

**DEFINITIVE PROSPECTUS.** The securities described in this prospectus have been registered with the National Registry of Securities (Registro Nacional de Valores) maintained by the National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores). Such securities cannot be offered or sold outside the United Mexican States unless it is permitted by the laws of other countries.

**PROSPECTO DEFINITIVO.** Los valores descritos en este prospecto han sido inscritos en el Registro Nacional de Valores que lleva la Comisión Nacional Bancaria y de Valores. Dichos valores no podrán ser ofrecidos ni vendidos fuera de los Estados Unidos Mexicanos, a menos que sea permitido por las leyes de otros países.



VIGM, S.A. de C.V., Asesor en Inversiones  
Independiente  
SETTLOR & ADMINISTRATIVE AGENT

Banco Nacional de México, S.A., integrante del Grupo  
Financiero Banamex, División Fiduciaria  
TRUSTEE

**PUBLIC OFFERING OF INDEX TRUST CERTIFICATES “CERTIFICADOS BURSÁTILES FIDUCIARIOS  
INDIZADOS” ISSUED BY THE TRUST AGREEMENT NUMBER 182557**

**MAXIMUM ISSUANCE AMOUNT:**

**UP TO MXP\$150,000,000.00**

**PUBLIC OFFERING AMOUNT:**

**\$99,000,000.00**

<b>Type of Offer:</b>	Public offering in Mexico. The foregoing in the understanding that, to the extent that the Trustee receives Creation Orders under the terms set forth in the Trust Agreement, the Authorized Participant Agreements and the Issuance Documents, additional Certificates will be issued successively in addition to those placed in the initial Public Offering.
<b>Issuer:</b>	Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria, in its capacity as trustee of the trust agreement number 182557, dated September 11, 2019.
<b>Settlor:</b>	VIGM, S.A. de C.V., Asesor en Inversiones Independiente
<b>Beneficiaries:</b>	The Holders of the Certificates.
<b>Authorized Participants:</b>	Brokerage firms and banking institutions authorized to act as such in Mexico which shall enter into an Authorized Participant Agreement with the Trustee pursuant to the provisions set forth in the Trust Agreement.
<b>Ticker:</b>	“VMEX 19”.
<b>Maximum Authorized Issuance Amount:</b>	Up to MXP\$150,000,000,000.00
<b>Maximum number of Certificates of the Issuance:</b>	5,000,000,000 Certificates.
<b>Public Offering Amount</b>	MXP\$99,000,000.00
<b>Number of Certificates to be placed in the Public</b>	3,300,000 Certificates.

**Offering:**

**Number of Certificates that shall comprise a Unit:**

Following the Public Offering, Certificates may only be created in units of 100,000; provided, however, that the creation of Certificates for an inferior amount of Certificates or fractions thereof shall not be authorized.

**Placement Price:**

MXP\$30.00 per Certificate. The placement price was determined considering account the characteristics of the Trust Agreement and other factors deemed convenient for such determination.

**Par Value:**

MXP\$30.00 per Certificate.

**Increase in the number of issued and outstanding Certificates:**

The number of outstanding Certificates placed by the Trust will depend on the number of Creation Orders and Redemption Orders received during the term of the Trust, as well as the public offerings made thereof. The consent of the Holders shall not be required for the placement of the Certificates or the cancellation thereof.

**Term of the Certificates:**

The Certificates will not have a fixed term, as they will be in effect until the Trust Agreement is terminated.

**Maturity Date:**

The Certificates will remain in effect until cancelled and must be cancelled upon termination of the Trust Agreement.

**Underlying Index:**

FTSE BIVA Index.

**Most Relevant Characteristics of the securities conforming the Underlying Index:**

The FTSE BIVA Index provides an unbiased representation of the Mexican equity universe. All Mexican equity securities listed in the country are considered, allowing for new issues to be included as the local equity universe expands over time. It is important to note that FIBRAS securities are also included in this index, the first broad-based diversified Mexican equity index to include such securities. To be eligible for inclusion, index constituents must meet minimum liquidity rules, adapted to the Mexican market. In addition, index constituents are rebalanced on a semi-annual basis, ensuring optimal liquidity and to account for new equity issues in the Mexican market. Last, the index constituents are weighted by market capitalization and capped at a 15% single issuer maximum.

**Currency:**

The Certificates are denominated in Pesos.

**Investment Manager:**

VIGM, S.A. de C.V. Asesor en Inversiones Independiente.

**Trust Estate:**

The estate of the Trust shall be comprised of: (a) the Initial Contribution; (b) the assets and Income arising from the Portfolio; (c) the cash proceeds transferred from time to time to the Trust Accounts in accordance with the corresponding Orders, Income (*Ingresos*) or as a result of the selling of the assets, in order for the Trustee to, in accordance to the instructions received by the Administrative Agent: (i) acquire assets for the Portfolio; or (ii) pay the Included Expenses, the Settlor's Fee and/or the Excluded Expenses; (d) the Securities; (e) all the proceeds, assets and rights, eventually transferred or affected to the Trust Estate by the Settlor or that, in accordance with the Administrative Agent's Instructions, are transferred to the Trust Estate by any other Person in compliance with the Purposes of the Trust; (f) any cash and other assets held by the Trustee in the Trust Accounts, as well as the profits from the Permitted Investments; (g) as applicable, any rights, permits, licenses or authorizations granted by the competent Governmental Authorities or the Applicable Law to the Trustee, as necessary or desirable for the Purposes of the Trust, whether currently existing or to be obtained in the future; and (h) any and all other proceeds and rights currently held or to

be held in the future by the Trustee in relation to the Trust Agreement, for any reason.

**Purposes of the Trust:**

The Purposes of the Trust are: (a) filing and obtaining directly, or through any third parties, each and all authorizations, filings, registrations or listings, whether judicial, administrative or of any other nature, that may be necessary or convenient for the fulfillment of the Purposes of the Trust and/or to exercise the rights of the Trustee under the Trust Agreement; (b) upon prior authorization of the CNBV and the favorable opinion of BIVA, the Issuance and public offering of the Certificates which shall have the characteristics provided for such purposes in the Issuance Instruction, and will seek to obtain investment results that generally correspond to the Underling Index returns (before Expenses); (c) registry and maintenance of the listing of the Certificates before the RNV and in BIVA; (d) the submission by each Authorized Participant to the Trustee of Creation Orders for one or more Units, through the AP Platform, by virtue of which the Authorized Participant will submit the relevant Creation Order, pursuant to which such Authorized Participant will transfer to the Trustee the corresponding Baskets (as set forth in the Portfolio Composition File) in exchange for the number of Certificates corresponding to such Units; (e) the submission by each Authorized Participant to the Trustee of Redemption Orders for one or more Units, through the AP Platform, by virtue of which the Authorized Participant will submit the relevant Redemption Order, pursuant to which such Authorized Participant will transfer to the Trustee the number of Certificates corresponding to a Unit in exchange for each Basket (as set forth in the corresponding Portfolio Composition File); (f) the use by the Trustee of the cash funds held in the Trust Accounts for the purposes set forth in the Investment Manager's Instructions pursuant to terms set forth in the Trust Agreement; (g) the use by the Trustee of the cash held in the Trust Accounts for the acquisition of assets for the Portfolio, pursuant to the Investment Manager's Instructions, and in accordance with the regulatory provisions applicable to trusts which purpose is to seek to track the return of stock indexes; (h) the execution of financial transactions or any other similar or related transactions, including without limitation, Lending Portfolio Securities Transactions (as instructed by the Investment Manager, from time to time), loan or credit agreements, guarantees and executing negotiable instruments, as well as derivative financial transactions, as permitted under the Issuance Documents, with the assets comprising the Trust Estate, in order to implement the necessary strategies to seek to track the performance of the Underling Index pursuant to the market conditions and the applicable legal and tax framework; (i) the execution and, if applicable, amendment and/or termination of the agreements, contracts, instruments, acts and all documents that are necessary and/or convenient to carry out and maintain the Issuance of Certificates, including without limitation, the execution of the Investment Management Agreement with the Investment Manager, as well as the corresponding placement agreements; (j) carry out all necessary actions in order to obtain the Legal Entities Identification Code (*Código Identificador de Personas Morales*), in compliance with Circular 24/2017 and Circular 25/2017, issued by Banco de México, as well as the performance of any and all acts in connection therewith, as instructed by the Administrative Agent, and with the assets comprising the Trust Estate; and; and (k) carry out the registration of the Trust in the RFC, for which the Trustee shall grant the power required

for such registration in favor of the persons instructed for such purpose by the Settlor.

<b>Type of Instrument:</b>	Indexed Trust Certificates ( <i>certificados bursátiles fiduciarios indizados</i> ) (the " <u>Certificates</u> ").
<b>Term of the Trust:</b>	50 years as of its incorporation date.
<b>Holder's Rights:</b>	The Holders, through the Common Representative and by the acquisition of the Certificates, acknowledge and agree to solely hold the rights set forth in the Trust Agreement and in the Global Certificate, regarding the Securities and assets of the Trust, as well as the rights that may be provided in the Certificates. The Trustee shall not be bound in any manner to deliver Securities and/or assets to any Holder in a different manner other than the expressly specified in the Trust Agreement. The Holders, in such capacity, shall have the right to: a proportional share of the value of the assets that comprise the Trust Estate, in terms of the provisions set forth in the Issuance Documents. Subject to the provisions set forth in the Authorized Participant Agreements, the only way to exercise this right shall exclusively be through the submission of a Redemption Order for one or more issued Units and through an Authorized Participant; <u>provided</u> , that (i) the Trustee shall not be bound to deliver assets to a Holder in a different manner other than specified in this paragraph, and (ii) the Trustee may, at any time, deliver Securities or a combination of Securities and cash, as determined in the applicable Authorized Participant Agreement and in accordance with the Investment Manager's Instructions, as well as the proportional share value of the Trust Estates' assets corresponding to such Holder.
<b>Source of the proceeds for payment of the Certificates:</b>	Exclusively the assets comprising the Trust Estate.
<b>Additional Amounts:</b>	If there are any Additional Amounts in the Issuance Account, the Trustee shall, in accordance with the Issuance Documents and the Investment Manager's Instructions, invest such Additional Amounts, as soon as possible, in Securities comprising the Portfolio, unless such proceeds, pursuant to the Applicable Law, shall be distributed to the Holders.
<b>Tracking Error:</b>	Tracking error is the annualized monthly standard deviation between the ETF returns and the corresponding underlying index. The main causes of the tracking error are: (i) differences in (a) the price of the securities, (b) the operating costs of the ETF and the underlying index; (c) the timing when dividends accrue; and (d) the securities in the ETF portfolio and those in the underlying index, (ii) the ETF's cash component, (iii) changes in the underlying index, (iv) taxes and/or (v) the need to comply with new or existing regulatory requirements. Tracking error may intensify in times of high market volatility and/or unusual market conditions. For a more detailed description of the Tracking Error, please refer to Section "II. THE OFFERING - 1. Characteristics - 1.28. Tracking Error" hereof.
<b>Positive and Negative Covenants:</b>	In addition to the obligations set forth in the Global Certificate and in the Trust Agreement, the Trustee must provide to BIVA the information referred to in Chapter IV of its Internal Regulations, as well as the information referred to in Section II, Chapter II of the same Internal Regulations with respect to the Trust Estate. The Trustee acknowledges that in case of a breach to such obligation, disciplinary and corrective measures may be applicable through the disciplinary bodies and procedures set forth in the Regulations. In terms

of the Internal Regulations of BIVA, the Settlor shall have the obligation to monitor and ensure that the Trustee complies with the obligation set forth in this paragraph. Likewise, the Trustee shall have the obligation to appoint the officers that will comply with the provisions hereof.

<b>Issuance Date:</b>	September 26, 2019.
<b>Issuance Period:</b>	As of the Issuance Date, until the maturity of the Trust Agreement.
<b>Public Offering Date:</b>	September 25, 2019.
<b>Public Offering Notice Date:</b>	September 24, 2019.
<b>Pricing Date:</b>	September 25, 2019.
<b>BIVA Registration Date:</b>	September 26, 2019.
<b>Settlement Date:</b>	September 26, 2019.
<b>Place and Term of settlement of the Certificates:</b>	<p>Investors participating in the public offering must settle the Certificates they acquire by delivering the corresponding Basket from the initial Portfolio Composition File.</p> <p>After the public offering, any Authorized Participants which submit a Creation Order shall transfer, directly or indirectly, Securities and/or, in some cases, other assets, in exchange for such Certificates in accordance with the provisions of the Trust Agreement and the Authorized Participant Agreement.</p> <p>The purchasers of Certificates in the secondary market shall pay such Certificates in cash, as when purchasing any other security.</p>
<b>Net Proceeds of the Issuance:</b>	<p>The net proceeds that the Trustee will receive as a result of the Public Offering of the Certificates are MXP\$99,000,000.00 <u>provided</u>, that Vanguard, as Settlor and Administrative Agent has covered all expenses related to the offer with personal resources; <u>provided, however</u>, that the settlement of the Certificates will be done through the delivery of several Baskets by the Underwriter, which will be comprised of Securities and cash.</p>
<b>Security:</b>	The Certificates are unsecured.
<b>Depository:</b>	S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V. (" <u>Indeval</u> ").
<b>Tax Considerations:</b>	<p>The Trust, provided the compliance of the requirements set forth in the ETF Tax Provisions, should apply the tax regime for trusts whose purpose is the management, acquisition or disposal of shares, publicly-traded certificates or securities in order to replicate (or of certificates issued by trusts directly replicating) the returns that would be obtained through securities market indexes. Thus, the Trust should not qualify as a trust through which business activities are carried out in terms of rule 3.1.15.(II)(c) of the RMF. Holders will be subject to the compliance of their tax obligations pursuant to the ETF Tax Provisions.</p> <p>Prospective investors must consult their tax advisors about the possible tax implications that may arise in Mexico from investing in the Certificates, considering their particular circumstances. The tax regime may be modified throughout the life of the Trust. We do not assume the obligation to inform investors about the modifications of the applicable tax provisions during the Certificates validity nor to perform gross payments or additional payments</p>

to cover new taxes.

For further detail regarding the applicable tax regime of the Trust, please refer to section "II. THE OFFERING - 1. Characteristics- 9 Tax Considerations" hereof.

**Admissible basket for Creation:**

The creation of Baskets will be carried out following the procedure set forth in the Authorized Participant Agreement attached to the Trust Agreement as Exhibit "B".

**Portfolio Composition File:**

The Portfolio Composition File of the Issuance will contain information (*información fuente*) regarding the assets and cash corresponding to a Unit for the delivery of a Creation Order and a Redemption Order; please consider that such assets and cash may be different between Units to be created and Units to be cancelled. For further detail please refer to Section "II. THE OFFERING - 1. Characteristics- 1.43 Portfolio Composition File" of this prospectus.

**Cash component of the Portfolio Composition File:**

Each Creation Order shall specify the number of Units to be created and the Cash Component, in accordance with the latest Portfolio Composition File. The Trustee may adjust the Cash Component at the time of confirming the settlement details of the Creation Order provided by the Investment Manager in accordance with the Trust Agreement, the Investment Management Agreement, and other Issuance Documents.

Each Creation Order will be considered as "received" by the Trustee once the Authorized Participant has received an acknowledgement of receipt of the AP Platform in substantially the same terms as the form attached to the Authorized Participant Agreement as Exhibit "A".

**Trademark Licenses:**

The trademarks related to the Underlying Index are the exclusive property of their owners and will be used under license by the Vanguard Group Inc. For further detail please refer to Section "II. THE OFFERING - 1. Characteristics- 1.45 Trademark Licenses" of this prospectus.

**Prospective Investors:**

Individuals and legal entities when their investment policies expressly allow such investment.

**Underwriter:**

Casa de Bolsa Finamex, S.A.B. de C.V.

**Common Representative:**

CIBanco S.A., Institución de Banca Múltiple.

**IMPORTANT NOTE: INVESTING IN INDEXED TRUST CERTIFICATES IMPLIES SPECIFIC RISKS. THE CERTIFICATES WITH THE TICKER "VMEX 19" ISSUED BY BANCO NACIONAL DE MÉXICO, S.A., INTEGRANTE DEL GRUPO FINANCIERO BANAMEX, DIVISIÓN FIDUCIARIA, AS TRUSTEE OF THE TRUST AGREEMENT NUMBER 182557, HAVE THE CHARACTERISTICS AND RISK FACTORS DESCRIBED IN THIS PROSPECTUS. THE FOREGOING REPRESENTS ONLY SOME OF THE SIGNIFICANT RISKS THAT SHOULD BE CONSIDERED WHEN INVESTING IN SUCH INDEXED TRUST CERTIFICATES AND, THEREFORE, SUCH SECURITIES ARE CONSIDERED APPROPRIATE FOR INVESTORS WITH MARKET KNOWLEDGE AND WHICH POSSESS THE ABILITY TO UNDERSTAND SUCH SECURITIES' FUNCTIONING AND INHERENT RISKS. INVESTORS, PRIOR TO THE ACQUISITION OF THE CERTIFICATES, MUST REPRESENT THAT THEY HAVE REVIEWED THIS PROSPECTUS AND ITS EXHIBITS (INCLUDING THE TRUST AGREEMENT AND ITS EXHIBITS) ON THE WEBSITES OF THE NATIONAL BANKING AND SECURITIES COMMISSION (COMISIÓN NACIONAL BANCARIA Y DE VALORES) AND THE MEXICAN INSTITUTIONAL STOCK EXCHANGE (BOLSA INSTITUCIONAL DE VALORES, S.A. DE C.V.), RESPECTIVELY: [WWW.GOB.MX/CNBV](http://WWW.GOB.MX/CNBV), [WWW.BIVA.MX](http://WWW.BIVA.MX) IN WHICH THE CHARACTERISTICS AND INHERENT RISKS TO THESE SECURITIES ARE FOUND, AND IT WILL BE THE OBLIGATION OF THE CORRESPONDING AUTHORIZED**

PARTICIPANT TO PROVIDE THE TRUSTEE WITH THE DOCUMENTS CONTAINING THE AFOREMENTIONED REPRESENTATIONS.

SINCE INDEXED TRUST CERTIFICATES ARE NOT DEBT SECURITIES, THE CERTIFICATES DO NOT REQUIRE A CREDIT RATING ISSUED BY AN AUTHORIZED RATING AGENCY, SO INVESTORS SHOULD MAKE A PARTICULAR ANALYSIS OF THE INFORMATION PROVIDED IN THIS PROSPECTUS, AS WELL AS THE RISKS OF THE PUBLIC OFFERING. AS A RESULT OF THE FOREGOING, POTENTIAL INVESTORS SHOULD CONSULT WITH THEIR RESPECTIVE QUALIFIED ADVISORS ON THE INVESTMENT IN THE CERTIFICATES. THE STRUCTURE OF THE CERTIFICATES AS WELL AS THE TERMS OF THE TRUST AGREEMENT AND THE AUTHORIZED PARTICIPANT AGREEMENT GENERALLY PROVIDES FOR THE RECURRENT CREATION OF CERTIFICATES ONCE THE INITIAL PUBLIC OFFERING IS COMPLETED, HENCE, THE TRUSTEE SHALL BE ENTITLED TO ISSUE AND PLACE CERTIFICATES AS PROVIDED IN THE ISSUANCE DOCUMENTS.

NEITHER THE SETTLOR, NOR THE TRUSTEE (EXCEPT WITH THE RESOURCES COMPRISING TRUST ESTATE), NOR THE ADMINISTRATIVE AGENT, NOR THE INVESTMENT MANAGER, NOR THE UNDERWRITER, NOR THE COMMON REPRESENTATIVE, NOR ANY OF THEIR RESPECTIVE AFFILIATES OR SUBSIDIARIES SHALL BE RESPONSIBLE FOR MAKING ANY PAYMENT UNDER THE CERTIFICATES. IN THE EVENT THAT THE TRUST ESTATE IS INSUFFICIENT TO PAY IN FULL THE AMOUNTS DUE UNDER THE CERTIFICATES, THE HOLDERS THEREOF SHALL NOT HAVE THE RIGHT TO CLAIM PAYMENT OF SUCH AMOUNTS FROM ANY OF THE SETTLOR, THE TRUSTEE, THE ADMINISTRATIVE AGENT, THE INVESTMENT MANAGER, THE UNDERWRITER AND/OR THE COMMON REPRESENTATIVE.

