholders;

- d) Notarial or certified copy of the public deed where it is evidenced that its legal representative has broad powers as necessary to represent it before the Commission for any matter related to these Guidelines, including, as appropriate, the registration information at the Public Registry of Commerce;
- e) Simple copy of the valid official identification of its legal representative. In case of Mexicans, only the voting card with photograph, the passport or the professional license shall be acceptable, and in the case of foreigners, only the passport or the temporary or permanent resident card, as appropriate, issued by the National Migration Institute, shall be acceptable;
- f) Complete name of the persons authorized to hear and receive notices;
- g) Statement where, as appropriate, it specifies the documents delivered on a confidential basis, pursuant to the Federal Law on Transparency and Access to Public Information, and
- h) Statement under oath of the legal representative where the latter states that its principal is not within the cases provided for in article 26 of the Law.

In case that the potential Assignee submits a Prequalification Certificate, the Commission may deem as evidenced the capabilities described in items a and c of section III, provided its legal representative submits a statement under oath through which he or she declares before the Commission that its capabilities, previously reviewed, have not suffered any change since its accreditation until the submission of the application for Authorization.

Article 6. Formality in the submission of the application for Authorization. The application for Authorization, as well as each of the documents that are part of the requirements referred in these Guidelines, shall be delivered to the Commission pursuant to the following:

- I.** Signature of the legal representative of the Contractor, the potential Assignor and the potential Assignee, as well as the corresponding initials on the margin of each page comprising the application.
In case the legal representative of the Contractor and the potential Assignor are the same person, such situation shall be stated, and a single signature and initial shall be included;
- II.** Duly consecutively numbered in all of its pages;
- III.** It shall deliver the information and documentation on a clear, objective and quantifiable basis;



- IV. It shall indicate the official contact information of the persons or institutions issuing the documents, in order to facilitate its verification to the complete satisfaction of the Commission;
- V. It shall be submitted in the Spanish language. In case the original document is prepared in a different language, the Contractor shall deliver with the original document a translation to the Spanish language, prepared by an expert translator authorized by the Federal Judicial Power, the Superior Court of Justice in Mexico City, or the Justice courts of the federal states, and
- VI. In case of foreign legal entities, the documentation required in these Guidelines shall comply with the formalities required for their validity, both in the country of origin as well as abroad, through the submission of the equivalent legal documents apostilled or legalized, and, as the case may be, formalized before a federal attestation Mexican official.

Article 7. Requirements for Assignment of the Corporate and Managerial Control. In case that the Contractor seeks to carry out an Assignment of Corporate and Managerial Control, in addition to the general requirements indicated in the two preceding articles, it shall submit attached to its application for Authorization the following:

- I. Description of the structure of the capital stock or of the Participating Interest of the Contractor that would result in case the Assignment of the Corporate and Managerial Control is authorized;
- II. In case of a Contractor comprised through a consortium or general partnership, or a potential Assignee that seeks to be comprised by the foregoing cases, it shall submit the draft contractual document which purpose is to comply with the obligations derived from the relevant Contract, including, but not limited to, the joint operating agreement that contains as a minimum the provisions of article 32, section B, subsection I of the Hydrocarbons Revenue Law, and
- III. Any other requirement necessary that is established by the Contract or the applicable legal rules in order for the Assignment of the Corporate and Managerial Control to be effective.

Article 8. Requirements for the Assignment of the Control of Operations. When an Assignment of the Control of Operations is intended to be carried out, the Contractor, in addition to the general requirements established in article 5 of the Guidelines, shall submit attached to the application for Authorization the following documentation:

- I. If appropriate, the transition plan of the Management System proposed by the potential Assignee, or rather, the documentation that evidences its experience in operating some industrial safety, operational safety and environmental protection system in facilities or projects of Exploration and Extraction;





- In case that the potential Assignee has submitted this information during the prequalification process in the Bid Process that is the origin of the Contract subject matter of the Assignment, it shall only submit the relevant Prequalification Certificate;
- II. In case of a Contractor comprised or that seeks to be comprised through a consortium or general partnership, the draft of the joint operating agreement which purpose is the development of Petroleum Activities that contains as a minimum the provisions of article 32, section B, subsection I of the Hydrocarbons Revenue Law, and
 - III. Any other requirement necessary established in the Contract or the applicable legal rules for the Assignment of the Control of Operations to become effective.

