



**BYLAWS OF
CORPORACIÓN FINANCIERA DE AMÉRICA DEL NORTE,
SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE,
SOCIEDAD FINANCIERA DE OBJETO MÚLTIPLE,
ENTIDAD NO REGULADA**

**CHAPTER I
NAME, ADDRESS, PURPOSE, DURATION AND NATIONALITY**

FIRST ARTICLE. Name. The Company is a variable capital, multi-purpose financial corporation and will be called “*Corporación Financiera de América del Norte*,” which shall be followed by the words “*Sociedad Anónima de Capital Variable*” (Variable Capital Corporation) or by its abbreviation, “S.A. de C.V.,” “*Sociedad Financiera de Objeto Múltiple* (Multipurpose Financial Institution), *Entidad no Regulada* (Non-regulated Entity) or their acronyms S.O.F.O.M., E.N.R, under the terms of the Fifth Title, Chapter II, of the *Ley General de Instituciones y Actividades Auxiliares del Crédito* (General Law of Credit Institutions and Auxiliary Activities).

All the terms defined by said law will have the same meaning in these Bylaws.

Loan operations carried out by the Company as lender will be subject to the provisions of the General Law of Negotiable Instruments and Credit Operations and to the General Law of Credit Organizations and Auxiliary Activities. Loan agreements entered into by the Company will include the statement that the Company does not require the authorization of the Mexican Ministry of Finance and Public Credit and is not subject to the supervision of the Mexican Banking and Securities Commission.

SECOND ARTICLE. Corporate Purpose. The purpose of the Company is to attract funds through the placement of instruments previously rated by a securities rating institution and registered in the National Registry of Securities and Intermediaries, as well as through borrowings from financial entities, in order to make loans in the environmental infrastructure sector to Mexican states and municipalities, as well as to their government-run agencies and institutions, and to private companies for projects and programs that have been duly approved by the Board of Directors of the Border Environment Cooperation Commission and the North American Development Bank.

THIRD ARTICLE. Development of Purpose. In order to fulfill its corporate purpose, the Company shall have full capacity to:

1. Enter into every type of contract that may be necessary or advisable in order to achieve its corporate purpose.
2. Obtain loans from Mexican or foreign financial entities under the terms of the applicable legal provisions.
3. Grant loans for environmental infrastructure, as well as for other purposes authorized by the North American Development Bank.

4. Invest its liquid resources in securities issued by financial entities, as well as in readily marketable debt instruments.
5. Purchase, sell, lease, market, take title to, mortgage, or encumber in any legal manner real and movable property and/or real or personal rights.
6. Execute every legal action necessary or advisable for fulfilling its purpose.

FOURTH ARTICLE. Duration. The duration of the Company is indefinite.

FIFTH ARTICLE. Address. The registered address of the Company is Mexico City, Federal District. The Company may not establish representational offices, branches or agencies outside of Mexico.

SIXTH ARTICLE. Nationality. This corporation is Mexican. Foreign shareholders of the Company are obliged, by virtue of that simple fact, to consider themselves formally Mexican before the Ministry of Foreign Relations, with respect to Company shares that may be acquired or have been acquired, as well as to any property, rights, authorizations, participation or interest owned by the Company and any rights or obligations deriving from contracts to which the Company is a party with Mexican authorities. Furthermore, said shareholders agree not to seek the protection of their government, under penalty of losing said interest or participation in benefit of the Republic of Mexico, without prejudice to the provisions set forth in the applicable treaty or international agreement.

CHAPTER II CAPITAL STOCK, SHAREHOLDERS AND SHARES

SEVENTH ARTICLE. Minimum capital. The capital of the Company is variable with a fixed minimum of \$42,000,000.00 (Forty-two million pesos 00/100, National Currency).

The fixed minimum capital shall be fully subscribed and paid-in. The variable part of the capital shall be unlimited. NADB shall at all times own the shares representing at least ninety-nine point five percent of the capital stock.

EIGHTH ARTICLE. Shares. The capital stock shall consist of Series F shares which shall always represent at least ninety-nine point five percent of the capital and of which NADB shall be sole holder.