THE UNDERLYING INDEX IS A PRODUCT OF FTSE RUSSELLT, ITS AFFILIATES OR THIRD-PARTY LICENSEES, ON WHICH A LICENSE FOR USE HAS BEEN GRANTED TO VANGUARD GROUP INC. FTSE AND FTSE BIVA INDEX ARE REGISTERED TRADEMARKS OF FTSE RUSSELL; BIVA IS A REGISTERED TRADEMARK OF BOLSA INSTITUCIONAL DE VALORES, S.A. DE C.V. FTSE RUSSELL AND ITS AFFILIATES ARE LICENSEES OF SUCH TRADEMARKS AND HAVE GRANTED VANGUARD GROUP INC., A SUB-LICENSE FOR CERTAIN PURPOSES. VANGUARD GROUP INC. AND VIGM, S.A. DE C.V., ASESOR EN INVERSIONES INDEPENDIENTE, ARE NOT PROMOTED COMPANIES, SPONSORED OR PROCURED BY FTSE RUSSEL OR ITS AFFILIATES, AND NONE OF THEM HAS EXPRESSED ANY OPINION AS TO THE ADVISABILITY OF INVESTING IN SUCH PRODUCT, NOR SHALL THEY BE LIABLE IN THE EVENT OF ANY ERROR, OMISSION OR INTERRUPTION OF THE UNDERLYING INDEX.

Prospective buyers should carefully consider all information contained in this prospectus, and in particular, the ones included under "Risk Factors".

UNDERWRITER

**Finamex**<sup>®</sup>  
Casa de Bolsa

The Issuance of Certificates described herein was authorized by the National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*) and the Certificates are registered in the National Securities Registry (*Registro Nacional de Valores*) with number 0181-1.70-2019-009 and are authorized to be listed in the Bolsa Institucional de Valores, S.A. de C.V.

The registration with the National Securities Registry does not imply a certification regarding the quality of the security, the solvency of the issuer or the truthfulness and accuracy of the information contained herein, nor does it remedy any illegal activity incurred in, if any.



This prospectus may be downloaded from the following web pages: [www.biva.mx](http://www.biva.mx), [www.gob.mx/cnbv](http://www.gob.mx/cnbv), as well as on the Trustee's web page at [www.banamex.com](http://www.banamex.com) and is available with the Underwriter.

Authorization for publication 153/12106/2019 dated September 12.

México City, September 26, 2019.

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All exhibits attached to this prospectus are considered an integral part of this prospectus.

**NO UNDERWRITER, ATTORNEY-IN-FACT, OR ANY OTHER PERSON IS AUTHORIZED TO ENTER INTO TRANSACTIONS WITH THE PUBLIC OR PROVIDE ANY INFORMATION OR MAKE ANY STATEMENT WHICH IS NOT CONTAINED IN THIS DOCUMENT. AS A CONSEQUENCE OF THE FOREGOING, ANY INFORMATION OR STATEMENT THAT IS NOT CONTAINED IN THIS DOCUMENT WILL BE**

DEEMED AS NOT AUTHORIZED BY THE TRUSTEE, THE SETTLOR, THE ADMINISTRATIVE AGENT, THE INVESTMENT MANAGER, OR THE UNDERWRITER. THE TAX REGIME DESCRIBED IN THIS PROSPECTUS RELATES EXCLUSIVELY TO CERTAIN ASPECTS OF THE INCOME TAX LAW IN FORCE ON THE DATE HEREOF AND IS NOT INTENDED TO BE AN EXHAUSTIVE ANALYSIS OF THE TAX REGIME APPLICABLE TO THE CERTIFICATES, NOR OF ALL THE TAX IMPLICATIONS THAT MIGHT ARISE FROM THE ACQUISITION OF THE SECURITIES TO BE ISSUED. THE AFOREMENTIONED LAW MAY BE SUBJECT TO FUTURE AMENDMENTS. THEREFORE, ALL INTERESTED INVESTORS ARE ENCOURAGED TO CONSULT WITH THEIR TAX ADVISORS ON THE APPLICABLE TAX REGIME TO THE CERTIFICATES TO BE ISSUED, AS WELL AS ON THE TAX CONSEQUENCES THAT MAY RESULT FROM SUCH ACQUISITION.

## I. GENERAL INFORMATION

### 1. Defined Terms

Capitalized terms used in this prospectus shall have the meanings set forth herein, in the understanding that capitalized terms used in this prospectus and not expressly defined herein, shall have the meaning set forth in Section 1.1 of the Trust Agreement.

- “Additional Account” means the additional accounts which, in terms of the Trust Agreement, and from time to time, the Trustee may open and maintain, as instructed by the Administrative Agent.
- “Additional Amounts” means, for any period, the result of subtracting (i) the Global Fee of such period, from (ii) the Income corresponding to same period.
- “Administrative Agent’s Instructions” means the Instructions issued by the Administrative Agent to the Trustee, in terms of the Trust Agreement.
- “Administrative Agent” means VIGM, S.A. de C.V., Asesor en Inversiones Independiente or its successors or assignees as instructed by the Settlor in writing to the Trustee.
- “Affiliate” means, in relation to any Person, any other Person Controlling, being Controlled or under common Control, or the controlling companies, or any shareholder or partner, direct or indirect, of any Person, the spouse or spouses, descendants in direct line or heirs of such Person, or any Person under the guardianship of any of the foregoing.
- “AP Platform” has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of the Authorized Participant Agreement” of this prospectus.
- “Applicable Law” means, in connection to any issue described in the Trust Agreement, any laws, rules, regulations, codes, and other general provisions applicable, as well as orders, decrees, judgments, judicial orders, notices or valid agreements issued, published or entered into by any Governmental Authority that are applicable to such situation.
- “Authorized Participant Agreement” means any agreement entered into from time to time between the Trustee and an Authorized Participant, upon previous instruction of the Administrative Agent, in substantially similar terms to those set forth in the document attached as Exhibit “B” to the Trust Agreement.
- “Authorized Participant” means the brokerage firm or banking institution authorized in Mexico to act as such, which shall comply with the requirements set forth in the Trust Agreement and in the Authorized Participant Agreement.
- “AUM” means, assets under management.

<u>“Basket”</u>	means the assets corresponding to each Unit, as set out in the most recent Portfolio Composition File, which may be different for the submission of Creation Orders and Redemption Orders, respectively.
<u>“Beneficiaries”</u>	means the Holders of the Certificates.
<u>“BIVA”</u>	means the Mexican Institutional Stock Exchange ( <i>Bolsa Institucional de Valores, S.A. de C.V.</i> ).
<u>“BMV”</u>	means the Mexican Stock Exchange ( <i>Bolsa Mexicana de Valores, S.A.B. de C.V.</i> )
<u>“Business Day”</u>	means any day except Saturdays, Sundays, official holidays, in which the principal office of commercial banks located in Mexico are required by Applicable Law to remain open for execute transactions with the general public, in accordance with the calendar periodically published by the CNBV.
<u>“Certificates”</u>	means each non-amortizable indexed trust certificates ( <i>Certificados Bursátiles Fiduciarios Indizados</i> ) issued by the Trustee, pursuant to the terms of the Trust Agreement, in accordance with the provisions of articles 63, 63 Bis, 63 Bis 1 section III, 64 y 64 Bis of the LMV, and the Applicable Law.
<u>“Circular 1/2005”</u>	means Circular 1/2005 issued by <i>Banco de Mexico</i> , as amended and/or supplemented from time to time.
<u>“Closing Date”</u>	means the initial date on which any Unit may be offered to an Authorized Participant.
<u>“CNBV”</u>	means the National Banking and Securities Commission ( <i>Comisión Nacional Bancaria y de Valores</i> ).
<u>“Common Representative”</u>	means CIBanco S.A. Institución de Banca Múltiple, or any other Person that substitutes such common representative pursuant to the Trust Agreement.
<u>“Control”</u>	means the power of a Person or group of Persons to carry out any of the following acts: (i) impose, directly or indirectly, decisions to the general shareholders meeting, partners or equivalent bodies of such Person, or appoint or remove the majority of the directors, managers or its equivalents of a legal entity; (ii) maintain the ownership of rights that permit, directly or indirectly, the voting exercise of more than 50% of the capital stock of a legal entity; or (iii) direct or cause the direction of the management, strategy or policies of a legal entity, whether through the ownership or holding of securities, by contract or otherwise.
<u>“Creation Orders”</u>	means each order submitted by an Authorized Participant through the AP Platform or in any other form in accordance to the provisions of the Authorized Participant Agreement, for the issuance and delivery of Certificates in favor of such Authorized Participant, corresponding to one or more Units, in exchange of the corresponding number of Baskets.

<u>“DICI”</u>	means the key investment information brochure ( <i>documento con información clave para la inversión</i> ) referred to in Article 85, Section (II) of the LMV, relating to the Issuance and public offering of the Certificates as set forth herein.
<u>“Difference”</u>	means the excess amount resulting from subtracting from the Included Expenses the amount corresponding to the Global Fee.
<u>“DIV”</u>	means the Information of Securities Disclosure System ( <i>Sistema de Divulgación de Información de Valores</i> ) of BIVA.
<u>“ETF” or “ETFs”</u>	means exchange traded funds, vehicles also known as “Trackers” or “TRACs”, including, without limitation, any exchange traded funds listed in the BIVA’s International Trading System.
<u>“ETFs Investment Securities”</u>	means the shares, publicly-traded certificates and securities referred to by Rule 3.2.13.(II) of the RMF (as amended, supplemented or otherwise modified from time to time). As of the date hereof, ETFs Investment Securities include (i) publicly traded shares issued by Mexican or non-Mexican corporations, provided that such shares are quoted and transferred in securities exchanges operating under a concession pursuant to LMV; (ii) publicly traded certificates issued by FIBRAs; and (iii) securities that represent shares issued by Mexican corporations, <u>provided</u> that the transfer of such shares or securities is performed through a securities exchange located in a market in countries with which Mexico has a double tax convention in force.
<u>“ETF Tax Provisions”</u>	means rules 3.1.15., 3.2.8., 3.2.9., 3.2.10., 3.2.13., 3.2.14. and 3.2.25. of the RMF, articles 22, 129, 161, 187 and 188 of the LISR and any other tax provision applicable to trusts the purpose of which is the administration, acquisition or disposal of shares, publicly-traded certificates, or securities in order to replicate (or of certificates issued by trusts directly replicating) the returns that would be obtained through securities market indexes, or to parties to such trusts, or any other provisions that replace or modify them from time to time.
<u>“Excluded Expenses”</u>	means the following expenses (plus value added tax), accrued each calendar month, which must be borne by the Trustee with the assets comprising the Trust Estate: (i) any contributions, expenses and fees, other than the expenses and fees related to the study, analysis, registration and maintenance of the Certificates in the RNV, in BIVA, and the deposit of the Global Certificate in Indeval; (ii) any disbursements derived from the indemnity obligations to the Trustee, Settlor, Administrative Agent, Investment Manager and Underwriter in terms of <u>Section 16.2</u> of the Trust Agreement and in accordance with the Investment Management Agreement, as applicable; and (iii) any expenses of the Trust other than Included Expenses.
<u>“Expenses”</u>	means the collective reference to Excluded Expenses and the Global Fee corresponding to the Issuance of Certificates.

<u>“FIBRA”</u>	means a real estate investment trust ( <i>fideicomiso de inversión en bienes raíces</i> ) established in terms of Articles 187 and 188 of the LISR (as amended, supplemented or otherwise modified from time to time).
<u>“FIBRAs Capital Gains”</u>	means any distribution received by the Trust that qualifies as a capital gain under Article 188(VII) of the LISR (as amended, supplemented or otherwise modified from time to time).
<u>“FTSE BIVA Index”</u>	means, the underlying index.
<u>“FTSE Russell”</u>	means, FTSE International Limited.
<u>“Authorized Participant Agreement”</u>	means any agreement entered into from time to time between the Trustee and an Authorized Participant, upon previous instruction of the Administrative Agent, in substantially similar terms to those set forth in the document attached to the Trust Agreement as Exhibit “B”.
<u>“Global Certificate”</u>	means the global certificate representing all the Certificates of the Issuance.
<u>“Global Fee”</u>	means the amount resulting from multiplying the Percentage of Expenses by the Net Asset Value.
<u>“Governmental Authority”</u>	means any nation, government, agency, state, municipality or other political subdivision thereof, or any other agency or entity exercising administrative, executive, legislative, judicial, monetary or regulatory functions of or pertaining to the government.
<u>“Ground Rules”</u>	has the meaning assigned to such term in Section “III. DESCRIPTION OF THE UNDERLYING INDEX - 5. Strategy and Approach” of this prospectus.
<u>“Holder”</u>	means each holder of Certificates.
<u>“Holders Meeting”</u>	means a meeting of the Holders, installed and carried out pursuant to the terms of the Trust Agreement, the Global Certificate, the LMV and the LGTOC, as applicable.
<u>“IFRS”</u>	means the International Financial Reporting Standards as issued from time to time by the International Accounting Standards Board.
<u>“Included Expenses”</u>	means the following expenses (plus value added tax), accrued each calendar month, to be paid by the Trustee in terms of <u>Section 10.2</u> of the Trust Agreement: (i) expenses necessary to comply with all applicable legal provisions in order to obtain and maintain the registration of the Certificates in the RNV, their listing in BIVA and those related to the disclosure of the Prospectus, the public offering notice, the DICl or any other reports or documents that must be published at the request of the CNBV; (ii) the fees of the Trustee; (iii) the fees of the Common Representative; (iv) the fees of all third parties engaged by the Trustee (upon Instruction of the Administrative Agent or the Investment Manager, as applicable) in terms of <u>Section 4.3</u> of the Trust Agreement (provided that such fees have been previously approved by the Administrative Agent); (v) the fees or any



compensation to be paid for obtaining the necessary licenses to use the Underlying Index; (vi) the fees paid to the independent external auditor of the Trust; and (vii) the fees of the legal and tax advisors related to the preparation of the Trust Agreement, as well as the other documents in relation to the public offering of the Certificates.

“Income” means the sum of all amounts earned by the Trust and derived from (i) received dividends of Portfolio securities, (ii) interest earned on cash amounts deposited in the Trust Accounts, (iii) Lending Portfolio Securities Transactions, and (iv) any other income paid to the Trust Accounts.

“Indeval” means Indeval Depository Institution (*S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V.*).

“Initial Contribution” has the meaning assigned to such term in the Trust Agreement.

“Instructions” has the meaning assigned to such term in the Trust Agreement.

“Internal Regulations of BIVA” means the internal regulations of BIVA, published on April 18, 2018, as the same may be amended and/or supplemented from time to time.

“Investment Management Agreement” means the investment management agreement entered into on September 11, 2019 between the Trustee and the Investment Manager.

“Investment Manager’s Instructions” means the Instructions issued by the Investment Manager to the Trustee pursuant to the Trust Agreement and the Investment Management Agreement.

“Investment Manager” means VIGM, S.A. de C.V., Asesor en Inversiones Independiente acting in its capacity as investment manager of the Trust in the terms set forth in the Investment Management Agreement, or their successors or assignees in accordance therewith.

“IP” has the meaning assigned to such term in the Trust Agreement.

“Issuance Date” means the date on which the Issuance and public offering of the Certificates takes place.

“Issuance Documents” means the collective reference to the Trust Agreement, the Investment Management Agreement, the Global Certificate, the Prospectus, DICI, the public offering notice, and all exhibits to such documents, as the same may be amended, renewed, extended, restated or supplemented from time to time.

“Issuance Instruction” means an instruction delivered by the Administrative Agent to the Trustee substantially in terms of the document attached as Exhibit “A” to the Trust Agreement, in which it shall instruct the Trustee to (i) make the Issuance and public offering of the Certificates, and (ii) execute or formalize the Issuance Documents.

“Issuance” means the issuance of Certificates carried out by the Trustee, prior authorization from the CNBV, in accordance with the provisions set forth in the Trust Agreement.

<u>“Lending Portfolio Securities Transactions”</u>	means any lending portfolio securities transaction carried out by the Trustee in accordance with the Investment Manager's Instructions, together with any collateral related thereto, if any.
<u>“LGTOC”</u>	means the Mexican General Law of Negotiable Instruments and Credit Transactions ( <i>Ley General de Títulos y Operaciones de Crédito</i> ), as amended and/or supplemented from time to time.
<u>“LIC”</u>	means the Financial Institutions Law ( <i>Ley de Instituciones de Crédito</i> ), as amended and/or supplemented from time to time.
<u>“License Agreement”</u>	means the FTSE BIVA Index license agreement, executed on January 1, 2019.
<u>“LISR”</u>	means the Income Tax Law ( <i>Ley del Impuesto Sobre la Renta</i> ) (as amended, supplemented or otherwise modified from time to time).
<u>“LMV”</u>	means the Mexican Securities Market Law ( <i>Ley del Mercado de Valores</i> ) as amended and/or supplemented from time to time.
<u>“Mexican Residents”</u>	means any person that falls under the assumptions set forth in Article 9 of the Mexican Federal Tax Code ( <i>Código Fiscal de la Federación</i> ). As of the date hereof, among others, Mexican residents are individuals who have their permanent home in Mexico and legal entities that have established its place of effective management in Mexico.
<u>“Mexico”</u>	means the United Mexican States.
<u>“Missing Proceeds”</u>	means, as determined by the Administrative Agent, the amount of any missing proceed in cash (if any) in the Trust Estate, on the last Business Day of each month, necessary to cover the Global Fee and/or any Excluded Expenses.
<u>“Net Asset Value per Certificate”</u>	means the Net Asset Value divided by the outstanding number of Certificates.
<u>“Net Asset Value”</u>	means the value of all of the assets comprising the Trust Estate (including accrued outstanding income) minus any liabilities (including accrued unpaid expenses).
<u>“Non-Distributed Net Taxable Income”</u>	means any distribution received by the Trust that qualifies as a non-distributed net taxable income ( <i>resultado fiscal</i> ) pursuant to Article 188(VIII) of the LISR (as amended, supplemented or otherwise modified from time to time).
<u>“Non-residents”</u>	means the individuals or legal entities that do not qualify as Mexican Residents.
<u>“Orders”</u>	means the collective reference to the Redemption Orders and the Creation Orders.
<u>“Parties”</u>	means the collective reference to the Settlor, the Administrative Agent, Investment Manager, the Trustee, and the Common Representative.
<u>“Percentage of Expenses”</u>	means 0.20% to be used for the calculation of the Trustee Commission, in accordance with the Trust Agreement.