Article 9. Determination of the prequalification requirements. In case that the Assignment that is sought is based on a Contract that was not awarded to the Contractor through a Bid process, at the request of the Contractor, the Commission shall determine the requirements that shall be satisfied in order to evidence the technical, financial, execution and experience capabilities of the potential Assignee. To that end, the Commission may request the opinion of the Ministry and, in all cases, it shall notify the Contractor the corresponding requirements within a term of twenty (20) business days, counted as of the submission of the application.

The foregoing, considering the requirements established in the most recent published Bidding Guidelines that correspond to the same contracting modality to the Contract subject matter of the Assignment.

Title III Procedure to Issue Authorizations Sole Chapter

Article 10. Procedure. Once the application for Authorization referred in Title I of these Guidelines is received, the Commission shall carry out the following procedure:

- I. For the Assignment of the Corporate and Managerial Control:
 - a) Verify that the information submitted by the Contractor satisfies the requirements established in articles 5, 6, 7 and 8 of these Guidelines;
 - b) Also verify that the potential Assignee is not within the cases provided by article 26 of the Law;
 - c) Review that the Assignment of the Corporate and Managerial Control does not affect the technical, financial, execution and experience capabilities necessary for the Contractor to be able to continue the conduction of the



Petroleum Activities efficiently and competitively in the relevant Contract Area, and

- d) Issue the resolution through which it authorizes or denies the execution of the Assignment of the Corporate and Managerial Control, pursuant to the deadline established in article 15 of the Guidelines.
- II.** For the Assignment of the Control of Operations:
- a) Verify that the information submitted by the Contractor satisfies the requirements established in articles 5, 6, 7 and 8 of these Guidelines;
 - b) Verify that the potential Assignee is not within the cases provided by article 26 of the Law;
 - c) Review the accreditation of technical, financial, execution and experience capabilities of the potential Assignee necessary to continue to direct and assume the representation, leadership, and conduction of Petroleum Activities efficiently and competitively in the relevant Contract Area, and
 - d) Issue the resolution through which it authorizes or denies the execution of the Assignment of the Control of Operations.

In the case of items c) of sections I and II of this article the Commission shall use as parameter the prequalification criteria of the granted Contract, or in case that the Contract was not granted through a bid process, it shall evaluate the compliance in terms of article 9 of these Guidelines.

Article 11. Means of Communication. The Operators, Contractors, potential Assignors and potential Assignee shall deliver the information or documentation referred in the Guidelines in writing or through the remote electronic communications means. The foregoing, in terms of the forms and means that for such purpose the Commission determines.

Article 12. Notice to the Ministry. The Commission shall notify the Ministry of the relevant application for Authorization submitted by the Contractor, within the two (2) business days following the reception of the same.

The foregoing, in order for the Ministry to be able to state its non-conformity, duly grounded, within the twenty (20) business days following its notification.

In case that the Ministry does not make a statement within the indicated deadline, it shall be understood that it does not have an inconvenience with the application.

Article 13. Prevention. In case that the Contractor does not deliver the documentation established in these Guidelines in a legible or complete manner, the Commission shall prevent it on a single occasion, within the ten (10) business days following the reception of the relevant application for Authorization. In case that the Ministry requests additional information, it shall inform the Commission in order for the latter to request it from the Contractor within the aforementioned deadline.



The Contractor shall have a term of seven (7) business days counted as of the effective date of the notice of the prevention to submit the missing documentation or information. Once the information or documentation that responds the prevention is received, the Commission shall send it to the Ministry no later than on the following business day. Once the term to respond to the prevention elapses without the same being addressed, the Commission shall dismiss the application.

Article 14. Clarifications to the application for Authorization. Without prejudice to the provisions of article 13 of these Guidelines, the Commission may request for additional clarifications to the Contractor within any stage of the procedure.

The clarifications referred in the preceding paragraph shall not extend the term established in article 15 of these Guidelines, for the Commission to resolve the corresponding applications.