The remaining point five percent shall form the Series B shares, in which NADB may also participate.

The shares representing the capital stock shall be registered and of equal value; and within each series the shares shall confer on their holders the same rights. The shares shall be fully paid, in cash, at the time they are subscribed. Provisional stock certificates may be issued until final stock certificates are ready. Said stock certificates shall be kept in the Company's Treasury.

NINTH ARTICLE. Stock Certificates. The shares shall be represented by final certificates and, until they are issued, by provisional certificates. The final or provisional certificates may cover the shares in circulation separately; shall be identified by

progressive numbers; shall contain the information referred to in Article 125 of the General Corporations Law, as well as the restrictions set forth in these Bylaws and shall bear the signature of two full Board members. Said signatures may be autograph or facsimiles; in the latter case, the original signature shall be deposited with the Public Registry of Commerce for the city in which the Company is registered.

TENTH ARTICLE. Increase of Capital Stock. Increases of the fixed capital may only be made by a resolution adopted by the Extraordinary General Assembly of Stockholders and the consequent amendment of the corporate Bylaws. For increases in the variable capital, it shall suffice that such increases be approved by a resolution of the Ordinary General Assembly of Stockholders and the respective minutes be officially registered by a Notary Public, provided that NADB voted in its favor, unless said increase arises from a general provision issued by the appropriate authorities, in which case the increase may be approved by a majority of the votes present in the Ordinary General Assembly of Stockholders. Upon adopting the respective resolutions, the General Assembly of Stockholders issuing the increase shall set the terms and conditions for carrying it out.

ELEVENTH ARTICLE. Decreases of Capital Stock. Decreases in the fixed capital stock shall be made by a resolution of the Extraordinary General Assembly of Stockholders and the consequent amendment of the corporate Bylaw. Decreases in the variable capital, with the exception of those resulting from the shareholders' right to withdrawal, may be made by a resolution adopted by the Ordinary General Assembly of Stockholders, with the sole formality that the respective minutes be officially registered by a Notary Public and the decision be approved by NADB.

The fixed capital stock may never be decreased to an amount less than the legal minimum.

TWELFTH ARTICLE. Right of Preference. If the capital stock is increased through the issue of new shares, those holding stock already in circulation shall have preference in subscribing the new shares, in proportion to the number of shares already in their possession. This right may be exercised by payment in cash and in accordance with the rules set for that purpose by the Board of Directors. However, in every case, stockholders shall be granted a period of no less than fifteen business days to pay for said shares.

If there are still shares pending subscription and payment under the terms previously stipulated at the end of the aforementioned period or that specified by the Board of Directors, the stockholders who exercised their right of preference shall have the additional right of preference to subscribe and pay for said shares, in proportion to their participation in the paid-in capital stock, provided that this additional right does not contravene the provisions set forth in the Eleventh Article of these Bylaws. The additional right of preference may be exercised within an additional period of ten business days computed as of the date on which the initial subscription and payment period for new shares ends, which shall be included in the notice published for this purpose under the terms specified in the preceding paragraph of this article. If there are still unsubscribed and unpaid shares at the end of the additional period, then the provisions set forth in the Fourteenth Article of these Bylaws shall apply.

THIRTEENTH ARTICLE. Deposit, Registry of Shares and Registry of Variations in Capital. The Company shall keep a Stockholder Registry, in which all subscriptions, purchases, or transfers of shares representing the capital stock shall be recorded, indicating the previous subscriber or owner and the purchaser or transferee. Every increase or decrease in capital stock shall be recorded in a specific book which the company shall keep for that purpose.

THIRD CHAPTER ASSEMBLIES OF STOCKHOLDERS

FOURTEENTH ARTICLE. General Assemblies. The General Assembly of Stockholders is the supreme body of the Company to which all others are subordinate and shall be empowered to adopt every type of resolution and to appoint or remove any Board member, officer or employee of the Company under the terms established in these Bylaws. Its resolutions shall be executed and their execution supervised by the Board of Directors or by the person(s) expressly appointed by the Assembly of Stockholders. Said Board or person(s) shall, likewise, be responsible for submitting to the shareholders the agenda and, if applicable, authorization of said items issued by NADB, as the sole holder of Series "F" shares.