<u>“Permitted Investments”</u>	has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of Trust Agreement” of this prospectus.
<u>“Permitted Margin”</u>	has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of Trust Agreement” of this prospectus.
<u>“Person”</u>	means any individual or entity, trust, joint venture, partnership, corporation, Governmental Authority or any other entity of any nature whatsoever.
<u>“Personnel”</u>	has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of Trust Agreement” of this prospectus.
<u>“Pesos” or “MXP\$”</u>	means the lawful currency of Mexico.
<u>“Portfolio Composition File”</u>	means the file that shall be published each Business Day in terms of Clause XIII of the Trust Agreement, which will include information regarding: (i) the type and amount of assets and, if applicable, the estimated cash which will conform a Basket for the submission of a Creation Order or Redemption Order, as the case may be; (ii) the Net Asset Value; (iii) the Net Asset Value per Certificate; and (iv) the number of outstanding Certificates the immediate previous Business Day.
<u>“Portfolio”</u>	means the position in financial instruments of the Trust Estate.
<u>“Prospectus”</u>	means the placement prospectus to be published for the purpose of disclosing information to the investing public about the Issuance of the Certificates, to be carried out by the Trustee under the terms of the Trust Agreement.
<u>“Public Offering Notice”</u>	means the notice to be published in connection with the Issuance and Public Offering of the Certificates.
<u>“Purposes of the Trust”</u>	has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of Trust Agreement” of this prospectus.
<u>“Re-composition of the Underlying Index”</u>	means any change determined by FTSE RUSSELL with respect to the components of the Underlying Index, the information contained therein, or the manner in which it is calculated.
<u>“Redemption Orders”</u>	means each order submitted by an Authorized Participant through the AP Platform or in any other form in accordance to the provisions of the Authorized Participant Agreement, for the redemption of one or more Units in exchange of the corresponding number of Baskets.
<u>“Regulations”</u>	means the General Provisions applicable to the Issuers of Securities and to other Stock Market Participants ( <i>Disposiciones de Carácter General aplicables a las Emisoras de Valores y a otros Participantes del Mercado de Valores</i> ), published on the Official Gazette ( <i>Diario Oficial de</i>

*la Federación*) on March 19, 2003, as amended, restated or modified from time to time.

- “RFC” means the Mexican Federal Taxpayers Registry (*Registro Federal de Contribuyentes*).
- “RMF” means the Miscellaneous Tax Resolution (*Resolución Miscelánea Fiscal*) (as amended, supplemented or otherwise modified from time to time).
- “RNV” means the National Securities Registry (*Registro Nacional de Valores*).
- “RUG” has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of Trust Agreement” of this prospectus.
- “Securities” means the securities conforming the sample of the Underlying Index.
- “Settlor” has the meaning assigned to such term in the foreword of the Trust Agreement.
- “SHCP” means the Mexican Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*).
- “Stock Exchange” means any stock exchange licensed to operate in Mexico; on the understanding that, on the Issuance Date, the Certificates will be listed primarily on the BIVA.
- “Termination Notice” has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of Trust Agreement” of this prospectus.
- “Trust Accounts” means the collective reference to the General Account, including its subaccounts, in terms of the Trust Agreement and, as the case may be, the Additional Accounts.
- “Trust Agreement” has the meaning assigned to such term in the foreword of the Trust Agreement.
- “Trust Estate” has the meaning assigned to such term in Section “IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of Trust Agreement” of this prospectus.
- “Trust Estate Threshold” means the trust estate requirements set forth in Rule 3.2.13.(III) of the RMF (as amended, supplemented or otherwise modified from time to time). As of the date hereof, the Trust Estate Threshold states that at least 97% of the Trust Estate shall be invested in ETFs Investment Securities and the remainder shall be maintained in bank accounts or investments, provided that such remainder shall be used by the Trustee for the treasury management of the Trust and include premiums on securities loans or repurchase agreements. Derivative transactions referred to non-Mexican currencies and guarantees received from repurchase agreements as described in Rule 3.2.13.(III) of the RMF, shall not be considered to compute the Trust Estate Threshold.
- “Trust” means the irrevocable trust incorporated by means of the Trust Agreement.

“ <u>Settlers’ Fee</u> ”	means the fee payable to the Settlor, as set forth in the Issuance Documents and calculated in terms of the Trust Agreement.
“ <u>Trustee</u> ”	has the meaning assigned to such term in the foreword of the Trust Agreement.
“ <u>U.S.</u> ”	means the United States of America.
“ <u>UDI</u> ”	means the Investment Units ( <i>Unidades de Inversión</i> ), which value is published periodically by Banco de México in the Official Gazette ( <i>Diario Oficial de la Federación</i> ) or any index that substitutes it.
“ <u>Underlying Index</u> ”	means the FTSE BIVA Index, designed, defined, calculated and published by FTSE Russell.
“ <u>Unit</u> ”	for the Issuance means 100,000 Certificates, or the number of Certificates determined by the Investment Manager from time to time, in accordance with the provisions set forth in the Trust Agreement and the Investment Management Agreement. Each Unit shall be conformed by a securities portfolio comprised of the same relative pesos of shares of the sample of the Underlying Index.

## 2. Executive Summary

*The following summary is supplemented by more detailed information contained elsewhere in this prospectus. The potential investors should pay special attention to the considerations set forth in the section "Risk Factors", which together with the rest of the information included in this prospectus, should be read carefully.*

The figures (including percentages) shown in this prospectus may not be accurate due to rounding, which is made for purposes of facilitating their presentation.

### **Objective:**

The objective is to offer investment instruments tending to generate, before Expenses, returns similar to that of its Underlying Index.

The Issuance of Certificates will be registered in the RNV and listed in the Stock Exchange.

Subsequent to the delivery to the Trustee of the Issuance Instruction and to the initial public offering, each Authorized Participant may submit Creation Orders for one or more Units, as set forth in the corresponding Authorized Participant Agreement, pursuant to which such Authorized Participant shall transfer to the Trustee the corresponding Basket or Baskets (as set out in the corresponding the Portfolio Composition File) in exchange for the number of Certificates corresponding to such Unit or Units.

In addition, each Authorized Participant may submit Redemption Orders regarding one or more Units, through the AP Platform, by virtue of which the Authorized Participant will submit the relevant Redemption Order, pursuant to which such Authorized Participant shall transfer to the Trustee the number of Certificates corresponding to such Units in exchange for one Basket per Unit (as set out in the correspondent Portfolio Composition File).

Each Redemption Order and/or Creation Order may require the payment of a fee, which the Authorized Participant shall pay to the Trustee in accordance with the Authorized Participant Agreement and with this prospectus.

The Trustee may use the liquid proceeds of the General Account to acquire assets constituting the Portfolio, in accordance with the Investment Manager's Instructions, as well as for other expenses to the extent permitted by the provisions of the Trust Agreement. For further information please refer to Section "IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1 Summary of the Trust Agreement" hereof.

### **Relevant Entities Participating in the Offering**

The relevant entities participating in the Offering are:



#### **Settlor and Administrative Agent**

VIGM, S.A. de C.V., Asesor en Inversiones Independiente



#### **Trustee**

Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria

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**Common Representative**  
CIBanco S.A. Institución de Banca Múltiple

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**Underwriter**  
Casa de Bolsa Finamex, S.A.B. de C.V.

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**Legal and Tax Advisor**  
Creel, García-Cuéllar, Aiza y Enríquez, S.C.

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### **General Characteristics of the Certificates**

The Certificates will be issued by the Trustee under the terms and conditions set forth in the Trust Agreement, the corresponding Issuance Instruction and the Issuance Documents.

Certificates will be issued up to a maximum authorized amount of MXP\$150,000,000,000.00

The Certificates will grant the Holders the right to a proportional share of the value of the assets that comprise the Trust Estate, in terms of the provisions set forth in the Issuance Documents. Investors may buy or sell Certificates intraday, as would be the case with other securities listed on the Exchange.

The Trustee shall not be bound to deliver the assets deposited in the Trust Accounts to the Holders or the Authorized Participants except as provided in the Trust Agreement and the Authorized Participant Agreements.

### **Listing in BIVA**

The Certificates will be registered in the RNV in order to be subsequently listed in BIVA. They may also be bought or sold in the secondary market as any other security registered in the RNV and listed in BIVA.

### **Trust Accounts**

The Trustee shall (i) open and maintain on its behalf an account at Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, in which all liquid amounts shall be deposited in Pesos, pursuant to the Trust Agreement; and (ii) enter into a brokerage services agreement in México pursuant to Section 9.3 of the Trust Agreement, for the purposes of intermediation of the Securities and holding the Certificates in treasury.

The deposit of the Initial Contribution will be made in the sub-account “*ETF Cash Collateral*” described in the Trust Agreement.

Furthermore, the Trustee shall open and maintain at Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, during the term of the Issuance in pesos, at least the following sub-accounts of the General Account, or accounting entries for the management of assets as required from time to time or as deemed necessary pursuant to the accounting criteria or the Applicable Law.

For further information related to the Trust Accounts, please refer to Section “*IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1 Summary of the Trust Agreement*” hereof.

## **Trust Estate**

The estate of the Trust is comprised of:

- the Initial Contribution;
- the assets and Income arising from the Portfolio;
- the cash proceeds transferred from time to time to the Trust Accounts in accordance with the corresponding Orders, Income (*Ingresos*) or as a result of the selling of the assets, in order for the Trustee to, in accordance to the Instructions received by the Administrative Agent: (i) acquire assets for the Portfolio; or (ii) pay the Included Expenses, the Settlor's Fee and/or the Excluded Expenses;
- the Securities;
- all the proceeds, assets and rights, eventually transferred or affected to the Trust Estate by the Settlor or that, in accordance with the Administrative Agent's Instructions, are transferred to the Trust Estate by any other Person in compliance with the Trust Estate;
- any cash and other assets held by the Trustee in the Trust Accounts, as well as the profits from the Permitted Investments;
- as applicable, any rights, permits, licenses or authorizations granted by the competent Governmental Authorities or the Applicable Law to the Trustee, as necessary or desirable for the Purposes of the Trust, whether currently existing or to be obtained in the future; and
- any and all other proceeds and rights currently held or to be held in the future by the Trustee in relation to the Trust Agreement, for any reason.

## **Management of the Trust Estate**

The Trust shall be passively managed; therefore, the Issuance of the Certificates shall seek to obtain similar investment results to the return (before Expenses) of the Underling Index. Certificates issued at the expense of the Trust Estate shall not seek to obtain more favorable results than the results of the Underling Index and additionally, the Trustee shall be prohibited (i) to voluntarily take defensive and temporary positions in the event of falls in or over valuations of the securities markets, and (ii) to take short positions. Consequently, the Trust will not make investments in derivative financial instruments with the purpose of using leverage to increase returns on its investments, for leverage purposes or for purposes other than to track the results of the Underling Index, except as provided in Section 6.3 of the Trust Agreement.

## **Units**

The Certificates may only be acquired or redeemed directly from the Trust in Units or multiples thereof and only through an Authorized Participant. Holders may not redeem Certificates directly from the Trust. Each Authorized Participant in order to create a Unit shall transfer a Basket to the Trustee. Similarly, Certificates may be redeemed exclusively in Units or multiples thereof and only through an Authorized Participant. Each Authorized Participant willing to redeem a Unit shall receive from the Trustee, for each redeemed Unit, a proportional part of the value of the assets deposited in the General Account.

Authorized Participants and Holders shall not become Settlers by virtue of the transfer of a Basket or any other assets to the Trust Estate.

## **Re- composition of the Underlying Index**

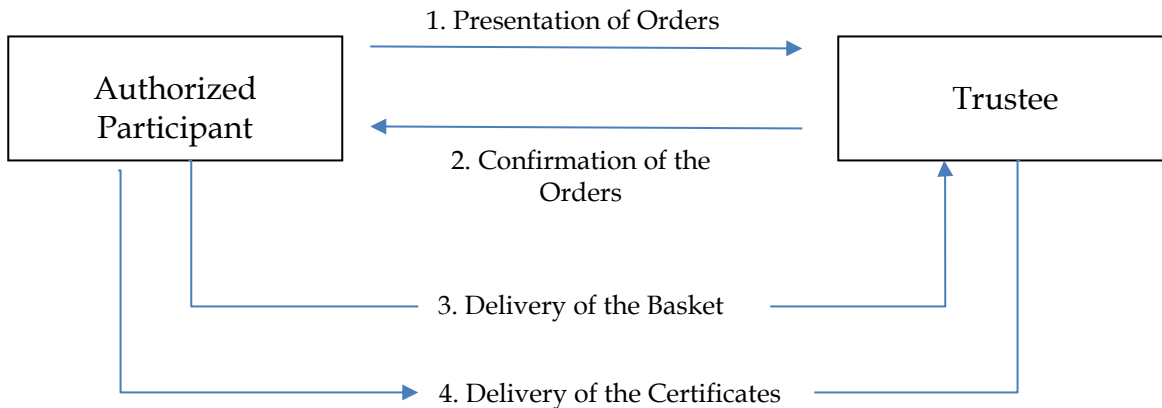
The Underlying Index provider may carry out a Re-Composition of the Underlying Index, at its sole discretion, for any reason and with the periodicity it deems necessary. In the event of a Re-Composition of the Underlying Index, the Investment Manager shall send to the Trustee, with a copy to the Common Representative, the Investment Manager's Instructions for carrying the necessary asset dispositions and purchases (in such time and manner as the Investment Manager deems appropriate) for purposes of reflecting the new composition of the Underlying Index. In addition, the Investment Manager shall make the necessary adjustments to the Portfolio Composition File to be published either before or after the Underlying Index Re-Composition is carried out.



The necessary transactions for purposes of reflecting the Re-Composition of the Underlying Index shall be carried out on the Business Day immediately following the publication of such Re-Composition of the Underlying Index or as soon as possible thereafter.

### The Transaction

After the initial public offering, the Certificates will be issued once the Trustee receives (i) a Creation Order issued by an Authorized Participant that complies with all the requirements applicable to the Creation Orders set forth in the Trust Agreement and the Authorized Participant Agreement; and (ii) a Basket for each Unit to be created.



### Issuance Expenses

The Settlor will be entitled to the Settlor's Fee from which the Settlor shall pay the fees, if any, of the Administrative Agent and the Investment Manager; provided, that such functions and capacities are invested upon the same person. The Settlor's Fee shall be calculated as follows:

- a percentage of the Net Asset Value (the "Percentage of Expenses") shall be set forth in the Issuance Documents;
- the Settlor's Fee shall be equal to the amount resulting from subtracting (i) the Included Expenses from (ii) the Global Fee; and
- the Settlor's Fee and the Global Fee shall be accrued on a daily basis and paid monthly in accordance with the Administrative Agent's Instructions, with the proceeds deposited in the General Account; provided, that in the event the Settlor makes any payment for Included Expenses in accordance with Section 10.2 of the Trust Agreement, the Trustee shall reimburse an amount equivalent to the Included Expenses incurred by the Settlor, on the same date the Settlor's Fee payment is made.

The Trustee shall timely pay all Included Expenses, charged to the "*Basket*" sub-account of the General Account, once obtaining the supporting information required pursuant to the applicable tax provisions; provided, that the Settlor, in its sole discretion, may elect to pay the Included Expenses in advance to the payment by the Trustee, prior written notice to the Trustee as soon as reasonably possible but not later than the next Business Day following that on which such payment is made; provided, however, that the Included Expenses incurred by the Settlor shall be reimbursed by the Trust to the Settlor in accordance with the terms of this Trust Agreement. If at any time the amount of the Included Expenses exceeds the Global Fee (such amount being a "Difference"), the Settlor shall be bound to pay the Trust the additional amounts of cash necessary to cover such Included Expenses; provided, that the Trustee may sell any assets or use the cash funds of the Trust Accounts in accordance with the Instructions of the Investment Manager to cover any Difference; provided, however, that the Settlor shall not be entitled to receive the Settlor's Fee until the amounts of such Differences have been

settled by the corresponding deposits in the Trust Accounts

The Excluded Expenses shall be paid with the cash amounts deposited in the “Basket” sub-account of the General Account. In the event any Missing Proceeds exist in such account, then the provisions of the Trust Agreement.

**Principal advantages of the ETFs in general:**

- Transparency: Most of the ETFs are designed to obtain similar returns to those of a particular index, this is why the composition of the assets of an ETF is transparent, making it possible to obtain prices in real time. Unlike most mutual funds, the holding of an ETF is generally disclosed on a daily basis. In addition, ETFs are traded intraday on stock markets, so that any investor can monitor the composition of the portfolio and the valuation of an ETF's assets at any time.
- Diversification: With one investment, the investor may diversify the risk of his/her/its portfolio by acquiring one security which underlying assets are comprised by multiple components of a particular asset class, which vary among themselves, the issuer’s industry, its rating, maturity, etc.
- Flexibility: The nature of ETFs makes them a suitable investment for short, medium- and long-term investors. Due to the fact that there are no minimum purchase limits, even small investors can benefit from the advantages of ETFs.
- Trading Flexibility: ETFs are traded like any other securities. They can be traded in any amount within a trading day and may be sold in short or long positions.
- Lower Costs: Although investors who buy and sell ETFs pay brokerage costs and management fees and other fees, compared to mutual funds, ETFs generally represent lower costs for investors.
- Liquidity: Most ETFs offer two different sources of liquidity: (1) traditional liquidity, measured by the ETF's trading volume on the secondary market, and (2) the liquidity generated by trading in the underlying securities of the relevant ETF.
- Modularity: Allows the diversification of investments in assets of different sectors.

**Vanguard Overview**

*Core Purpose*

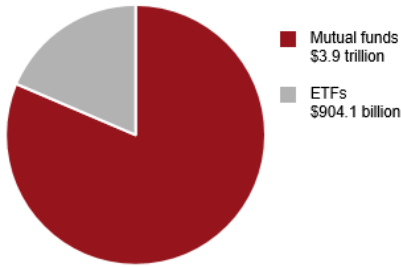
To take a stand for all investors, to treat them fairly, and to give them the best chance for investment success.

*A different kind of investment firm*

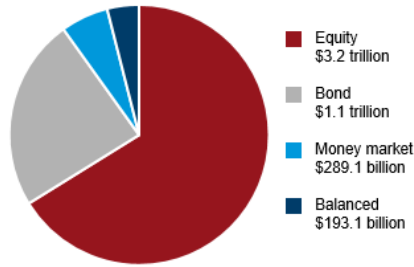
Vanguard is an investment company not quite like any other. Vanguard was founded in the United States in 1975 on a simple but revolutionary idea: that an investment company should manage the funds it offers in the sole interest of its clients. In 1976, Vanguard pioneered the concept of indexing, introducing the first index fund for individual investors in the United States.

Our approach has earned us the trust of millions of investors and allowed us to become one of the world’s largest investment management companies, with a presence in Europe, Australia, and Asia as well as the Americas.

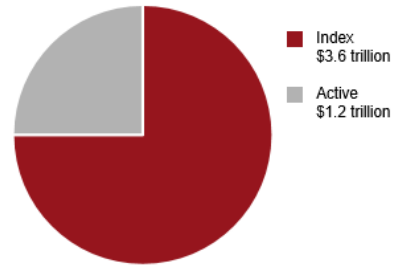
### Global AUM by product type



### Global AUM by asset class



### Global AUM by management style



Note: As of 12/31/2018.

#### A unique ownership structure

Our client-focused approach is anchored in the ownership structure of The Vanguard Group, Inc., in the United States. Rather than being publicly traded or owned by a small group of individuals, The Vanguard Group is owned by Vanguard's U.S.-domiciled funds and ETFs. Those funds, in turn, are owned by their investors.

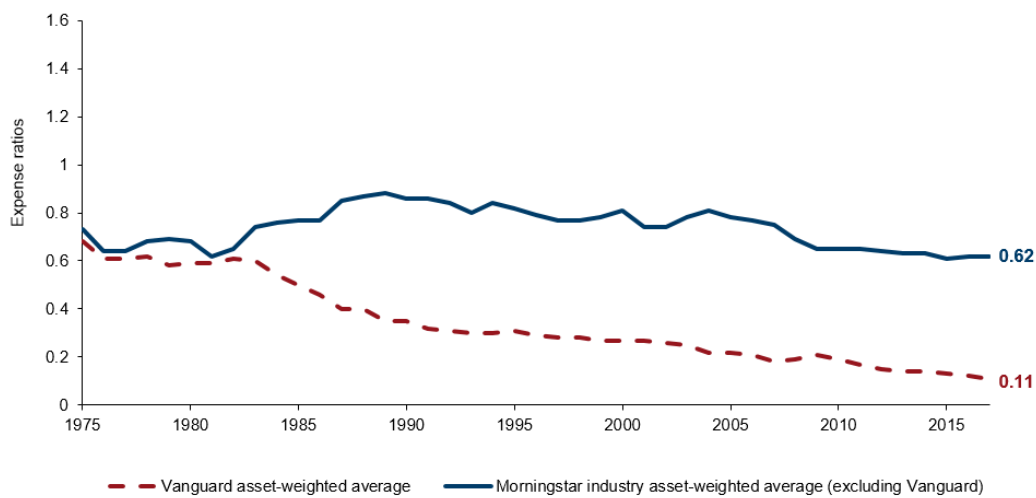
#### How our ownership structure generates benefits for clients

This unique mutual structure aligns our interests with those of our investors and drives the culture, philosophy and policies throughout the Vanguard organization worldwide. As a result, Mexican investors benefit from Vanguard's stability and experience, low costs, and client focus.