Article 15. Issuance of the Authorization. The Commission will resolve the applications for Authorization within the ten (10) business days following the end of the term granted to the Ministry provided in article 12 of these Guidelines.

Article 16. Deemed Approval. In case that the Commission does not issue a statement with respect to the application for Authorization in the term provided in the preceding article, the response to such application shall be understood to be favorable.

Article 17. Notice on the change of the structure of the capital stock or assignment of Participating Interest. In case that a modification to the structure of the capital stock or the Participating Interests of the Contractor takes place, that does not result in an Assignment of the Corporate and Managerial Control, the Contractor shall notify the Commission within the following thirty (30) calendar days as of undertaking the same, in the form established in Annex III of these Guidelines.

In such case the Contractor shall include and attach to the relevant notice the following information and documentation, and comply with the formalities indicated in article 6 of these Guidelines:

- I. Name, corporate or legal name of the Contractor;
- II. Contract number;
- III. Certified copy of the articles of incorporation or meeting minute prior to the change of the capital structure, for the cases where a change to the capital structure notice is given;
- IV. Certified copy of the meeting minute where it is indicated the name of each of the partners (*socios*) and the change to the capital structure, for the cases where a change to the capital structure notice is given;





- V. Document where it is indicated the modification to the Participating Interests of the Contractor, for the cases where a change to the Participating Interests notice is given, and
- VI. Free form brief through which the Contractor states that the change to the structure of the capital stock or the Participating Interests of the Contractor, does not entail an Assignment of the Corporate and Managerial Control.

When dealing with Contractors listed in the Mexican Stock Exchange, the aforementioned notice shall be made pursuant to the provisions of the Securities Exchange Law.

Article 18. Potential Assignees that are not authorized. With independence to the review undertaken by the Commission pursuant to article 10 of these Guidelines, in no case will applications be approved when the potential Assignee is within any of the following cases:

- I. Those provided by article 26 of the Law, as well as that established in article 4 of these Guidelines;
- II. Violates these Guidelines, the Bidding Guidelines, or the relevant Contract, and
- III. Violates any provision of applicable legal rules.

Article 19. Content of the Authorization. The Authorizations issued by the Commission will contain, at least, the following elements:

- I. General information of the relevant Contract;
- II. General data of the Assignee;
- III. The obligation of the Assignee to deliver the guarantees that to that effect shall be issued or delivered pursuant to the Contract, and
- IV. Those others required by the Commission, pursuant to the applicable legal rules and the Contract.

**Title IV
The Assignment
Chapter I**

Formalization of the Assignment and Amendment Agreement

Article 20. Formalization of the Assignment agreement. Once the Authorization is notified to the Contractor, or in case of the occurrence of the case included in article 16 of these Guidelines, the Assignor and the Assignee shall carry out the legal acts necessary to formalize the agreements of Assignment of the Corporate and Managerial Control or the Control of Operations, as appropriate and shall notify such fact to the Commission within the twenty (20) business days following the notice of the Authorization, submitting a statement





by the legal representatives of the Assignor and the Assignee where the express mention that the Assignment took place in the terms established in the Authorization is included.

Article 21. Amendment agreement. Once the formalization of the Assignment is evidenced by the Assignor and Assignee, the Commission and the Contractor, within the thirty (30) business days following the submission of the statement included in the preceding article, shall enter into the relevant amendment agreement to the Contract that memorialized the Assignment, in the understanding that such modification shall not entail the novation, extension or modification to any of the other contractual terms.

In case that the Assignee incorporates a special purpose company, affiliate or subsidiary to sign and execute the Contract, the amendment agreement shall be signed by such company in its capacity as Contractor, and by the Assignee as joint obligor.

As of the date of execution of the amendment agreement to the Contract, the Assignee shall be responsible for continuing with the obligations inherent to the relevant Contract and may enforce its rights, in terms of the same.