The General Assemblies of Stockholders are Ordinary and Extraordinary. Ordinary Assemblies are those held to deal with any item not reserved for Extraordinary Assemblies by the General Corporations Law or by these Bylaws. Extraordinary Assemblies are those held to deal with any of the items referred to in Article 182 of the General Corporations Law and for which a special quorum has been established under these Bylaws.

In order for resolutions adopted in Extraordinary General Assemblies of Stockholders to be considered valid, NADB, as the sole holder of Series "F" shares, must vote in their favor.

Resolutions adopted by the stockholders in Extraordinary General Assemblies for the purpose of amending these Bylaws shall always have to be approved by NADB.

FIFTEENTH ARTICLE. Summons. The summons shall indicate the date, time and place of the meeting; shall contain the agenda; shall be signed by the person summoning the meeting or, in the case of the Board of Directors, by its chairman or secretary; and its publication shall be mandatory in one of the major newspapers in the state where the Company is registered or in the official journal of the place where the Company is registered, at least fifteen days prior to the date of the meeting.

The summons may be sent by registered mail with return receipt and confirmed by fax sent with the same advance notice.

If the assembly could not be held on the date set for the meeting, a second summons shall be published, indicating this circumstance, within no more than fifteen business days. The new summons shall contain the same information as the first and shall be published in the same news media as the first summons was published, at least five

days prior to the date set for the meeting by virtue of a second summons. The same rules shall apply in the event that subsequent summonses are necessary.

Regardless of the foregoing, the assembly of stockholders shall be legally installed and its resolutions shall be valid without requiring the summons referred to in this article, if all the shares of capital stock are represented at the time of the vote.

Resolutions adopted outside of assemblies by a unanimous vote of the stockholders representing all the shares with voting rights, shall, for all legal effects and purposes, be as valid as those approved by the stockholders meeting in an ordinary or extraordinary general assembly, respectively, provided that they are confirmed in writing. The document in which the written confirmation is recorded shall be sent to the Company Secretary, who shall transcribe the resolutions in the respective Book of Minutes and shall certify that said resolutions were adopted in accordance with this provision.

SIXTEENTH ARTICLE. Verification of Stockholders. In order to appear at the assemblies, the stockholders shall notify the secretary of the Board of Directors, of their intention to attend, no later than two business days prior to the date set for the meeting.

The secretary shall issue the interested parties the corresponding entry vouchers, indicating the name of the stockholder and the number of votes to which he/she is entitled.

The institution shall make the forms for powers of attorney available to stockholder representatives during the period referred to in Article 173 of the General Corporations Law, so that the representatives may present them to their principals in a timely manner.

Administrators, corporate examiners and employees may never act as representatives for that purpose.

SEVENTEENTH ARTICLE. Proceedings. The chairman of the Board of Directors shall preside over the assemblies. If for any reason, the chairman does not attend the meeting, the stockholder or stockholder representative appointed by those present shall preside over the assembly.

The secretary of the Board of Directors or, in his/her absence, the deputy secretary or person appointed by the chairman of the assembly, shall act as secretary.

The chairman shall appoint two stockholders or stockholder representatives from among those present as tellers, who shall verify the attendance list, indicating the number of shares represented by each attendee and shall present a report to this effect to the assembly, which shall be recorded in the corresponding minutes.

The assembly shall not discuss or vote on any item not included on the agenda.

EIGHTEENTH ARTICLE. Voting and Resolutions. In the assemblies, each circulating share shall confer the right to one vote. Voting shall be by a show of hands, unless the majority of those present agree to have a vote by roll-call or ballot.

In Ordinary General Assemblies, whether held by virtue of a first or subsequent summons, the resolutions shall be adopted by a simple majority vote of the shares represented, with the exception of resolutions regarding increases and decreases in the variable capital stock, which must have the affirmative vote of NADB as the sole holder of Series "F" shares.

In Extraordinary General Assemblies, the resolutions must have the affirmative vote of NADB, as the sole holder of Series "F" shares, in order to be considered valid.