#### An enduring investment philosophy

All our funds reflect the same principles that have been intrinsic to our company since its inception and are embedded in our culture. We believe in giving investors simple access to broadly diversified markets at a low cost. The less you pay for investments, the more you get to keep from your potential returns. Combined with Vanguard's world-class investment infrastructure, dedicated thought leadership, and high quality client service, our investment philosophy stands for high-quality funds and exceptional value.

#### Average U.S. expense ratios (%)



Sources: Vanguard, Morningstar, Inc., and Lipper, a Thomson Reuters Company. U.S. only. Updated mid-March for the previous year. Note: As of 12/31/2017.

How we aim to serve:

Vanguard's flywheel: Our aspiration in serving our clients



### VIGM, S.A. de C.V. Asesor en Inversiones Independiente

VIGM, S.A. de C.V., Asesor en Inversiones Independiente, is a wholly owned indirect subsidiary of The Vanguard Group, Inc. Vanguard manages USD\$5.6 trillion in global assets, including over USD 1.1 trillion in global ETF assets (as of June 30, 2019). Vanguard has a presence in 19 countries including offices in the United States, Canada, Mexico, Europe, Australia and Asia. The firm offers 417 funds, including ETFs, to its more than 20 million investors worldwide.

Vanguard has been serving the Mexican market since 2006 with cross-listed ETFs. Recently in 2017 Vanguard Mexico established a local office to better serve Mexican investors. As of January 2019, there are 77 of Vanguard's foreign domicile ETFs (60 US domicile; 17 Irish domicile) listed on the Mexican International Exchange System (*Sistema Internacional de Cotizaciones* or *SIC*).

### Vanguard: A Global Leader in Indexing



#### PHILOSOPHY

- Client-owned structure aligns our interests with our clients' interests\*
- Time-tested commitment to low-cost investing
- Well-conceived core investment portfolios



#### EXPERIENCE

- 30+ years managing index portfolios
- Low turnover in portfolio management
- Steady growth and economies of scale



#### PERFORMANCE

- History of tight tracking
- Consistency from disciplined process
- Comprehensive, independent risk management

\* Vanguard is client-owned. As a client owner, you own the funds that own Vanguard.

Being a world-class index provider means offering your clients unmatched expertise and sophisticated execution. That's what we've been giving our investors for more than 40 years. No other firm matches our record of aligning our interests with our clients' interests.

You know what you're getting when you buy Vanguard funds. While costs are critical to the indexing equation, so is the firm managing the assets. Vanguard's indexing capabilities are a core competency of the firm and we also have a strong commitment to making indexing (and the markets) even more efficient. Vanguard will never stop innovating to maintain our edge. That mindset is part of our culture of consistently putting the clients' interests first.

### **Adding Value through Vanguard's Portfolio Management Process**

Vanguard and our Equity Index Group has more than four decades experience managing index portfolios. We pioneered the world's first index fund for individual investors in 1976. We followed that by launching the world's first bond index fund in 1986 and the world's first international equity index fund in 1990.

Experienced portfolio managers, thoughtful processes, and robust risk management give Vanguard Equity Investment Group a unique ability to pursue portfolio and risk management strategies that can add value beyond simply tracking the index, often offsetting a portion or even all of a fund's expense ratios. A history of tight tracking, consistency from a disciplined process, and comprehensive, independent risk management drives strong performance.

The Equity Index Group's core functions include portfolio management, managing more than USD\$2.9 Trillion<sup>1</sup> in AUM across 300 global portfolios including mutual funds, separately managed accounts, collective investment trusts and ETFs. The team has global trading capabilities in Malvern, Pennsylvania, London and Melbourne, allowing for 24 hours a day trading. This global portfolio management structure allows Vanguard to react quickly to new information and to execute trades around the clock, capturing value and striving to obtain the best price for our funds. Vanguard expends a lot of time and resources on execution so that our funds do a great job of tracking their benchmarks.

Our mutual ownership structure allows Vanguard to pursue risk-controlled strategies, without taking unnecessary risk for our clients. Risk control is integral to the way we manage money. That's why we have a separate Risk Management Group charged with oversight responsibility. We don't ask our portfolio managers to oversee their own activities. More than 80 risk professionals focus on equities and sit alongside our portfolio managers and traders. Accountability is baked into our process. The Risk Management Team holds a weekly meeting with the portfolio manager, and our traders slice and dice portfolio information a thousand different ways, including looking at individual transactions. If you're a portfolio manager and you're 0.2 basis point off your benchmark from the previous week, you'd better know why, because it will be discussed in a very public way at the weekly risk meeting.

Vanguard's disciplined investment process has resulted in excellent outcomes for our clients over time:

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<sup>1</sup> Vanguard AUM as of December 31, 2018.

### Percentage of Vanguard funds whose returns beat their peer-group averages

For periods ended December 31, 2018.



This table outlines the percentage of Vanguard(R) funds in each category that outperformed the average return of their peer group of mutual funds. For the quarter end, 9 of 9 Vanguard money market funds, 103 of 115 bond funds, 33 of 43 balanced funds, and 147 of 225 stock funds, or 292 of 392 Vanguard funds outperformed their peer group averages. For the YTD period, 9 of 9 Vanguard money market funds, 82 of 114 bond funds, 39 of 43 balanced funds, and 175 of 216 stock funds, or 305 of 382 Vanguard funds outperformed their peer group averages. For the one-year period, 9 of 9 Vanguard money market funds, 82 of 114 bond funds, 39 of 43 balanced funds, and 175 of 216 stock funds, or 305 of 382 Vanguard funds outperformed their peer group averages. For the three-year period, 9 of 9 Vanguard money market funds, 81 of 108 bond funds, 37 of 37 balanced funds, and 169 of 205 stock funds, or 296 of 359 Vanguard funds outperformed their peer group averages. For the five-year period, 9 of 9 Vanguard money market funds, 88 of 100 bond funds, 25 of 25 balanced funds, and 188 of 200 stock funds, or 310 of 334 Vanguard funds outperformed their peer group averages. For the ten-year period, 9 of 9 Vanguard money market funds, 41 of 60 bond funds, 20 of 23 balanced funds, and 129 of 146 stock funds, or 199 of 238 Vanguard funds outperformed their peer group averages. Results will vary for other time periods. Only funds with a minimum quarter-, one-, three-, five-, or ten-year history, respectively, were included in the comparison. (Source: Lipper, a Thomson Reuters Company)

Note that the competitive performance data shown represent past performance, which is not a guarantee of future results, and that all investments are subject to risks. For the most recent performance, visit our website at [www.vanguard.com/performance](http://www.vanguard.com/performance).

Vanguard is a trademark of The Vanguard Group, Inc. All other marks are the exclusive property of their respective owners.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in such a fund.

For more information about Vanguard funds, visit [www.vanguard.com](http://www.vanguard.com), or call 800-662-7447, to obtain a prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.

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### Investment Stewardship: Passive Manager, Active Shareholder

As a significant shareholder in virtually every publicly traded equity worldwide, Vanguard has built a robust investment stewardship function to support our responsibility to judiciously represent the ownership interests of our millions of clients in both active and passive equity funds. Our primary goal? To maximize the long-term value created by companies in which our funds invest. Deep research has led us to focus on four primary drivers of corporate value creation, allowing for an active, focused approach to shareholder advocacy.

### **Benefits for Prospective Investors of the Trust**

#### Transparency of the Securities Portfolio comprising the Underlying Index

The Certificates will grant the Holders the right to a proportional share of the value of the assets that comprise the Trust Estate. By acquiring the Certificates, the investors acquire a security which seeks to track the performance, before Expenses, of the Underlying Index. The composition of the respective Portfolio is transparent because any investor has the possibility of knowing it on a daily basis, making it possible to value the assets and obtain prices in real time.

#### Flexibility and Liquidity.

Although the Certificates may be used as a long-term investment, the Holders may sell the Certificates at any time when the BIVA is open and operating in accordance with the provisions of the Internal Regulations and other applicable provisions, since the Certificates are listed BIVA as any other securities, sometimes becoming even more liquid than the securities comprising the Underlying Index.

#### Diversification.

The objective of the Issuance is to seek similar investment results to the yield of its Underlying Index, before Expenses. Therefore, the Holder of a Certificate invests indirectly in a multiplicity of securities without taking the investment risk of those who invest in such securities directly. Generally, it is expected that as the time passes, the correlation of the performance of the Issuance and its Underlying Index will be more than 95%.

#### Simplicity.

Investing independently in a sufficient number of securities to diversify a portfolio is not easy for individual investors due to, among other factors, the high transaction costs. In addition, it is difficult to buy or sell, as a whole, all the securities that comprise a diversified portfolio. The Certificates offer the convenience to easily invest or disinvest in a Portfolio that seeks to obtain similar returns (before Expenses) to those of the Underlying Index. Additionally, investing in Certificates requires less income volumes than other particular securities.

Management Low Costs.

Compared to the investment management costs of mutual funds or other similar investment vehicles, it is expected that the fees and expenses in connection with an investment in the Certificates may be significantly lower than those that are generally caused by investments in mutual funds or other similar investment vehicles, (please refer to “V. MANAGEMENT OF THE TRUST – 4. Management related Expenses”).

Adaptability to Several Market Conditions.

Since the Certificates may be sold short, they may be used for the design of investment portfolios based upon investors’ expectations for both rising and falling markets.

Certificates as Part of Investment Strategies.

The Issuance of Certificates seeks investment results similar to the yield of its Underlying Index, before Expenses. Generally, indexes do not represent the whole markets’ behavior. The Certificates have been designed to be used as an integral part of investment strategies, which it may not be appropriate to implement a strategy or investment portfolio that exclusively focuses on investments in Certificates.

### 3. Risk Factors

In evaluating the potential investment in the Certificates, potential investors should analyze and evaluate all the information contained in this prospectus and, in particular, the risk factors mentioned below. These factors are not the only risks inherent to the Certificates. Risks that are not known at the date of this prospectus, or those that are not currently considered relevant, if they occur in the future, they could have a material adverse effect on the liquidity or financial position of the Issuance and, therefore, on the price of the Certificates. Likewise, investing in the Certificates implies a knowledge of the stock market by the investor, as well as of the risks involved in investing in this type of instrument. As the certificate seeks to earn a return before expenses similar to that of its Underlying Index, the investment in the certificates also implies that the investor understands how such Underlying Index is composed and operates.

In view of these conditions, investors agree to assume the risk of their investment in the Certificates by investing in them.

#### 3.1 Risks Related to Mexico

##### *Macroeconomic Situation*

Historically, Mexico has experienced recurrent economic crises, characterized by high inflation rates, exchange rate instability, high domestic interest rates, strong contraction in consumer demand, reduced availability of credit, increased unemployment rates, and decreased investor confidence, among others. There is no assurance that such events will not occur again in the future or that they will not result in movements or declines in the financial markets that negatively affect the financial condition of the Issuance and the price of the Certificates.

Investments in emerging markets are generally subject to a higher risk of loss than investments in developed markets. This is due, among other factors, to a greater market volatility, a less stable exchange currency rates, lower trade volumes, political and economic instability, greater risk of financial markets collapse and more government constraints on foreign investments than are commonly found in developed markets.

*A major depreciation of the Peso towards other currencies can negatively affect the financial situation of the Securities.*

If there is a significant depreciation of the Peso against the Dollar or other currencies, the financial and business results of the Securities could be adversely affected, which could negatively affect the value of the Certificates.

*Events in other countries could adversely affect the price of the Certificates*

The price of the Certificates could be adversely affected by instability and significant fluctuations in the economic, financial and market conditions of other countries, particularly the United States of America and other Central and South American countries. Any economic downturn in the United States of America or such other countries could have a material adverse effect on economic and market conditions in Mexico and, consequently, on the value of the Certificates issued by the Trust.

##### *Unexpected Tax and Legal Reforms*

Mexican legislation is continuously amended and/or added, so there is no guarantee that in the future the current legal regime, including, but not limited to, tax matters, will not suffer modifications that could affect the performance of the Trust or the income from the Certificates, harming the Holders and the Trust, or generating significant adverse consequences for them.

##### *Depreciation Related Effects*



In the past, the Peso has depreciated significantly against the Dollar. There is no guarantee that this will not happen again in the future. Should a depreciation trend occur, the Mexican economy in general and the capital market in particular could be affected, as well as resulting in a currency exchange loss for the Trust.

### **3.2 Risks Related to the Certificates.**

#### *The Issuer of the Certificates is a Trust*

The issuer of the Certificates is a Trust and its estate assets are the sole source of payment for the Certificates. The Holders will be entitled to an equivalent portion of the value of the assets comprising the Trust Estate, as determined in the Issuance Documents, however, it is possible that, in the event of insolvency, the Holders may be able to sue and make claims against the totality of the Trust's estate assets, even though they are not entitled to them.

Investors should understand that the Trust that issues the Certificates is not a mutual fund, nor does it enjoy the legal and regulatory protection mechanisms offered to investors in such mutual funds. The Issuance is subject to all risks inherent in the Securities corresponding to it, therefore a reduction in the value of the Securities may result in an equal or greater decrease in the value of the Issuance Certificates.

In addition, investors should note that timely payment of amounts payable to a Holder will depend on the compliance by the Administrative Agent, Trustee, Investment Manager and/or Common Representative with their respective obligations under the Trust Agreement, the Investment Management Agreement and the respective Issuance Documents.

#### *Registration of the Trust Agreement in the RUG*

In the event that the Trust Agreement and/or any of its modifications are not registered in the RUG, they shall not be effective against third parties.

#### *The Underlying Index*

Since the objective of the Issuance is to track the investment results, before Expenses, of the Underlying Index, investment in the Certificates also implies knowledge of how the Underlying Index operates.

An index is a theoretical financial calculation, while Certificates represent a fraction of a real investment portfolio. There may be differences between the performance of the Issuance Certificates (based on the Net Asset Value) and the performance of its Underlying Index for various reasons such as transaction costs (which are not covered by an Index), asset valuations, taxes, and time variations, rounding of prices, regulatory policies, existence of money in the Portfolio (on the grounds that the indexes do not necessarily have a money component) and differences between the Portfolio and its Underlying Index, resulting from the use of a representative sample of Issuances and / or the use of derivative instruments in terms of the Trust Agreement. Representative sampling is an indexing strategy that involves investing in a representative sample of the Securities included in the Underlying Index that, altogether, has an investment profile similar to the Underlying Index. The assets of the General Account may not include all of the Securities which comprise the Underlying Index. As a result, the Issuance is also subject to management risk and the risk that the investment strategy of the Investment Manager will not produce the expected results. Therefore, it is not possible to guarantee that the results of the Issuance will be equal to the results of the Underlying Index.

#### *Market Operation of the Certificates*

The Issuer cannot assure that an active secondary market for the Certificates will develop or be created. The registration of the Certificates in the RNV and their listing in BIVA has been requested. However, if an active trading market for the Certificates does not develop, Holders will not be able to sell their Certificates at the

desired price, time and quantity. The operation of the secondary market may be suspended by the Stock Exchange due to market conditions or other reasons, which may adversely affect the price of the Certificates. In addition, Certificates may be traded at, above or below the Net Asset Value per Certificate. The Net Asset Value per Certificate will fluctuate as a result of changes in the market value of the Issuance assets, as well as market supply and demand. In addition, Certificates may be traded in the secondary market on days when any Creation Orders or Cancellation Orders are not accepted or in conditions of excessive market volatility, resulting in higher premiums or discounts to the Net Asset Value than those experienced on days when Creation Orders or Redemption Orders of issuance of Certificates are accepted. Although the creation and redemption process has been designed to increase the likelihood that the Issuance Certificates can be traded at a value approaching the Net Asset Value of the Issuance, any disruptions to the creation and redemption process could result in transaction prices that differ significantly from the Net Asset Value.

#### *Concentration of Market, Industry or Sector*

If the Underlying Index or reference Portfolio of the Issuance focuses on securities in a market, industry, group of industries, sector or asset class, the Issuance could be adversely affected by the performance of those securities and may be subject to a higher price volatility. In addition, if the Issuance is focused on a particular industry or sector it may be more susceptible to be affected by any isolated economic, market, political or regulatory event affecting the particular industry or sector.

#### *Listing Suspension*

In the event that the listing of any of the Securities is suspended for any of the reasons set forth in the regulations of the Stock Exchange on which they are listed, this could result in a decrease in the listing price of the Issuance Certificates in whose account the Securities are deposited, or in the suspension of the listing of such Issuance Certificates. Likewise, the listing of the Certificates could be subject to temporary suspensions due to important variations in their price during the same trading day, in the same way as any other share listed on the Stock Exchange.

#### *Asset Class Performance*

The securities of an underlying index may underperform other securities or indexes that replicate other industries, industry groups, markets, classes of asset or sectors. For example, the Securities in the Underlying Index may have lower returns than other investments in the securities market

#### *Derivatives*

A derivative is a financial contract which value depends on the value of a reference asset such as a security or index. The Portfolio of the Issuance may be invested in derivatives subject to the Permitted Margin. Compared to traditional securities, derivatives may be significantly more sensitive to changes in interest rates or prices, so the losses on the Issuance may be greater if investments are made in derivatives.

#### *Passive Investment*

Trust Estate will not be actively managed. The Issuance could be affected by a general reduction in the stocks market or in a market segment related to the Underlying Index. The Trust invests in Securities included in or representing the Underlying Index. The Investment Manager will not attempt to take defensive positions in declining markets.

#### *Redemption of the Certificates*

Certificates may only be redeemed through an Authorized Participant by cancelling entire Units or multiples thereof. Authorized Participants with fractions of Units may not exercise their right to redeem Certificates by

fractions of a Unit. In addition, any Authorized Participant who redeems a Unit may receive a Basket that does not exactly match the composition of the Underlying Index.

#### *Liquidity of the Certificates*

The Issuer cannot assure that there will be an active secondary market for the Certificates. In the absence of such a market, Holders may be limited in their possibility to sell the Certificates at the desired price, time and quantity.

#### *Creation and Redemption Orders*

If the Trustee is unable to acquire or dispose securities related to any "Cash in lieu" procedure initiated by a Authorized Participant, or is unable to do so at prices that reflect the fair value of such securities, the Trust may experience a delay in the receipt of such securities or the proceeds of its disposition until such time as it is able to acquire or dispose such securities. Likewise, if certain securities of the index are particularly illiquid, the Trustee may be unable to acquire the securities necessary to comply with a creation order in a "Cash in lieu" procedure at a price acceptable to the Authorized Participant on a timely basis.

The Investment Manager may restrict any Redemption or Creation Order, among other circumstances, per unusual market conditions, or as consequence of unusual conditions of certain Security.

*The Common Representative may not carry out visits to verify the fulfilment of the obligations of all parties*

The Common Representative may not carry out visits to verify compliance with the obligations of all parties, so it could be a case in which one of the parties does not comply with its obligations as described in the Trust Agreement, the Certificate, and/or the Investment Management Agreement without the Holders' knowledge, and may put in risk the Distributions received by the Holders.

*The Investment Manager shall have the authorization to issue instructions to the Trustee in the event that there are Additional Amounts in the Trust Accounts.*

Pursuant to the Trust Agreement, the Investment Manager shall have the power to issue Instructions to the Trustee, in the event there exist Additional Amounts in the Trust Accounts, so that the Trustee may invest such Additional Amounts, as far as possible, in Securities comprising the Portfolio.