Article 22. Requirements for the formalization of the amendment agreement. Prior to formalizing the amendment agreement referred in the preceding article, the Assignee shall satisfy the requirements established in article 31 of the Hydrocarbons Revenue Law, and, submit the following documents fifteen (15) business days before the formalization of the amendment agreement:

- I. The corporate and performance guarantees, as appropriate, which to that effect corresponds to be issued or delivered pursuant to the Contract, as well as the documents that support the modification of the relevant insurance;
- II. The statement under oath from its legal representative, where it is evidenced that no change to the information or documentation submitted pursuant to articles 5, 6 or 7, as appropriate, of these Guidelines has occurred;
- III. The authorizations, permits and any other document that evidences that it has the capabilities to continue to conduct the Petroleum Activities, including the approval of the transition plan of the proposed Management System.

In case that the Contractor does not submit the statement referred in section II above, by virtue of having modified the documents referred in articles 5, 6 or 7 of these Guidelines, it shall submit to the Commission said documents, in order for the latter to determine and inform the Contractor whether such modification affects or not the accreditation of the requirements established in these Guidelines.

If the modification referred in the preceding paragraph affects the accreditation of these Guidelines, the Commission may require the Contractor to submit a new application for Authorization.





The Commission may prevent on a single occasion the Contractor within the first ten (10) business days as of the information being filed and request clarifications on the application pursuant to the provisions of this article.

Likewise, the Contractor shall address the prevention within the five (5) business days following the reception of the relevant notification by the Commission.

Within the same term of prevention and requests for clarification, the Commission shall carry out the confirmation and verification of the corporate and performance guarantees.

Article 23. Authorizations from other authorities. In case of authorization to the Contractor of the Assignment of the Control of Operations, the execution of the amendment agreement referred in article 21 of these Guidelines shall be subject to the Assignee submitting to the Commission all of the authorizations, permits and any other document that evidences that it has the capabilities to continue with the conduction of the Petroleum Activities, including the approval of the transition plan of the proposed Management System.

Article 24. End of effects of the Authorization. The Authorization shall cease its effects and the Commission shall maintain the same terms and conditions of the relevant Contract, and under no circumstance shall the legal relationship between the Commission and the Contractor be understood as modified, in the following cases:

- I. The Commission determines that the modification to the documents referenced in section II of article 22 of the Guidelines affects the accreditation of the relevant requirements;
- II. The Assignee fails to submit the documentation requested as referred in article 22 of the Guidelines, or
- III. The Assignee does not execute the amendment agreement to the Contract, referred in article 21 of the Guidelines, for any other reason attributable to the same, within the deadline established to that end.

Chapter II Guarantees

Article 25. Guarantees. The performance and corporate guarantees of the Assignee shall be delivered pursuant to the provisions of article 22, section I of the Guidelines, in the understanding that at no moment may the obligations of the relevant Contract cease to be secured.

To that end, the Commission, within the twenty-eight (28) business days following the formalization of the amendment agreement to the Contract, at the prior written request of the Assignor, shall issue a certification of performance of the obligations of the Assignor in order to make the performance and corporate guarantees invalid, and proceed to their return. [\[paragraph amended DOF \[Federal Register\] 17/12/2020\].](#)





The Assignee shall also deliver to the Commission within the same term the documents that support the modification of the relevant insurance pursuant to the article 22 section I of the Guidelines.

Chapter III

Sanctions and Payment of Governmental Fees

Article 26. Sanctions. The Contractor shall refrain from assigning or transferring the Corporate and Managerial Control or the Control of Operations, without the relevant Authorization from the Commission.

In case that the Contractor undertakes private acts that have the effect of the Assignment of rights derived from a Contract without the Authorization of the Commission, such acts shall be null and void as a matter of law and shall be sanctioned considering the severity of the infraction, with a penalty pursuant to the provisions of article 85, section II, item k) of the Law.

The foregoing, without prejudice to the stated consequences in the relevant Contract and the provisions established in article 4 of these Guidelines.

Article 27. Payment of governmental fees. The Contractors shall pay the governmental fees that are established to that effect by the Ministry of Finance and Public Credit. The foregoing, in order to process and resolve the applications for Authorization referred in these Guidelines. Said governmental fees and their updated figures shall be notified by the Commission to the Contractors through its Internet webpage and pursuant to the applicable legal rules.

TRANSITORY PROVISIONS

(...)