Board members may not vote to approve their accounts, reports or opinions, nor with respect to any item affecting their personal liability or interest.

NINETEENTH ARTICLE. Minutes. The minutes of the assemblies shall be recorded in a special book and shall be signed by whoever chaired the assembly, by the secretary, and by the corporate examiner(s) who may have been present.

To a copy of the minutes certified by the secretary shall be attached the attendance list, indicating the number of shares represented by each attendee, the documents verifying their capacity as stockholders and, if applicable, the credentials of their representatives; as well as a copy of the newspapers in which the summons was published and the reports, expert opinions and other documents which may have been presented during or prior to the assembly meeting.

FOURTH CHAPTER ADMINISTRATION

TWENTIETH ARTICLE. Administrative Bodies. The direction and management of the Company shall be entrusted to a Board of Directors and a General Manager, in their respective areas of responsibility.

TWENTY-FIRST ARTICLE. Appointment and Term of Office. The majority of the members of the Board of Directors shall reside in Mexico, their term of office shall be for a specified period of time, and they shall continue to perform their duties until those appointed to replace them have assumed their positions.

The number of Board members may never be less than three.

The chairman of the Board shall be elected from among the Series "F" shareholders and shall have the casting vote.

The General Manager shall reside in Mexico, but does not necessarily have to be Mexican.

TWENTY-SECOND ARTICLE. Substitutions. Each Board member shall choose an alternate who shall have the power to act for him or her when he or she is not present. The alternates shall participate in meetings, but may only vote when they are acting in place of their principals. Under unusual circumstances, when neither the Board member nor his alternate can attend a meeting, a temporary alternate may be appointed.

If a regular Board member resigns his/her position mid-term, said Board member shall be replaced by an alternate Board member agreed upon by the Board, until a new appointment may be made in the next Assembly of Stockholders of the Company.

TWENTY-THIRD ARTICLE. Chairman and Secretary. Every year, the Board shall elect, from among its regular members, a chairman who may designate an alternate to act in his/her absence.

The Chairman of the Board shall appoint a secretary, as well as a deputy secretary to assist the latter and fill in his/her absence; either of which may or may not be a Board member.

TWENTY-FOURTH ARTICLE. Meetings. The Board of Directors shall meet as regularly as it deems appropriate, subject to a summons sent by any means by the secretary or deputy secretary, at the request of the chairman or whoever substitutes for him or the corporate examiner, if appropriate, at least five days prior to the meeting, to the last registered address of the Board members and corporate examiners.

Board meetings shall be legally installed when attended by a majority of its members and its resolutions shall be valid when approved by a majority vote of those present.

The minutes of the Board meetings shall be signed by whoever presided over them, as well as by the secretary and the corporate examiner(s) who were present, and shall be recorded in special books, from which the secretary or deputy secretary of the body in question may issue certified copies, certifications or authorized extracts.

Likewise, resolutions may be adopted outside of Board meetings by a unanimous vote of its members, and such resolutions shall, for all legal effects and purposes, be as valid as those adopted by the Board members in a Board meeting, provided that they are confirmed in writing. The document in which the written confirmation is recorded shall be sent to the Company Secretary, who shall transcribe the resolutions in the respective Book of Minutes and shall certify that said resolutions were adopted in accordance with this provision.

TWENTY-FIFTH ARTICLE. Powers and Authority. The Board of Directors has the powers and authority attributed to such bodies by law and these Bylaws, and, therefore, may perform the following actions, including but not limited to:

1. Represent the Company before administrative and judicial authorities, whether federal, state or municipal, as well as before labor authorities and arbiters or arbitrators, with a general power of attorney for litigations and collections, which is understood to confer the broadest general powers referred to in the first paragraph of Article 2554 of the Civil Code for the Federal District, as well as the special powers that require express mention pursuant to Sections III, IV, VI, VII, and VIII of Article 2587 of said Civil Code. Therefore, it may, among other powers:
 - a) File writs of *habeas corpus* and withdraw them;
 - b) File and endorse complaints and criminal charges; meet the requirements of the latter; and relinquish them;