*Replacement of the Investment Manager and Impossibility of his replacement.*

As a result of the level of specialization required by the Investment Manager of the Trust, there is an absolute impossibility for Holders to substitute or replace the Investment Manager. As a consequence of the foregoing, if the Holders intend to remove the Investment Manager, the Trust Agreement shall be terminated.

#### *Tax Regime*

The Trust is expected to qualify as a trust the purpose of which is the management, acquisition or disposal of shares, publicly-traded certificates or securities in order to replicate (or of certificates issued by trusts directly replicating) the returns that would be obtained through securities market indexes, provided the compliance of the requirements set forth in the ETF Tax Provisions. Thus, the Trust should not qualify as a trust through which business activities are carried out in terms of rule 3.1.15.(II)(c) of the RMF.

The tax regime applicable to trusts which purpose is the management, acquisition or disposition of shares, stock certificates or securities for the purpose of replicating (or certificates issued by trusts directly replicating) the return that would be obtained by means of stock market indexes, and the interpretation or application of such treatment are relatively new and are constantly evolving. The latest amendment to such treatment was published in the Official Gazette on November 30, 2018, through which it was included, *inter alia*, as part of the

purpose of the trusts referred to management, acquisition or disposition of stock certificates issued under a FIBRA, with the purpose of replicating the return that would be obtained by means of the corresponding stock market indexes.

We cannot assure you that the tax provisions applicable to trusts for the purpose of the administration, acquisition or disposal of shares, publicly-traded certificates or securities for the purpose of replicating (or of certificates issued by trusts directly replicating) the return that would be obtained through stock indexes, or their interpretation or application will not change in a manner that adversely affects the tax treatment of the Trust, of the Certificates, the operations, or Trust distributions. To the extent that the Mexican tax authorities change the requirements for a trust to qualify as a trust whose purpose is the administration, acquisition or disposal of shares or securities for the purpose of replicating (or of certificates issued by trusts directly replicating) the return that would be obtained through stock indexes, it may be necessary to adjust the Trust's strategy and, consequent on the foregoing, pay taxes that could adversely affect the returns of the Certificates, their market value or liquidity. Failure to comply with applicable tax provisions may, among other things, require the Trust to change the way it conducts business, which may, as a result, affect its financial performance, the share price of the Certificates or its liquidity, and the Trust's ability to make distributions to Holders.

#### *Settlement of the Trust*

Upon termination of the Trust due to expiration of its term, early termination in accordance to the Trust Agreement or cancellation of the listing and registration of the Certificates by any reason, the assets of the Issuance or the proceeds of its sale, shall be distributed to the Holders of the Issuance, after the payment of the applicable Expenses as set forth in the Trust Agreement. Upon termination of the Trust, the Trustee shall perform acts as may be necessary as determined in the Termination Notice.

In the event of termination of the Trust, the Holders of fractions of Units may be adversely affected by the sale of their Certificates under less favorable market conditions, or for an uncertain period, as required by the Trustee to redeem their Certificates. Consequently, there is no definite date for the Holders of fractions of Units to receive the proceeds of the sale of the fractional Units or the proceeds corresponding to their amortization.

#### *Underlying Index License*

Vanguard has entered into a licensing agreement with the Underlying Index provider. VIGM, S.A. de C.V., Asesor en Inversiones Independiente is a sub-licensee of the corresponding Index at no additional cost. If Vanguard Group Inc. and/or its Affiliates for any reason loses the rights to use such Underlying Index, the Investment Manager and the Trustee would jointly seek to acquire the rights to other indexes. There is no guarantee that the Investment Manager and the Issuer will be able to acquire such indexes or the rights to such indexes on favorable terms, and such loss of rights to an index could have a material adverse effect on the value of the Issuance Certificates.

#### *Certificates as Part of Global Investment Strategies*

The Issuance will seek investment results that generally correspond to the performance (before Expenses) of the Underlying Index, which is not representative of the market as a whole. Certificates have been designed to be used as part of an investor's global investment strategy, so it may not be appropriate to implement an investment strategy or portfolio that focuses exclusively on Certificate investments.

#### *The Common Representative and the Trustee may have limited information at their disposal*

The Common Representative and the Trustee shall have the obligations, rights and authorities provided for in the corresponding articles of the LMV and the LGTOC, including, but not limited to, those provided in the Global Certificate and in the Trust Agreement. As part of such obligations, the Common Representative and the Trustee shall verify the status of the Trust Estate. Such verification activities shall be carried out based only on information provided to the Common Representative and the Trustee for such purposes.

### *Credit Risks*

Counterparties to derivative contracts or other instruments may not make timely payments of interest and principal or meet other obligations under the securities that are part of the Trust Estate. In this case, such Trust Estate would be adversely affected.

### **3.3 Risks Related to Lending Portfolio Securities Transactions**

Pursuant to the provisions set forth in the Trust Agreement, the Trustee may, in accordance with the applicable law, carry out Lending Portfolio Securities Transactions using the assets which comprise the Trust Estate. The borrowers may be required to provide collateral in accordance with the Investment Manager's Instructions. Such loans may be terminated at any time, thereby obtaining repayment of the Securities on loan. Interests or considerations paid in connection with the Securities on loan shall be deposited in the Issuance Account.

Lending Portfolio Securities Transactions involve exposure to certain types of risks, including operational, credit, legal, counterparty, reinvestment and market risks. In the event that a counterparty fails to return the securities as agreed, the relevant Portfolio may incur in losses if the proceeds from the settlement of the collateral received in exchange for such securities are not at least equal to the value of the securities on loan at the time of the settlement plus transaction costs. Therefore, the Holders shall bear the risks and economic consequences inherent to such transactions.

### **3.4 Cyber Attack Related Risks**

#### *Cyber Attacks*

It is possible that the Trustee, the Settlor, the Administrative Agent, the Investment Manager, as well as the Trust may be subject to cyber-attacks and other security threats that could compromise and, as the case may be, adversely affect their systems, and therefore could compromise the confidentiality of the information in their possession, their ability to provide their services, the fulfilment of the purposes of the Trust and the operation, for long periods, as well as their communication systems. In addition, unauthorized use and disclosure of confidential and/or sensitive information may have an adverse effect on the business, reputation and profitability of the Trustee, the Settlor, the Administrative Agent, the Investment Manager, as well as the Trust. Such situations may have an adverse effect on the business of the Trustee, the Settlor, the Investment Manager, and the Trust, as the case may be.

**4. Other Securities Issued by the Trust.**

As of the date hereof, the Trust has no securities registered in the RNV.

## 5. Public Documents.

All information contained herein and/or in any of the exhibits hereto, that is filed along with the application to register the Certificates in the RNV, may be accessed by investors through BIVA, at its offices, or at its web page: [www.biva.mx](http://www.biva.mx), or on the CNBV website: [www.gob.mx/cnbv](http://www.gob.mx/cnbv) respectively, as well as in the web page [www.banamex.com](http://www.banamex.com)

In the event of requiring the information described above, investors should direct their request to the Common Representative, with attention to Mónica Jiménez Labora Sarabia, with address at Cordillera de los Andes 265 2<sup>nd</sup> floor, Colonia Lomas de Chapultepec, Miguel Hidalgo, C.P. 11000, telephone +52 (55) 5063 3978 and e-mail [mjimenezlabora@cibanco.com](mailto:mjimenezlabora@cibanco.com) and/or [repcomun@cibanco.com](mailto:repcomun@cibanco.com).

As of the date hereof, it is not contemplated that the Trust will carry out Lending Portfolio Securities Transactions. However, in the event that such transactions are carried out, the policies to be followed by the Trustee in connection to such transactions will comply with the applicable policies and will be disclosed through a relevant event on the BIVA's website ([www.biva.mx](http://www.biva.mx)) and on Vanguard Mexico website (<https://www.vanguardmexico.com/web/cf/mexicoinstitutional/en/home>).

## II. THE OFFERING

### 1. Characteristics

#### 1.1. Type of Offer

Public offering in Mexico.

The foregoing in the understanding that, to the extent that the Trustee receives Creation Orders under the terms set forth in the Trust Agreement, the Authorized Participant Agreements and the Issuance Documents, additional Certificates will be issued successively in addition to those placed in the initial Public Offering.

#### 1.2. Issuer

Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria, in its capacity as trustee of the trust agreement number 182557, dated September 11.

#### 1.3. Settlor

VIGM, S.A. de C.V., Asesor en Inversiones Independiente

#### 1.4. Beneficiaries

The Holders of the Certificates.

#### 1.5. Authorized Participants

Brokerage firms and banking institutions authorized to act as such in Mexico which shall enter into an Authorized Participant Agreement with the Trustee pursuant to the provisions set forth in the Trust Agreement.

#### 1.6. Ticker

"VMEX 19".

#### 1.7. Maximum Authorized Issuance Amount

Up to MXP\$150,000,000,000.00

#### 1.8. Maximum number of Certificates of the Issuance

5,000,000,000 Certificates.

#### 1.9. Public Offering Amount

MXP\$99,000,000.00

#### 1.10. Number of Certificates to be placed in the Public Offering

3,300,000 Certificates.

#### 1.11. Number of Certificates that shall comprise a Unit

Following the Public Offering, Certificates may only be created in units of 100,000; provided, however, that the



creation of Certificates for an inferior amount of Certificates or fractions thereof shall not be authorized.

**1.12. Placement Price**

MXP\$30.00 per Certificate. The placement price was determined considering the characteristics of the Trust Agreement and other factors deemed convenient for such determination.

**1.13. Par Value**

MXP\$30.00 per Certificate.

**1.14. Increase in the number of issued and outstanding Certificates**

The number of outstanding Certificates placed by the Trust will depend on the number of Creation Orders and Redemption Orders received during the term of the Trust, as well as the public offerings made thereof. The consent of the Holders shall not be required for the placement of the Certificates or the cancellation thereof.

**1.15. Term of the Certificates**

The Certificates will not have a fixed term, as they will be in effect until the Trust Agreement is terminated.

**1.16. Maturity Date**

The Certificates will remain in effect until cancelled and must be canceled upon termination of the Trust Agreement.

**1.17. Underlying Index**

FTSE BIVA Index.

**1.18. Most Relevant Characteristics of the securities conforming the Underlying Index**

The FTSE BIVA Index provides an unbiased representation of the Mexican equity universe. All Mexican equity securities listed in the country are considered, allowing for new issues to be included as the local equity universe expands over time. It is important to note that FIBRAS securities are also included in this index, the first broad-based diversified Mexican equity index to include such securities. To be eligible for inclusion, index constituents must meet minimum liquidity rules, adapted to the Mexican market. In addition, index constituents are rebalanced on a semi-annual basis, ensuring optimal liquidity and to account for new equity issues in the Mexican market. Last, the index constituents are weighted by market capitalization and capped at a 15% single issuer maximum.

**1.19. Currency**

The Certificates are denominated in Pesos.

**1.20. Investment Manager**

VIGM, S.A. de C.V. Asesor en Inversiones Independiente

**1.21. Trust Estate**

The estate of the Trust shall be comprised of: (a) the Initial Contribution; (b) the assets and Income arising from the Portfolio; (c) the cash proceeds transferred from time to time to the Trust Accounts in accordance with the corresponding Orders, Income (*Ingresos*) or as a result of the selling of the assets, in order for the Trustee to, in

accordance to the Instructions received by the Administrative Agent: (i) acquire assets for the Portfolio; or (ii) pay the Included Expenses, the Settlor's Fee and/or the Excluded Expenses; (d) the Securities; (e) all the proceeds, assets and rights, eventually transferred or affected to the Trust Estate by the Settlor or that, in accordance with the Administrative Agent's Instructions, are transferred to the Trust Estate by any other Person in compliance with the Purposes of the Trust; (f) any cash and other assets held by the Trustee in the Trust Accounts, as well as the profits from the Permitted Investments; (g) as applicable, any rights, permits, licenses or authorizations granted by the competent Governmental Authorities or the Applicable Law to the Trustee, as necessary or desirable for the Purposes of the Trust, whether currently existing or to be obtained in the future; and (h) any and all other proceeds and rights currently held or to be held in the future by the Trustee in relation to the Trust Agreement, for any reason.

### **1.22. Purposes of the Trust**

The Purposes of the Trust are: (a) filing and obtaining directly, or through any third parties, each and all authorizations, filings, registrations or listings, whether judicial, administrative or of any other nature, that may be necessary or convenient for the fulfillment of the Purposes of the Trust and/or to exercise the rights of the Trustee under the Trust Agreement; (b) upon prior authorization of the CNBV and the favorable opinion of BIVA, the Issuance and public offering of the Certificates which shall have the characteristics provided for such purposes in the Issuance Instruction, and will seek to obtain investment results that generally correspond to the Underling Index returns (before Expenses); (c) registry and maintenance of the listing of the Certificates before the RNV and in BIVA; (d) the submission by each Authorized Participant to the Trustee of Creation Orders for one or more Units, through the AP Platform, by virtue of which the Authorized Participant will submit the relevant Creation Order, pursuant to which such Authorized Participant will transfer to the Trustee the corresponding Baskets (as set forth in the Portfolio Composition File) in exchange for the number of Certificates corresponding to such Units; (e) the submission by each Authorized Participant to the Trustee of Redemption Orders for one or more Units, through the AP Platform, by virtue of which the Authorized Participant will submit the relevant Redemption Order, pursuant to which such Authorized Participant will transfer to the Trustee the number of Certificates corresponding to a Unit in exchange for each Basket (as set forth in the corresponding Portfolio Composition File); (f) the use by the Trustee of the cash funds held in the Trust Accounts for the purposes set forth in the Investment Manager's Instructions pursuant to terms set forth in the Trust Agreement; (g) the use by the Trustee of the cash held in the Trust Accounts for the acquisition of assets for the Portfolio, pursuant to the Investment Manager's Instructions, and in accordance with the regulatory provisions applicable to trusts which purpose is to seek to track the return of stock indexes; (h) the execution of financial transactions or any other similar or related transactions, including without limitation, Lending Portfolio Securities Transactions (as instructed by the Investment Manager, from time to time), loan or credit agreements, guarantees and executing negotiable instruments, as well as derivative financial transactions, as permitted under the Issuance Documents, with the assets comprising the Trust Estate, in order to implement the necessary strategies to seek to track the performance of the Underling Index pursuant to the market conditions and the applicable legal and tax framework; (i) the execution and, if applicable, amendment and/or termination of the agreements, contracts, instruments, acts and all documents that are necessary and/or convenient to carry out and maintain the Issuance of Certificates, including without limitation, the execution of the Investment Management Agreement with the Investment Manager, as well as the corresponding placement agreements; and (j) carry out all necessary actions in order to obtain the Legal Entities Identification Code (*Código Identificador de Personas Morales*), in compliance with Circular 24/2017 and Circular 25/2017, issued by Banco de México, as well as the performance of any and all acts in connection therewith, as instructed by the Administrative Agent, and with the assets comprising the Trust Estate; and (k) carry out the registration of the Trust in the RFC, in terms of Section 16.5 of the Trust Agreement, for which the Trustee shall grant the power required for such registration in favor of the persons instructed for such purpose by the Settlor.

### **1.23. Type of Instrument**

Indexed Trust Certificates (*certificados bursátiles fiduciarios indizados*).

#### **1.24. Term of the Trust**

50 years as of its incorporation date.

#### **1.25. Holders' Rights**

The Holders, through the Common Representative and by the acquisition of the Certificates, acknowledge and agree to solely hold the rights set forth in the Trust Agreement and in the Global Certificate, regarding the Securities and assets of the Trust, as well as the rights that may be provided in the Certificates. The Trustee shall not be bound in any manner to deliver Securities and/or assets to any Holder in a different manner other than the expressly specified in the Trust Agreement. The Holders, in such capacity, shall have the right to: a proportional share of the value of the assets that comprise the Trust Estate, in terms of the provisions set forth in the Issuance Documents. Subject to the provisions set forth in the Authorized Participant Agreements, the only way to exercise this right shall exclusively be through the submission of a Redemption Order for one or more issued Units and through an Authorized Participant; provided, that (i) the Trustee shall not be bound to deliver assets to a Holder in a different manner other than specified in this paragraph, and (ii) the Trustee may, at any time, deliver Securities or a combination of Securities and cash, as determined in the applicable Authorized Participant Agreement and in accordance with the Investment Manager's Instructions, as well as the proportional share value of the Trust Estates' assets corresponding to such Holder.

#### **1.26. Source of the proceeds for payment of the Certificates**

Exclusively the assets comprising the Trust Estate.

#### **1.27. Additional Amounts**

If there are any Additional Amounts in the Issuance Account, the Trustee shall, in accordance with the Issuance Documents and the Investment Manager's Instructions, invest such Additional Amounts, as soon as possible, in Securities comprising the Portfolio, unless such proceeds, pursuant to tax regulations, shall be distributed to the Holders.

#### **1.28. Tracking Error**

Tracking error is the annualized monthly standard deviation between ETF yields and the corresponding underlying index. The main causes of the tracking error are: (i) differences in (a) the price of the securities, (b) the operating costs of the ETF and the underlying index; (c) the timing when dividends accrue; and (d) the securities in the ETF portfolio and those in the underlying index, (ii) the ETF's cash component, (iii) changes in the underlying index, (iv) taxes and/or (v) the need to comply with new or existing regulatory requirements. Tracking error may intensify in times of high market volatility and/or unusual market conditions.

In addition to scheduled rebalances, the Underlying Index provider may perform *ad hoc* rebalances to the Underlying Index in order, *e.g.*, to amend an error in the selection of the components of the Underlying Index. When the Underlying Index is rebalanced and consequently the ETF rebalances its portfolio in order to readjust its portfolio in accordance with the Underlying Index, the ETF and its investors will directly assume any operating costs and market risk exposure arising from such rebalancing.

Spontaneous rebalances in the Underlying Index can also expose the ETF to the tracking error causing the ETF returns not to replicate those of the Underlying Index. Therefore, those additional *ad hoc* errors and rebalances to those foreseen, if any, that are carried out by the Underlying Index provider may increase the costs and risk of exposure to the tracking error by the ETF.

The tracking error of the Certificates issued under the Trust shall not exceed 5%. This percentage is illustrative, and we cannot guarantee it is going to be fulfilled.

### **1.29. Positive and Negative Covenants**

In addition to the obligations set forth in the Global Certificate and in the Trust Agreement, the Trustee must provide to BIVA the information referred to in Chapter IV of its Internal Regulations, as well as the information referred to in Section II, Chapter II of the same Internal Regulations with respect to the Trust Estate. The Trustee acknowledges that in case of a breach to such obligation, disciplinary and corrective measures may be applicable through the disciplinary bodies and procedures set forth in the Regulations. In terms of the Internal Regulations of BIVA, the Settlor shall have the obligation to monitor and ensure that the Trustee complies with the obligation set forth in this paragraph. Likewise, the Trustee shall have the obligation to appoint the officers that will comply with the provisions hereof.

### **1.30. Issuance Date**

September 26, 2019.

### **1.31. Issuance Period**

As of the Issuance Date, until the maturity of the Trust Agreement.

### **1.32. Public Offering Date**

September 25, 2019.

### **1.33. Public Offering Notice Date**

September 24, 2019.

### **1.34. Pricing Date**

September 25, 2019.

### **1.35. BIVA Registration Date**

September 26, 2019.

### **1.36. Settlement Date**

September 26, 2019.

### **1.37. Place and Term of settlement of the Certificates**

Investors participating in the public offering must settle the Certificates they acquire by delivering the corresponding Basket from the initial Portfolio Composition File.

After the public offering, any Authorized Participants which submit a Creation Order shall transfer, directly or indirectly, Securities and/or, in some cases, other assets, in exchange for such Certificates in accordance with the provisions of the Trust Agreement and the Authorized Participant Agreement.

The purchasers of Certificates in the secondary market shall pay such Certificates in cash, as when purchasing any other security.

### **1.38. Net Proceeds of the Issuance**

The net proceeds that the Trustee will receive as a result of the Public Offering of the Certificates are MXP\$99,000,000.00 provided, that Vanguard, as Settlor and Administrative Agent has covered all expenses related to the offer with personal resources; provided, however, that the settlement of the Certificates will be

done through the delivery of several Baskets by the Underwriter, which will be comprised of Securities and cash.

#### **1.39. Security**

The Certificates are unsecured.

#### **1.40. Depositary**

S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V.

#### **1.41. Tax Considerations**

For further detail please refer to Section "II. THE OFFERING - 1. Characteristics- 9 Tax Considerations" of this prospectus.

#### **1.42. Admissible basket for Creation**

Authorized Participants shall not be able to deliver individualized baskets. The creation of Baskets will be carried out following the procedure set forth in the Authorized Participant Agreement attached to the Trust Agreement as Exhibit "B".

#### **1.43. Portfolio Composition File**

The Portfolio Composition File of the Issuance will contain information (*información fuente*) regarding the assets and cash corresponding to a Unit for the delivery of a Creation Order and a Redemption Order; please consider that such assets and cash may be different between Units to be created and Units to be cancelled.

Without prejudice to the provisions set forth in this Prospectus, the Portfolio Composition File shall contain the information (*información fuente*) that determines which are the assets and cash corresponding to a Unit for the submission of a Creation Order and a Redemption Order; provided, that such assets and cash may be different between Units to be created and Units to be redeemed. Additionally, through the Portfolio Composition File, it is presented information related to: (i) the type and amount of assets and, if applicable, cash that will comprise the corresponding Basket (for the presentation of a Creation Order or a Redemption Order, as applicable); (ii) the Net Asset Value of the Issuance; (iii) the Net Assets Value per Certificate; (iv) the number the outstanding Issuance Certificates; and (v) the composition of the corresponding Portfolio

The Portfolio Composition File will be published each Business Day, through the means determined by the Stock Exchange for such purposes.

#### **1.44. Cash component of the Portfolio Composition File**

Each Creation Order shall specify the number of Units to be created and the Cash Component, in accordance with the latest Portfolio Composition File. The Trustee may adjust the Cash Component at the time of confirming the settlement details of the Creation Order provided by the Investment Manager in accordance with the Trust Agreement, the Investment Management Agreement, and other Issuance Documents.

Each Creation Order will be considered as "received" by the Trustee once the Authorized Participant has received an acknowledgement of receipt of the AP Platform in substantially the same terms as the form attached to the Authorized Participant Agreement as Exhibit "A".

#### **1.45. Trademark Licenses**

The trademarks related to the Underlying Index are the exclusive property of their owners and will be used under license by the Vanguard Group Inc.

Index are determined, composed and calculated by their respective providers without considering VIGM, S.A. de C.V., Asesor en Inversiones Independiente, the Issuance of Certificates or the Holders of such Certificates.

The trademarks are registered trademarks of their owners and have been or will be licensed to VIGM, S.A. de C.V., Asesor en Inversiones Independiente for a specific purpose. The owners do not guarantee, either expressly or tacitly, nor will they have any responsibility whatsoever with respect to the Index, their use, or any information contained therein.

**1.46. Prospective Investors**

Individuals and legal entities when their investment policies expressly allow such investment.

**1.47. Underwriter**

Casa de Bolsa Finamex, S.A.B. de C.V.

**1.48. Common Representative**

CIBanco S.A. Institución de Banca Múltiple.

**1.49. CNBV Authorization**

Through official writ No. 153/12106/2019 dated September 12, the CNBV authorized the preventive registration in the RNV of the public offering of the Certificates, as well as the disclosure of the prospectus and the public offering notice.

## 2. Use of Proceeds

The Trustee will receive a Basket as payment for each Unit created, or the equivalent amount in cash. The net proceeds that the Trustee will receive as a result of the public offering of the Certificates are up to MXP\$99,000,000.00 provided, that Vanguard, as Settlor and Administrative Agent has covered all expenses related to the offer with personal resources; provided, however, that the settlement of the Certificates will be done through the delivery of several Baskets by the Underwriter, which will be comprised of Securities and cash.

The Securities of the Issuance and/or other assets that the Issuer is entitled to receive derived from the payment of the Certificates that are placed through a public offering, will be held by the Trustee in the General Account, in accordance with the terms of the Trust Agreement.

After the public offering, the Certificates issued as a consequence of the Creation Orders delivered by the Authorized Participants may not be settled in cash, but only by transferring to the General Account the Securities that comprise the Basket(s) corresponding to the Issuance (as established in the corresponding Portfolio Composition File).

The assets received pursuant to the preceding paragraph, as well as the assets comprising the Basket(s) of the Issuance corresponding to the Certificates to be offered in the public offering, will be held in the General Account and managed in accordance with the provisions of the Trust Agreement.

### 3. Distribution Plan

The issuance of Certificates contemplates the participation of Casa de Bolsa Finamex, S.A.B. de C.V. as underwriter. In such capacity, the Underwriter acquired the Certificates pursuant to the firm commitment modality (*toma en firme*). For this purpose, prior to the public offering of the Certificates on BIVA, the Issuer entered into a placement agreement with the Underwriter.

The Certificates were acquired by Mexican or foreign individuals and legal entities that pursuant to applicable law and in accordance with the provisions set forth in this prospectus.

Any person who can invest in Certificates pursuant to the terms hereof, had the opportunity to participate in the placement of such Certificates in accordance with the procedure described herein. Any investors who participated in such procedure did so under equal terms.

The Underwriter did not enter into syndication agreements (*contratos de sindicación*) with other underwriters that could have participate in the Issuance of the Certificates.

The Underwriter and its subsidiaries maintain and will continue to maintain business relationships with the Settlor. The Underwriter had no conflict of interest regarding the services it rendered in connection with the public offering of the Certificates.

The Underwriter did not placed Certificates among its related parties.

Although on the Issuance Date, the Underwriter acquired the issuance in whole, any investor may acquire Certificates as of the Issuance Date in equal conditions with the rest of the investors participating in the public offering of the Certificates, unless their respective investment regime does not allow it.

Unless otherwise provided in the prospectus, nor the Issuer nor the Underwriter or any related party acquired any Issuance Certificates, either individually or jointly with other persons, in one or more blocks representing 5% or more of the total amount of the public offering of the Issuance Certificates. However, the Underwriter cannot assure that one or several of such acquisitions will not take place.

On the Business Day prior to the Issuance Date, the Underwriter acquired the Certificates of the Issuance at the placement price established in this prospectus.



#### 4. Offering Related Expenses

<b>Issuance Expenses</b>	<b>Amount</b>	<b>V.A.T.</b>	<b>TOTAL</b>
Application form payment CNBV	\$23,338.00	N/A	\$23,338.00
Registration fees RNV	\$36,000	N/A	\$36,000
Listing fee BIVA	\$55,000.00	\$8,800.00	\$63,800.00
Legal Counsel Fees	\$1,555,672.00*	\$248,907.52	\$1,804,579.52
Common Representative Fees	\$130,000.00	\$20,800.00	\$150,800.00
Trustee's Fees	\$2,437,500.00	\$390,000	\$2,827,500
Underwriting Fees	\$0.00	\$0.00	\$0.00
Tax Advisor's Fees	\$583,377.00*	\$93,340.32	\$676,717.32
<b>Total</b>	<b>\$4,820,887.00</b>	<b>\$761,847.84</b>	<b>\$5,582,734.84</b>

\* Fees are agreed in Dollars but have been converted to Pesos for informational purposes only using an exchange rate of \$19.4459 Pesos per Dollar.

The fees and expenses described above are considered Included Expenses. On the Issuance Date, such expenses shall be paid by the Administrative Agent, in such capacity. These amounts are expressed in Pesos as of September 25, 2019 and have not been modified to the date hereof since no additional expenses have been borne and paid with the Trust Estate.

The net resources that the Settlor will obtain as a result of the public offering of the Certificates, is up to MXP\$99,000,000.00, provided, that Vanguard, as Settlor and Administrative Agent has covered all expenses related to the offer with personal resources; provided, however, the settlement of the Certificates will be done through the delivery of a Basket by the Underwriter, composed by Securities and cash.

For further detail please refer to Section "V. MANAGEMENT OF THE TRUST - 4. Management related Expenses" of this prospectus.

## 5. Common Representative

Pursuant to Article 68 of the LMV and article 216 of the LGTOC, the Parties hereby appoint the Common Representative to act in such capacity for the benefit of the Holders from the Issuance Date. The Common Representative may solely resign for gross causes pursuant to a resolution issued by a competent court, in accordance with Article 216 of the LGTOC.

CIBanco, S.A., Institución de Banca Múltiple, by the execution of the Global Certificate, accepts its appointment as Common Representative of the Holders as well as the functions, rights and powers set forth in the Global Certificate pursuant Articles 64 and 69 of the LMV.

The Common Representative shall have the duties, rights and authorities provided for in the corresponding articles of the LMV, the LGTOC, the Regulations and the Applicable Law, including, but not limited to, those included in the Global Certificate, the Trust Agreement and in the other Issuance Documents to which it is a party. For those matters not provided for in the Global Certificate, in the Trust Agreement, in the other Issuance Documents, or in the LMV, in the LGTOC, and the Regulations, the Common Representative shall act pursuant to the instructions of the Holders Meeting, therefore, shall not be liable for its actions performed pursuant the Applicable Law and the instructions received from the Holders Meeting. The Common Representative shall represent the group of Holders and not each one of them individually. The rights and obligations of the Common Representative include, but are not limited to, the following:

- (i) verify the incorporation of the Trust;
- (ii) verify, through the information provided for such purposes, the status of the Trust Estate;
- (iii) request from the Trustee, the Settlor, the Administrative Agent, the Investment Manager, or any other third parties, as applicable in terms of Section 4.3 of the Trust Agreement, any necessary information for the fulfillment of its obligations hereunder;
- (iv) provide to any Holder that makes a prior request in writing, at such Holder's expense, any reports that have been delivered to the Common Representative by the Trustee and by the Manager; provided that if such reports contains information deem confidential, the Common Representative must warn such situation at the moment of its delivery to the Holder, who shall be bound to maintain the confidentiality with respect to such information, reason for which such Holders shall provide evidence of their title to Certificates with a receipt issued by Indeval and the internal list of positions issued by the corresponding financial intermediary, as applicable;
- (v) the power to supervise that the proceeds obtained as a result of the Issuance of the Certificates are applied in terms of the Issuance Documents, as authorized by the competent Governmental Authorities;
- (vi) execute the Global Certificate corresponding to Issuance of the Certificates;
- (vii) call and chair Holders Meetings, as well as executing the resolutions thereof;
- (viii) execute and deliver, on behalf of the Holders, any agreement, document, or instruments to be entered into with the Trustee, prior instruction, as applicable, of the Holders Meetings;
- (ix) exercise all the actions or rights, corresponding to the Holders with respect to the payment of any amount payable to the Holders in connection with their respective Certificates, and to act as intermediary before the Trustee in its capacity as issuer for such purposes, as well as carry out any other acts in order to preserve the rights of the Holders under the Certificates;
- (x) represent the Holders before the Trustee or any competent Governmental Authority;
- (xi) publish, as deemed necessary, to the public any information regarding the Trust Estate; provided that such information is not considered confidential information of the Settlor; and

- (xii) in general, perform all activities and exercise any authority and fulfill all obligations of the Common Representative provided herein, the Global Certificate, and the Issuance Documents to which the Common Representative is a party, in accordance with Applicable Law and general securities market practice.

Additionally, the Common Representative shall exercise any authority and fulfill all its obligations under the LGTOC, the LMV, and Applicable Law. Pursuant to Article 68 of the Regulations, the Common Representative shall exercise all actions or rights on behalf of the Holders, among others, for the payment, as the case may be, of any amounts payable and owed to such Holders by the Trust in accordance with Global Certificate.

The Common Representative shall verify, with the information it was provided for such purposes, the due performance of the obligations under the Trust Agreement, the Global Certificate, the Indenture, the Investment Management Agreement by the parties of the referred documents (except for the accounting, tax, labor and administrative obligations of such parties that don't have a direct effect on the payment of Distributions or any other payment to be made to the Holders pursuant to the Certificates), as well as, the status of the Trust Estate. For purposes of complying with the above, the Common Representative shall have the right to request from the Trustee, the Settlor, the Administrative Agent, the Investment Manager (if different from the Administrative Agent), as well as to those parties that provide services related to the Certificates or with the Trust Estate, the information and documents reasonably required and/or convenient to verify the compliance of their obligations referred to in the previous paragraph. By virtue of the execution of the Trust Agreement, the acceptance of its appointment and/or the execution of the respective services agreement, such Persons will be deemed to agree to comply with the obligations set forth herein.

In this regard, the Common Representative may reasonably request information and documents to the Trustee, the Settlor, the Administrative Agent, the Investment Manager (if different from the Administrative Agent) and such service providers, in the terms and timing reasonably set forth by the Common Representative, but in each case with at least ten (10) Business Days in advance, in order to enable the parties to collect such requested information, including, without limitation, the financial information of the Trust Estate, hedging arrangements, as well as any other economic, accounting, financial, legal and administrative information; provided, however, that the Common Representative may provide such information to the Holders without being deemed to have breached its confidentiality obligations, and such Holders shall be subject in the same manner to the confidentiality obligation. The Trustee shall have the obligation to request the external auditor, legal counsel or other third parties, to deliver to the Common Representative the information reasonably requested in the terms reasonably established by the Common Representative. The Common Representative may conduct inspection visits or reviews of any of the aforementioned persons, if it deems it convenient, once a year and at any other time it deems appropriate, during normal business hours prior written notice delivered at least 10 (ten) Business Days before the date on which the respective visit or review is scheduled, except in urgent cases, the Common Representative must deliver the corresponding written notice with at least 5 (five) Business Days before the date on which the respective visit or review is scheduled.

In the event that the Common Representative does not receive the information requested in the period described in the preceding paragraph or becomes aware of any other breach to the obligations contained in the Trust Agreement, the Global Certificate and/or the Investment Management Agreement the Common Representative shall have the obligation to request to the Trustee, with prior written notice (with a copy to the Investment Manager), to immediately disclose to the public such breach by publishing a "material event", without such revelation being deemed to constitute a violation of any applicable confidentiality agreement and notwithstanding the Common Representative's authority to disclose to the public pursuant to the terms hereof and the applicable law, any circumstance to which comes to its knowledge, any breaches and/or delay of the Trustee, the Settlor, the Administrative Agent, and the Investment Manager.

In the event the Trustee does not publish the corresponding "material event" within 2 Business Days from the delivery of the notice carried out by the Common Representative, the Common Representative shall publish such "material event" immediately.

Pursuant to the above, the Common Representative shall have the right to request the Holders Meeting, or as instructed by the Holders' Meeting, to hire (with funds from the Trust Estate) any third-party advisor to assist the Common Representative as it reasonably deems necessary for purposes of aiding the Common Representative in performing its verification obligations referred to in the paragraphs above or as provided by Applicable Law. In such event, the Common Representative shall be subject to the responsibilities approved by such Holders Meeting to that effect, and therefore the Common Representative may rely upon, act and/or refuse to act based on the analysis carried out by such third party advisors, as determined by the Holders Meeting; provided that if the Holders Meeting does not approve the hiring of third party advisors, the Common Representative shall only be liable for the activities contained herein, the Global Certificate and in the Applicable Law. Notwithstanding any obligations of the Trustee provided for above, the Trustee shall, with the prior authorization of the Holders Meeting, hire with funds from the Trust Estate and/or provide to the Common Representative funds from the Trust Estate in amounts necessary to hire, any such third parties that may assist the Common Representative in the fulfillment of its obligations, as instructed by the Common Representative within 5 (five) Business Days following the corresponding instruction; provided that any required information for the execution and delivery of such agreement has been delivered to the Common Representative. In the event that, once such hiring has been approved by the Holders Meeting, the necessary amounts are not available for such purposes, the provisions of article 281 of the Commercial Code, the provisions of article 2577 of the Civil Code for the Federal District (applicable in Mexico City), and their correlatives articles in other Civil Codes of the states of Mexico and the Federal Civil Code in connection with its mandate under article 217 of the LGTOC shall be applicable; and provided, further, that the Common Representative will not be bound to pay the amounts required for the hiring of such third party specialists and will not be liable under any circumstance for a delay in the hiring and/or absence of proceeds in the Trust Estate to carry out such hiring and/or because they have not been provided by the Holders of the Certificates, as applicable.

In consideration of the nature of the Certificates, to the extent they do not provide for an obligation of the Trustee to pay an amount as principal and/or interest, neither the Common Representative, nor of any officer, board member, attorney-in-fact, employee, affiliate or agent of the Common Representative (the "Personnel"), shall be liable for the sufficiency of the assets and resources of the Trust Estate, investment decisions, of the compliance of such results with any expected results, and shall not be bound to review or supervise the legal, financial and economic viability of the investments and other operations, nor the compliance of investments with authorizations, legal and other requirements, provided, that the Common Representative will have the authority to request the Settlor, the Administrative Agent and the Investment Manager, the Trustee, if applicable, and any other involved party, information related to such matters. Similarly, the Common Representative and the Personnel shall not be responsible for supervising the services rendered by the accountants of the trust, the external auditors, or any third party, nor the performance of the obligations contained in the agreements executed with counterparties of an investment or other operations.

The Common Representative shall cooperate with the Trustee in all matters under the jurisdiction of the Common Representative in order to enable the Trustee to properly comply with the applicable legal regulations on the securities market, including applicable regulations relating to the Trust Agreement and the Certificates issued under it, including the information to be published through the sites or pages of the worldwide network (internet) of BIVA, notwithstanding the obligations to be fulfilled by the Trustee herein and pursuant to the Issuance Documents, the LMV, the Regulations, and the Applicable Law.

Any and all acts performed by the Common Representative in the name and on behalf of the Holders under the Trust Agreement, the Global Certificate, or the Applicable Law shall be binding upon and shall be deemed accepted by the Holders.

The Common Representative shall not be required to personally incur in any expenses, fees or other charges, in relation to any act performed under its capacity of common representative.

The Common Representative's obligations hereunder will cease when (1) the Trust Agreement is terminated in accordance with the provisions set forth herein; (2) it is removed in accordance with the provisions set forth in

the Trust Agreement and Global Certificate; or (3) its resignation becomes effective, in terms of the provisions set forth in Article 216 of the LGTOC. The Common Representative shall report the performance of its duties as requested by the Holders Meeting or at the end of its duties.

For the performance of its duties, the Common Representative shall have, in all cases when necessary, the authority to call a Holders Meeting prior to granting its consent and shall not be liable for any damages arising from delays caused by the publication of such notice and the celebration of the Holders Meeting.

The Common Representative may resign or be removed or substituted pursuant to the terms and conditions set forth in the Trust Agreement and Global Certificate, provided that such resignation or removal will only be effective when a substitute common representative has been appointed.

## **6. Holders Meeting.**

The provisions of article 218 through 221 of the LGTOC shall apply to the Holders Meeting, except for the publication of the calls, which may be published in any newspaper of wide national circulation.

The Holders Meetings shall be held in Mexico City, Mexico, in the place indicated by the Common Representative.

In order for the Holders to certify in the respective Holders Meeting the ownership of the rights derived from their Certificates, the provisions of article 290 of the LMV shall apply.

The Holders Meeting shall be called and installed, shall deliberate and adopt its resolutions in accordance with the provisions of articles 68 of the LMV, 217 sections VIII, X, XI and XII of the LGTOC, 218 of the LGTOC, as well as articles 219 through 221. The Holders Meeting shall exclusively have the powers and authorities provided in article 220 of the LGTOC.

## 7. Relevant Entities Participating in the Offering.

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**Settlor and Administrative Agent**  
VIGM, S.A. de C.V., Asesor en Inversiones Independiente

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**Trustee**  
Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria

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**Common Representative**  
CIBanco, S.A., Institución de Banca Múltiple

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**Underwriter**  
Casa de Bolsa Finamex, S.A.B. de C.V.

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**Legal and Tax Advisor**  
Creel, García-Cuéllar, Aiza y Enríquez, S.C.

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None of the experts or advisors that participate in this offer is a shareholder of the Trustee or of the Settlor, Administrative Agent, the Investment Manager or their respective subsidiaries, and they do not have any direct or indirect economic interest with such entities.

The person in charge of investor relations of the Administrative Agent is Adriana Rangel with address at Pedregal 24, 23<sup>rd</sup> floor, Colonia Molino del Rey, Miguel Hidalgo, CP 11040, Mexico City, Mexico, telephone +52 (55) 9156 7522 and contact e-mail [adriana\\_rangel@vanguard.com](mailto:adriana_rangel@vanguard.com).

## **8. Market Maker**

As of the date of this prospectus, the Trustee will use the services of Casa de Bolsa Finamex, S.A.B. de C.V. to act as market makers of the Certificates, once they operate in the market. The Trustee retains the services of a market maker, by means of the agreement executed on September 11, 2019, with Casa de Bolsa Finamex, S.A.B. de C.V., under the terms and with the objectives set forth in the Internal Regulations of BIVA and other applicable provisions.

In accordance with the applicable provisions, Casa de Bolsa Finamex, S.A.B. de C.V. acting as market maker for the Certificates has mechanisms and procedures for the money, control, confidentiality and security of the information generated as a result of their actions in such capacity, as well as adjusting to the terms and conditions of operation of BIVA.

Likewise, according to the Internal Regulations of BIVA, Casa de Bolsa Finamex, S.A.B. de C.V., must inform BIVA of the internal control and managing mechanisms that will apply in the event that, simultaneously to with their market maker activities, operate the fund for the acquisition of shares of any issuer, to avoid and prevent potential conflicts of interest between such activities and the management of third party accounts and the accounts of Casa de Bolsa Finamex, S.A.B. de C.V. as market maker (such as the designation of different operators to operate the aforementioned repurchase fund and the Casa de Bolsa Finamex, S.A.B. de C.V. account), which may include the signing of confidentiality agreements between officials participating in the business area.



## 9. Mexican Tax Considerations.

This Section contains a brief description of the ETF Tax Provisions that should apply to the Trust and the Holders. The following summary does not intend to be an exhaustive description of all tax implications that may be relevant regarding the decision to purchase, own or transfer the Certificates. All prospective investors shall obtain independent advice from their tax advisors about the tax regime that may apply to the purchase, ownership or transfer of the Certificates, in terms of the tax provisions of any applicable jurisdiction. The applicable tax regime in force may be modified during the validity of the Certificates, due to amendments in the tax provisions or the interpretation or application of such provisions by the tax authorities. For further detail please refer to Section "I. GENERAL INFORMATION – 3. Risk Factors" hereof. This summary is based on the Mexican tax provisions in force as of the date hereof, which are subject to further amendments, so no assurance can be given regarding as to whether or not future legislation, administrative rulings or court decisions will not modify the analysis summarized herein.

Mexico has entered into and is negotiating several double taxation conventions with various jurisdictions that may have an impact on the tax effects of the purchase, ownership or transfer of the Certificates. Prospective investors should consult their tax advisors regarding the tax effects and the application of such conventions.

### 1. Tax regime of the Trust

The Trust, provided the compliance of the requirements set forth in the ETF Tax Provisions, should apply the tax regime for trusts the purpose of which is the management, acquisition or disposal of shares, publicly-traded certificates or securities in order to replicate (or of certificates issued by trusts directly replicating) the returns that would be obtained through securities market indexes. The main features and obligations of such regime may be summarized as follows:

- a. The Trust should not be a taxpayer for income tax purposes.
- b. The Trustee must ensure that at least 97% of the monthly average of the Trust Estate is invested in the shares, publicly-traded certificates or securities that are provided for by the ETF Tax Provisions, considering the exceptions established therein.
- c. The Trustee shall distribute to the Holders the net taxable income (*resultado fiscal*) received from FIBRAs that integrate the Trust Estate (within the following 10 calendar days).
- d. The Trustee shall perform an income tax withholding at a 30% rate on interest received, derived from the Trust Estate, or, if applicable, on gains obtained from certain derivative transactions. The aforementioned withholding should be considered as a definitive payment.
- e. The Trustee must provide available information requested by the financial intermediaries that have the management and custody of the Certificates (e.g., income received by the Trust and withholdings thereof).
- f. The Trustee shall maintain mandatory tax accounts to reflect the balance of the net dividends, and net taxable income (*resultado fiscal*) and capital reimbursements from FIBRAs, received and paid by the Trust.

### 2. Tax regime of the Holders

The tax treatment that may apply to the Holders for the ownership and transfer of the Certificates depends on the tax residence and regime of the relevant Holder, as well as on the type of income that is obtained by such Holder. The main features of the tax treatment may be summarized as follows<sup>2</sup>:

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<sup>2</sup> Subject to the compliance of the relevant tax requirements that may apply in each case.

Residence	Mexican Residents		Non-Residents	
Tax Regime	Individuals	Entities	Individuals	Entities
Type of Income	<b>Ownership of Certificates   Trust Dividends Distributions<sup>3</sup></b>			
Tax Treatment	Taxable Income	Non-Taxable Income	Mexican Source Income	
Withholding Tax	10% <sup>4</sup>	None	10% / Treaty	
Type of Income	<b>Ownership of Certificates   Interest</b>			
Tax Treatment	Non-Taxable Income	Non-Taxable Income	Non-Taxable Source Income	
Withholding Tax	30%	30%	30%	
Type of Income	<b>Ownership of Certificates   Net Taxable Income</b>			
Tax Treatment	Taxable Income	Taxable Income	Mexican Source Income	
Withholding Tax	30% <sup>5</sup>	30% <sup>6</sup>	30%	
Type of Income	<b>Ownership of Certificates   Capital Reimbursements</b>			
Tax Treatment	Non-Taxable Income	Non-Taxable Income	Non-Taxable Income	
Withholding Tax	None	None	None	
Type of Income	<b>Ownership of Certificates   Non-Distributed Net Taxable Income<sup>7</sup></b>			
Tax Treatment	Taxable Income <sup>8</sup>	Taxable Income <sup>9</sup>	Mexican Source Income	
Withholding Tax	None	None	None	

<sup>3</sup> Dividends distributed by the issuing companies that integrate the Trust Estate to the Trust, should not be considered as a taxable income of the Holders, provided that such dividends are included in the net dividend account of the Trust.

<sup>4</sup> Mexican resident individuals may credit against their annual income tax, the corporate income tax paid by the issuing Mexican resident corporation that distributed dividends to the Trust, provided that such corporate income tax is included as taxable income by the relevant individual.

<sup>5</sup> Mexican resident individuals may credit the tax withheld against their annual income tax.

<sup>6</sup> Mexican resident entities may credit the tax withheld against their corporate income tax.

<sup>7</sup> FIBRAs are obliged to distribute at least once a year, and no later than on March 15 of the following fiscal year, at least 95% of its net taxable income (*resultado fiscal*) of the relevant fiscal year. Any non-distributed net taxable income (*resultado fiscal*) (i.e., 5% or less) should be subject to corporate income tax at the level of the FIBRAs.

<sup>8</sup> Mexican residents may credit against their annual income tax, the corporate income tax paid by the FIBRAs on their behalf, provided that said tax is included as taxable income by such Mexican residents.

<sup>9</sup> *Idem.*

Type of Income	Ownership of Certificates   FIBRAs Capital Gains <sup>10</sup>		
Tax Treatment	Taxable Income	Taxable Income	Mexican Source Income
Withholding Tax	None <sup>11</sup>	None <sup>12</sup>	None
Type of Income	Sale of Certificates   Gain allocated to Shares and Securities		
Tax Treatment	Taxable Income (10% ISR) <sup>13</sup>	Taxable Income	Mexican Source Income
Withholding Tax	None	None	10% / Exempt <sup>14</sup>
Type of Income	Sale of Certificates   Gain allocated to FIBRAs' Certificates		
Tax Treatment	Taxable Income (10% ISR) <sup>15</sup>	Taxable Income	Mexican Source Income
Withholding Tax	None	None	10%/Exempt <sup>16</sup>

<sup>10</sup> FIBRAs are obliged to pay corporate income tax when selling real estate properties before the 4<sup>th</sup> anniversary from its acquisition or construction.

<sup>11</sup> Mexican residents may credit against their annual income tax, the corporate income tax paid by the FIBRAs on their behalf, provided that said tax is included as taxable income by such Mexican residents.

<sup>12</sup> *Idem.*

<sup>13</sup> Gains on the transfer of shares and securities should be taxed at a 10% rate. The financial intermediaries that have the custody and management of the Certificates should provide the Holders with the computation of such gains.

<sup>14</sup> If the non-resident resides in a country with which Mexico has a double tax treaty in force and complies with certain requirements.

<sup>15</sup> Gains on the transfer of Certificates allocated to FIBRA's Certificates should be taxed at a 10% rate. The financial intermediaries that have the custody and management of the Certificates should provide the Holders with the computation of such gains.

<sup>16</sup> If the non-resident resides in a country with which Mexico has a double tax treaty in force and complies with certain requirements.

### III. DESCRIPTION OF THE UNDERLYING INDEX

#### 1. Underlying Index License and Trademarks Property.

The indices and marks granted to Vanguard are the following:

FTSE BIVA Index

FTSE®

BIVA®

And all other relevant trademarks, names, titles and short-form names relating to the Indices.

#### 2. Main Terms of the License Agreement.

The License agreement (the “License Agreement”) is in force since January 1, 2019. The initial term of the License Agreement is of 20 years from the commencement date, with the renewal term set at successive 1-year periods following expiration of the initial term unless either party provides at least one hundred and eighty (180) days written notice prior to the expiration of the then-current term.

The granted license shall extend to an unlimited number of index products (and any number of share or unit classes thereof, if applicable), including index exchange traded products, index funds of funds, wrapped index products and separate accounts.

The index products licensed under the License Agreement may be domiciled in any country or jurisdiction worldwide. Any index exchange traded products licensed under the License Agreement may be listed in any country or jurisdiction worldwide.

Vanguard will have the right, at any time and for any reason or no reason, to terminate the contract in its entirety upon twelve (12) months’ prior written notice.

#### 3. Underlying Index.

The FTSE BIVA Index seeks to provide investors with the return of a diversified Mexican equity universe, adjusted for select index selection filters based on international index construction methodology best practices.

#### 4. Main aspects of the Underlying Index.

FTSE BIVA Index has partnered with *Bolsa Institucional de Valores* (BIVA) in Mexico, to create the FTSE BIVA Index, applying a global perspective allied to knowledge gained through local partnership. The FTSE BIVA Index is designed to reflect the performance of liquid Mexican companies, which are constituents of the FTSE Mexico All Cap Index. Using the FTSE Global Equity Index Series (GEIS) as a base, the FTSE BIVA Index applies a higher liquidity threshold to achieve accurate and investable universe coverage while maintaining consistency and integrity. Index constituents are weighted by market capitalization, and each security is tested for liquidity at the semi-annual index reviews in March and September.

The FTSE BIVA Index is a total return index. The FTSE BIVA Index is an inclusive index which allows for new issuers to be considered in the investable universe over time. The index is inclusive of new Mexican equity issuers who meet the index selection criteria. It is also important to note that publicly traded certificates issued by FIBRAS are also included in the FTSE BIVA Index, as a result, this index has a complete representation from

all major sectors and market capitalization sizes in the Mexican equity market, providing investors with a complete and diversified exposure to the Mexican market, all while maintaining a strong liquidity profile.

*Features:*

- Higher liquidity threshold, offering a more liquid segment of the FTSE Mexico All Cap Index;
- Rules-based transparent approach to index construction;
- Incorporates liquidity screens, free float minimums and additional tests to ensure ease of replication;
- Governance structure that includes a board of internal experts supported by external advisory committees;
- Includes securities listed in any authorized exchange (BMV and BIVA).

*Results:*

- Transparent: Provides an unbiased representation of the Mexican equity universe
- Investable: Excludes small, illiquid stocks that are not typically considered by institutional investors due to size, liquidity or other constraints
- Relevant: Ensures the integrity and adaptability of the index

As at December 31, 2018, the index held 49 constituents and had diverse representation from all major sectors of the Mexican equity market:

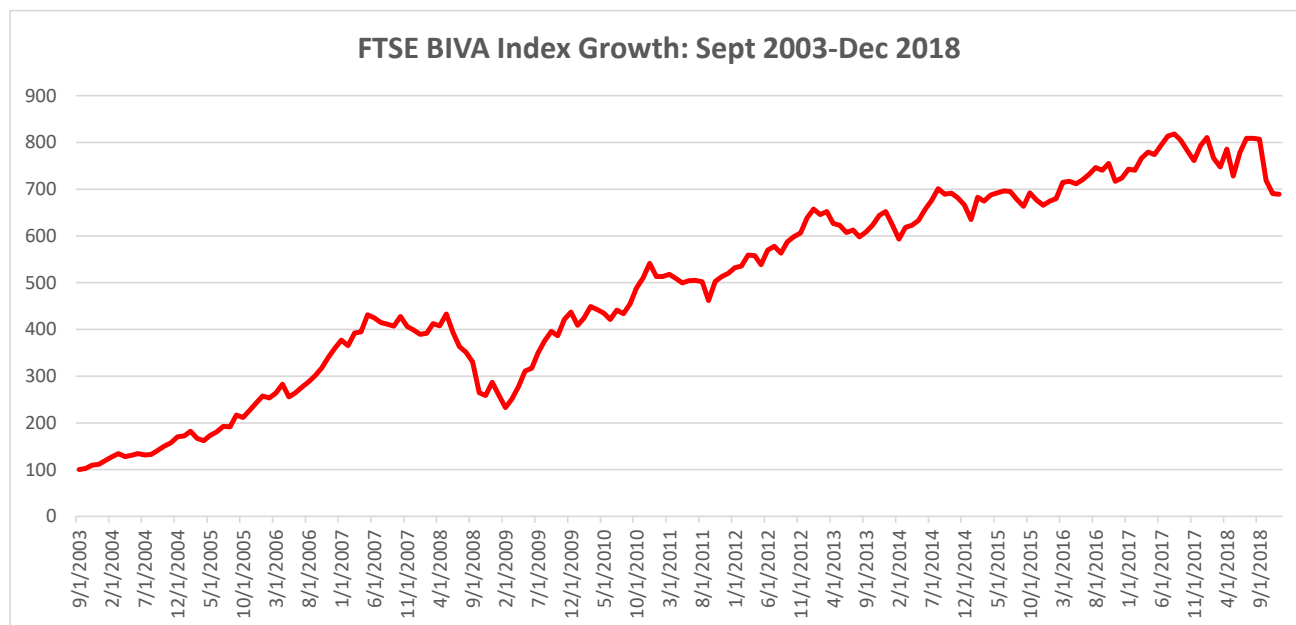
Sector	Issuer	Index Allocation (%)
<b>Communication Services</b>		<b>18.81</b>
	AMERICA MOVIL SAB DE C-SER L	
	GRUPO TELEVISA SAB-SER CPO	
	MEGACABLE HOLDINGS-CPO	
	TELESITES SAB DE CV	
<b>Consumer Discretionary</b>		<b>2.08</b>
	ALSEA SAB DE CV	
	EL PUERTO DE LIVERPOOL-C1	
	NEMAK SAB DE CV	
<b>Consumer Staples</b>		<b>31.98</b>
	ARCA CONTINENTAL SAB DE CV	
	BECLE SAB DE CV	
	COCA-COLA FEMSA SAB-SER L	
	FOMENTO ECONOMICO MEXICA-UBD	
	GRUMA S.A.B.-B	
	GRUPO BIMBO SAB- SERIES A	
	GRUPO COMERCIAL CHEDRAUI SA	
	GRUPO LALA SAB DE CV	
	INDUSTRIAS BACHOCO-SER B	
	KIMBERLY-CLARK DE MEXICO-A	
	WALMART DE MEXICO SAB DE CV	
<b>Financials</b>		<b>18.21</b>
	BANCO DEL BAJIO SA	

	BANCO SANTANDER MEXICO-B	
	BOLSA MEXICANA DE VALORES SA	
	CREDITO REAL SAB DE CV SOFOM	
	GENTERA SAB DE CV	
	GRUPO ELEKTRA SAB DE CV	
	GRUPO FINANCIERO BANORTE-O	
	GRUPO FINANCIERO INBURSA-O	
	QUALITAS CONTROLADORA SAB CV	
	REGIONAL SAB DE CV	
	UNIFIN FINANCIERA SAB DE CV	
<b>Health Care</b>		<b>0.30</b>
	GENOMMA LAB INTERNACIONAL-B	
<b>Industrials</b>		<b>10.87</b>
	ALEATICA SAB DE CV	
	ALFA S.A.B.-A	
	CONTROLADORA VUELA CIA DE-A	
	GMEXICO TRANSPORTES SAB DE C	
	GRUPO AEROPORT DEL PACIFIC-B	
	GRUPO AEROPORT DEL SURESTE-B	
	GRUPO AEROPORTUARIO DEL CENT	
	GRUPO CARSO SAB DE CV-SER A1	
	PROMOTORA Y OPERADORA DE INF	
<b>Materials</b>		<b>13.00</b>
	ALPEK SA DE CV	
	CEMEX SAB-CPO	
	GRUPO MEXICO SAB DE CV-SER B	
	INDUSTRIAS PENOLES SAB DE CV	
	MEXICHEM SAB DE CV-*	
<b>Real Estate</b>		<b>3.45</b>
	CONCENTRADORA FIBRA DANHOS S	
	CORP INMOBILIARIA VESTA SAB	
	FIBRA UNO ADMINISTRACION SA	

	MACQUARIE MEXICO REAL ESTATE	
<b>Utilities</b>		<b>1.30</b>
	INFRAESTRUCTURA ENERGETICA N	

Source: FTSE, Bloomberg

The FTSE BIVA index shows a strong long-term growth profile over various market cycles, while maintaining favorable risk-adjusted returns:



Source: FTSE, Morningstar Direct

Index Performance and Risk Statistics for the period ending December 31, 2018:

	1-year	3-year	5-year	10-year	Since Inception (Sept 30, 2003)
<b>Return</b>	-13.18%	1.17%	1.11%	9.15%	13.49%
<b>Standard Deviation</b>	18.23%	12.52%	11.86%	14.44%	16.62%
<b>Sharpe</b>	-1.16	-0.41	-0.33	0.30	0.46

Source: Morningstar Direct, Vanguard calculations.

As at December 31, 2018, the index had the following financial valuation ratios:

	Peso (%)	Div Yld	P/E	P/CF	P/B	Debt/Equity	Current Ratio
<b>FTSE BIVA Index</b>	<b>100.00</b>	<b>2.80</b>	<b>17.35</b>	<b>7.29</b>	<b>1.93</b>	<b>120.43</b>	<b>1.21</b>
<b>Communication Services</b>	18.81	1.86	31.46	5.20	3.64	263.03	0.95
<b>Consumer Discretionary</b>	2.08	2.04	18.71	8.37	2.30	77.95	0.99
<b>Consumer Staples</b>	31.98	2.15	35.38	14.97	2.90	60.04	1.40
<b>Financials</b>	18.21	3.05	10.12	5.51	1.63	198.43	1.18
<b>Health Care</b>	0.30	0.00	9.17	15.65	1.61	82.99	2.43
<b>Industrials</b>	10.87	3.18	15.60	8.70	2.26	95.94	1.50

<b>Materials</b>	13.00	3.51	12.70	4.83	1.10	93.13	1.33
<b>Real Estate</b>	3.45	9.03	6.68	10.68	0.59	49.53	
<b>Utilities</b>	1.30	3.56	15.85	9.69	1.28	64.97	0.34

Source: Bloomberg

## 5. Strategy and Approach.

The FTSE BIVA Index first considers all Mexican equity securities from the FTSE Mexico All Cap Index. The FTSE BIVA Index then ensures index constituents meet a higher liquidity threshold and free-float adjustment filter. The index constituents are rebalanced on a semi-annual basis, to test for ongoing liquidity strength and to account for new equity issues in the Mexican market. Last, the index constituents are weighted by market capitalization and capped at a 15% single issuer maximum.

### Detailed index construction and calculation criteria:

**A. Investable Universe:** FTSE Mexico All-Cap Index. The FTSE Mexico All Cap Index is part of a range of indexes designed to help Mexican investors benchmark their investments. It is a market-capitalization weighted index representing the performance of Mexican large, mid and small cap stocks. The index is part of the FTSE Global Equity Index Series (*GEIS*), which covers 98% of the world's investable market capitalization. Please refer to "FTSE Global Equity Index Series Ground Rules" (the "Ground Rules") for further details:  
[https://www.ftse.com/products/downloads/FTSE\\_Global\\_Equity\\_Index\\_Series.pdf](https://www.ftse.com/products/downloads/FTSE_Global_Equity_Index_Series.pdf)

**B. Liquidity and Float Adjustment Filter:** Constituents of the FTSE Mexico All-Cap Index pass through a liquidity and free-float adjustment filter.

Each security will be tested for liquidity semi-annually in March and September by calculation of its monthly median daily trading volume. Liquidity will be calculated for the March review from the first business day of January to the last business day of December of the previous year and for the September review from the first business day of July of the previous year to the last business day of June. When calculating the median of daily trading volume of any security for a particular month, a minimum of 5 trading days in that month must exist, otherwise the month will be excluded from the test.

Each month, the median daily trading volume for each security is calculated as a percentage of the shares in issue for that day adjusted by the free float at the review cutoff date. The median values are determined by selecting the value for the middle ranking day if there is an odd number of days and the mean of the middle two days in the event of an even number of days.

Zero trading volume days are included in the ranking and therefore a security that fails to trade for more than half of the days in a month will have a zero median trading volume for that month.

Any period of suspension will not be included in the test.

For newly eligible securities where the liquidity test period is less than 12 months, the liquidity test will be applied on a pro-rata basis. As an example, if "Company A" passes 5 out of 6 months it will be considered to have passed the test as this equates to passing 10 out of 12 months.

### Liquidity Thresholds:

A. An existing constituent with a median daily trading volume below the inclusion threshold for existing constituents (Table 1) in at least eight of the twelve months prior to a semi-annual review will be



removed from the FTSE BIVA Index. The inclusion thresholds will take into account any change in size classification at the respective semi-annual review.

B. A non-constituent with a median daily trading volume above the inclusion threshold for non-constituents (Table 1) in at least ten of the twelve months prior to a semi-annual review will be added to FTSE BIVA Index.

C. New issues which do not have a twelve month trading record must have a minimum three month trading record at the index review. The median daily trading volume on a pro-rata basis since listing must exceed the inclusion threshold for non-constituents (Table 1). This rule will not apply to new issues added under the “Fast Entry Rule (Rule 6.1.1)”.

Newly eligible securities will be treated as new issues and liquidity will be tested from the date of eligibility. Trading records prior to this date will not be taken into account.

**Table 1:** Existing Constituent and Non-Constituent Liquidity Thresholds

Size Segment*	Constituent	Non-Constituent
Large	0.04	0.05
Mid	0.07	0.08
Small	0.11	0.12

\*The constituent size segment is as used in the FTSE Mexico All Cap Index. Please refer to the Ground Rules for further details. If multiple lines issued by the same company are eligible, only the larger issue by investable market capitalization will be included in the FTSE BIVA Index.

If multiple lines of the same company are eligible at review, the existing multiple line constituent will remain a constituent, unless the investable market capitalization of an eligible non-constituent line exceeds the investable market capitalization of the existing constituent by at least 25%.

C. **Capping:** Index constituents are capped at the semi-annual review. If in the FTSE BIVA Index weights, there are any constituents that are greater than 15% they are capped at 15%. The weights of all lower ranking constituents are increased correspondingly. The weights of lower ranking constituents are then checked and if they are greater than 15% they will be capped at 15%. The process will be repeated until no threshold is breached i.e. the process is repeated until the constituents whose individual weights is greater than 15% are capped at 15%.

**D. Index Calculation**

- The FTSE BIVA Index uses actual trade prices for securities with local stock exchange quotations.
- Calculation Frequency: The FTSE BIVA Price Index will be calculated in real-time and published every 15 seconds during their opening hours using real time prices.
- The FTSE BIVA Index will be displayed to eight decimal points.
- The FTSE BIVA Index is calculated using the following formula:

$$\sum_{i=1}^N \frac{(p_i \times e_i \times s_i \times f_i \times c_i)}{d}$$

Where,

- $i=1,2,\dots,N$
- N is the number of securities in the Index.
- $p_i$  is the latest trade price of the component security (or the price at the close of the Index on the previous day).
- $e_i$  is the exchange rate required to convert the security's currency into the Index's base currency.
- $s_i$  is the number of shares in issue used by FTSE Russell for the security, as defined in these Ground Rules.
- $f_i$  is the Investability Weighting Factor to be applied to a security to allow amendments to its weighting, expressed as a number between 0 and 1, where 1 represents a 100% free float. This factor is published by FTSE Russell for each security in the underlying index.
- $c_i$  is the Capping Factor to be applied to a security to correctly weight that security in the index. This factor maps the investable market capitalization of each stock to a notional market capitalization for inclusion in the Index.

## 6. Maintenance Rules.

The FTSE Global Equity Index Series is regularly and proactively maintained to accurately reflect the true global opportunity set. The following are regular maintenance rules for all global equity indices, including the FTSE Mexico All-Cap Index which is the base used for the FTSE BIVA Index:

Daily: The indexes are adjusted daily to reflect the impact of corporate actions such as dividends, delisting, mergers, acquisitions, spin-offs, stock splits and suspensions.

A Corporate 'Action' is an action on shareholders with a prescribed ex-date. The share price will be subject to an adjustment on the ex-date.

Please refer to the FTSE Corporate Actions and Events Guide for Market Capitalization Weighted Indexes for a further details of corporate event treatment and calculations:

[https://www.ftse.com/products/downloads/Corporate\\_Actions\\_and\\_Events\\_Guide.pdf](https://www.ftse.com/products/downloads/Corporate_Actions_and_Events_Guide.pdf)

Quarterly:

- Share Adjustments: To ensure the index reflects material changes in total shares outstanding (>3%), quarterly share capital and float adjustments are applied.
- Initial Public Offers Inclusions: Initial public offers that meet membership rules are added each quarter to quickly reflect new additions to the global opportunity set. Fast entry/exit cut-offs determined.

Semi-Annual: Index rebalancing occurs semi-annually and ensures accurate representation of the global market and its market segments as they evolve over time while balancing portfolio turnover.

*FTSE BIVA specific maintenance rules:*

BIVA Index will be reviewed semi-annually in March and September. Changes to the index will be implemented after the close of business on the third Friday (i.e. effective Monday) of March and September.

Constituent companies in the FTSE BIVA index may be eligible for an intra-review addition when an entrant is added to the FTSE Mexico All Cap Index. In addition, a constituent will be deleted from the FTSE BIVA Index

if the stock is removed from the FTSE Mexico All Cap Index. The deletion will be concurrent with the deletion from the underlying index.

## **7. Governance of the Underlying Index.**

FTSE Russell is responsible for the daily calculation, production and operation of the Index and will:

- maintain records of the index weightings of all constituents;
- make changes to the constituents and their weightings in accordance with the Ground Rules;
- carry out the periodic index reviews of the Index and apply the changes resulting from the reviews as required by the Ground Rules;
- publish changes to the constituent weightings resulting from their ongoing maintenance and the periodic reviews;
- disseminate the index.

These Ground Rules shall be subject to regular review (at least once a year) by FTSE Russell to ensure that they continue to meet the current and future requirements of investors and other index users. Any proposals for significant amendments to these Ground Rules will be subject to consultation with FTSE Russell advisory committees and other stakeholders if appropriate. The feedback from these consultations will be considered by the FTSE Russell Product Governance Board before approval is granted.

FTSE Russell Governance Framework:

To oversee its indexes, FTSE Russell employs a governance framework that encompasses product, service and technology governance. The framework incorporates the London Stock Exchange Group's three lines of defense risk management framework and is designed to ensure compliance with the IOSCO Principles for Financial Benchmarks<sup>1</sup> and the European benchmark regulation<sup>2</sup>. The bodies involved in the framework are shown in figure 1 and their respective roles are summarized in the FTSE Russell governance framework: [https://www.ftse.com/products/downloads/FTSE\\_Russell\\_Governance\\_Framework.pdf](https://www.ftse.com/products/downloads/FTSE_Russell_Governance_Framework.pdf)

#### **IV. TRUST AGREEMENT AND RELATED DOCUMENTS**

##### **1. Summary of Trust Agreement**

[THE SUMMARY OF THE TRUST AGREEMENT WILL BE INCLUDED IN SPANISH VERSION OF THE PROSPECTUS ONLY].

##### **2. Summary of the Authorized Participant Agreement**

[THE SUMMARY OF THE AUTHORIZED PARTICIPANT AGREEMENT WILL BE INCLUDED IN SPANISH VERSION OF THE PROSPECTUS ONLY].

##### **3. Summary of the Investment Management Agreement**

[THE SUMMARY OF THE INVESTMENT MANAGEMENT AGREEMENT WILL BE INCLUDED IN SPANISH VERSION OF THE PROSPECTUS ONLY].

## V. MANAGEMENT OF THE TRUST

### 1. External Auditor

The Administrative Agent will determine, from time to time, who will act as external auditor of the Trust Estate.

Furthermore, the independent tax advisor that issued the tax opinion attached to this prospectus as Exhibit "E", issued its opinion, stating that the tax regime disclosed in section "II. THE OFFERING - 9. The "Tax Regime" of this prospectus, is applicable to the issuance of the Certificates and to the Trust, in accordance with the Mexican tax provisions in force.

### 2. Related Party Transactions and Conflicts of Interest

The Trust may invest its proceeds in accordance with the Trust Agreement and the Investment Manager's Instructions. Except as provided in this prospectus, the Settlor, the Trustee and the Investment Manager have not entered into any relevant transaction or loan agreement on the last three fiscal years, or entered into any other agreement or contract that is or may be relevant in relation to the Certificates or to the structure thereof, among themselves or among any other third party, that is or may become relevant to the Holders.

### 3. Manager of the Trust

VIGM, S.A. de C.V., Asesor en Inversiones Independiente, will act as the Trust's investment manager under the terms of the Investment Management Agreement. Notwithstanding the foregoing, VIGM, S.A. de C.V., Asesor en Inversiones Independiente, will outsource third parties (including entities that are part of the same business group) that have the necessary experience to provide such services.

As mentioned above, there is a possibility that investments may be made in derivative instruments in terms of the Trust Agreement subject to the Permitted Margin. In terms of such provision and in accordance with the Investment Manager's Instructions, the Trustee may carry-out investments up to the Permitted Margin in swaps, options, cash, cash equivalents, money market funds, other assets or ETFs and securities that are not included in the Underlying Index, for the purpose of efficiently tracking the performance of the Underlying Index.

For further detail please refer to Section "I. GENERAL INFORMATION- 2. Executive Summary" of this prospectus.

### 4. Management related Expenses

Refer to "I. GENERAL INFORMATION - 2 Executive Summary - Management of the Trust" of this prospectus.

Neither the Settlor, nor the Administrative Agent, nor the Investment Manager shall be responsible in any way for the payment of Excluded Expenses (see "IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of the Trust Agreement" of this prospectus").

The Trustee shall not incur in any expenses or pecuniary liability other than the corresponding in its capacity as Trustee in the fulfillment of the Purposes of the Trust, nor shall it be obliged to incur in any expense if there are not sufficient funds in the Trust Accounts (see "IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of the Trust Agreement" of this prospectus").

However, below are the main expenses related to the management of the Trust Estate:

#### **4.1 Ordinary Expenses:**

For the management of the Trust Estate it is expected to incur in the following fees and expenses, which are considered as Included Expenses. The amounts do not include the corresponding Value Added Tax, except otherwise indicated:

- a) Maintenance of registration in the RNV.

All issuers which obtain the registration of their securities in the RNV are obliged to pay the corresponding inspection and surveillance fees on an annual basis, as established in the Federal Rights Law (*Ley Federal de Derechos*). For the year 2019, this contribution is equivalent to 0.3 per thousand with respect to the outstanding amount of the Issuance, without the rights to pay for this concept exceeding MXP\$3,714,300.64.

- b) Maintenance of listing in the BIVA.

All issuers listed on the BIVA are required to pay an annual fee for maintaining their listing, as determined annually by the CNBV. For the year 2019, such fee is equivalent 0.19% of the value of the net assets under management reported by the Issuer in composition of the portfolio on the last Business Day of the year prior to the collection date., without the rights to pay for this concept exceeding MXP\$620,000.00.

- c) Underlying Index Licensing Fees.

The Underlying Index provider will receive: (i) 0.02% when the assets of the fund are between zero and one billion dollars; (ii) 0.15% when the assets of the fund are between one billion and two billion dollars; and (iii) 0.01% when the assets of the fund exceed two billion dollars.

#### **4.2 Fees of the Common Representative**

The Common Representative shall receive an annual commission of 300,000 Pesos, plus VAT, payable annually in advance on the date on which the Issuance takes place. Such payment is considered an Included Expense. Additionally, the Common Representative shall have the right to receive fees for the execution of the documents, as well as for his appearance at Holders Meetings.

#### **4.3. Trustee Fees**

The Trustee shall be entitled to collect the fees described in Exhibit "C" of the Trust Agreement.

#### **4.4. Indeval' s Fee**

All institutions that hold securities deposited in the Indeval are bound to pay the corresponding fee for the custody of such securities. According to estimates made by the Settlor, the cost for this concept is insignificant, so it has been incorporated into the Other Expenses item discussed below.

#### **4.5. Other Expenses**

There are other expenses that the Trustee must incur in for the fulfillment of the Purposes of the Trust (see "*IV. TRUST AGREEMENT AND RELATED DOCUMENTS - 1. Summary of the Trust*" of this prospectus), for items such as fees of external attorneys and external auditors, whose percentage with respect to the Trust Estate will vary depending on the amount of the assets that conform of the Trust Estate.

By virtue of the foregoing, it is expected that the maximum amount of Included Expenses will be the one established for such purpose in this prospectus, with respect to the value of the Trust Estate, plus the applicable Value Added Tax.

## VI. REPORTS

The Trustee obtained from BIVA the registration before DIV, and through such system it will disclose to the CNBV, BIVA and the general public the following reports, regardless of those that are requested from time to time by BIVA in terms of the Internal Regulations of BIVA:

a) Portfolio Composition File. The information contained in this report will be in connection with: (i) the type and amount of assets and, if applicable, cash that will comprise the corresponding Basket (for the presentation of a Creation Order or a Redemption Order, as applicable); (ii) the Net Asset Value of the Issuance; (iii) the Net Assets Value per Certificate; (iv) the number the outstanding Issuance Certificates; and (v) the composition of the corresponding Portfolio.

b) Theoretical Value of the Unit. This report will show the theoretical value per Unit, which will be calculated by the market value of the assets corresponding to the Issuance divided by the number of outstanding Units of the Issuance. This report will be published on a daily basis following the close of the stock market.

c) Theoretical Price of Certificates. This report will show the theoretical value of the Certificates, which will be calculated by the market value of the assets of the Issuance divided by the number of outstanding Certificates. This report will be published on a daily basis following the close of the stock market.

d) Theoretical Value of the Trust. This report will show the theoretical value of the assets that comprise the Trust Estate. This report will be published on a daily basis following the close of the stock market.

e) Number of Outstanding Certificates. This report will indicate the total number of outstanding Certificates issued by the Trustee at the close of the market. This report will be published on a daily basis following the close of the stock market.

f) Financial Statements. Pursuant to the provisions set forth in the fifth paragraph immediately following to the end of the sub-section II of article 33 of the Regulations, the information referred to in section I, paragraph a), numeral 3 and II of such article 33 of the Regulations, regarding to the Trust Estate, (i) annual information, which shall consist of the annual financial statements regarding the Trust Estate, together with the external audit report; and (ii) quarterly information, which shall consist of the financial statements of the Trust Estate, at least comparing the numbers of such quarter with those of the same period of the previous year.

Additionally, each Business Day the Trustee shall prepare a report in which he will inform the CNBV, through e-mail to the addresses provided by the CNBV, the number of outstanding Certificates up to the date of such report, in order to the CNBV to maintain the corresponding entry in the RNV updated.

## VII. RESPONSIBLE PARTIES

“We state under oath that, within our respective functions, we have prepared the information related to the issuer, assets, rights and securities transferred to the trust estate included in the prospectus, which, to the best of our knowledge reasonably reflects its condition. We further state that no significant information has been omitted from the prospectus and that no false information or information that could mislead investors has been included in the prospectus.”

VIGM, S.A. de C.V., Asesor en Inversiones  
Independiente

By: \_\_\_\_\_

Name: [•]

Title: [•]

By: \_\_\_\_\_

Name: [•]

Title: [•]

By: \_\_\_\_\_

Name: [•]

Title: [•]



"I hereby state under oath that, the Trustee, in its capacity as trustee, prepared the information related to the trust agreement included in this prospectus, which, to the best of my knowledge, reasonably reflects the terms and conditions agreed upon. I further state that, within the scope of the activities for which the Trustee was engaged, no significant information has been omitted from the prospectus and no false information or information that could mislead investors has been included in the prospectus."

Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria

By: \_\_\_\_\_

Name: [•]

Title: Trustee Delegate

“We state under oath that, the Underwriter which we represent has conducted an investigation, review and analysis of the business of the Settlor, and will participate in the determination of the terms of the public offering and that to the best of its knowledge, such investigation was made thoroughly enough to obtain an adequate understanding of the business. We further state that we are not aware if any significant information has been omitted from the prospectus and if false information or information that could mislead investors has been included in the prospectus.

We further state that the Underwriter which we represent has agreed to make all efforts necessary to reach a significant distribution of the Certificates subject to public offering in order to obtain an adequate formation of prices in the market and have informed the Trustee and the Settlor of their responsibilities with the investors, the competent authorities and other participants of the stock market as an entity with securities registered in the RNV and BIVA

Finally, we state that the Underwriter has participated with the issuer in the establishment of the price of the Certificates of the Initial Issuance subject of this public offering, taking into account the characteristics of the Trust Agreement, and other factors deemed convenient for its determination.”

Casa de Bolsa Finamex, S.A.B. de C.V.

By: \_\_\_\_\_

Name: [•]

Title: Attorney-in-fact

"I state under oath that, to the best of my knowledge, the issuance and placement of the Certificates complies with applicable laws and other legal provisions. I further state that no significant legal information has been omitted from the prospectus and that no false information or information that could mislead investors has been included in the prospectus."

Creel, García-Cuéllar, Aiza y Enríquez, S.C.

By: \_\_\_\_\_  
Name: Eduardo Flores Herrera  
Title: Partner

“I state under oath that within our respective functions, that the Common Representative which we represent, has reviewed the financial information related to the trust estate, as well as the securities issued, and the applicable agreements included in the prospectus, which, to the best of our knowledge reasonably reflects its condition.”

CIBanco, S.A., Institución de Banca Múltiple

By: \_\_\_\_\_

Name: [•]

Title: Attorney-in-fact

## VIII. EXHIBITS

EXHIBIT 1 - Legal Opinion

**EXHIBIT 2 - Trust Agreement**

**EXHIBIT 3 - Investment Management Agreement**

**EXHIBIT 4 - Global Certificate**



**EXHIBIT 5 - Tax Opinion**