- c) Assist the District Attorney's Office, federal or local,
 - d) Grant pardons in criminal proceedings;
 - e) Prepare or reply to interrogatories for any type of suit, including those related to labor matters; with the understanding, however, that the authority to reply to interrogatories may only be exercised by the individuals appointed for that purpose by the Board of Directors under the terms of Section 8 of this Article, and therefore any other officer or attorney-in-fact of the Company has absolutely no power or authority to do so; and
 - f) Appear before any administrative or judicial labor authorities, whether federal or local; act in the corresponding legal or paralegal proceedings, from the conciliation phase through the labor enforcement phase; and celebrate every type of agreement under the terms of Articles 11, 787 and 876 of the Federal Labor Law;
2. Manage business and corporate property with the broadest general power of attorney for administration, under the terms of Article 2554, second paragraph, of the aforementioned Civil Code;
 3. Issue, sign, furnish, accept, guarantee or endorse negotiable instruments under the terms of the 9th Article of the General Law of Negotiable Instruments and Credit Operations;
 4. Exercise the powers of ownership and disposal with respect to corporate property or to its real or personal rights, under the terms of the third paragraph of Article 2554 of the aforesaid Civil Code, with the special powers and authority specified in Sections I, II and V of Article 2587 of said Civil Code;
 5. Establish regulations for the structure, organization, integration, duties, powers and authority of the regional Boards and labor commissions deemed necessary, appoint their members and determine their remuneration;
 6. Under the terms of Article 145 of the General Corporations Law, appoint and remove the General Manager and senior officers, in strict compliance with the provisions set forth in Article 24, except for Section I, of the Law of Credit Institutions; the fiduciary delegates; the external auditor of the Company; the secretary and deputy secretary of the Board; as well as specify their powers, authority and duties, and determine their respective remuneration;
 7. Confer the powers of attorney it deems advisable on the officers mentioned in the preceding point, or on any other person, and revoke them; and in strict compliance with the provisions set forth in the applicable laws, delegate its powers and authority to the General Manager or some of them to one or more Board members or to the attorneys-in-fact appointed for that purpose, and under the terms and conditions specified by the Board of Directors;
 8. Delegate, to the person(s) that it deems advisable, legal representation of the Company, granting them use of the corporate signature and conferring on them

a general power of attorney for litigations and collections with the broadest general powers and authority referred to in the first paragraph of Article 2554 of the Civil Code, as well as the special powers that require express mention pursuant to Sections III, IV, VI, VII, and VIII of Article 2587 of said Civil Code, so that they may, among other things:

- a) Appear as legal representatives of the Company in any administrative, labor, judicial or quasi-judicial proceeding or lawsuit and, in that capacity, to handle every type of process, and specifically to prepare and reply to interrogatories on behalf of the Company; appear in the conciliation phase before Conciliation and Arbitration Boards; participate in the respective formalities, and enter into every type of labor agreement with workers;
 - b) Take every type of legal action referred to in Section I of this article; and
 - c) Confer their powers and authority, without reducing their own powers and authority, and may furnish and revoke powers of attorney; and
9. In general, carry out the activities and operations necessary or advisable for achieving the corporate purpose, except for those expressly reserved for the Assembly of Stockholders by Law or these Bylaws.

References in this article to the precepts of the Civil Code for the Federal District are understood to be the Civil Code for the Federal District in local matters and for the rest of Mexico in federal matters and to include the correlative civil codes for the states in which the power of attorney may be exercised.

TWENTY-SIXTH ARTICLE. Remuneration. The members of the Board of Directors shall discharge their duties without any compensation whatsoever from the Company.

FIFTH CHAPTER INSPECTION

TWENTY-SEVENTH ARTICLE. Corporate Examiners. The inspection of Company operations shall be entrusted to one or more regular Corporate Examiners and their respective alternates, who were appointed by the Ordinary General Assembly of Stockholders; who may or may not be shareholders in the Company; and who shall have the powers and duties set forth under Article 166 of the General Corporations Law and those established by other legislation.

TWENTY-EIGHTH ARTICLE. Restrictions. The persons specified under Article 165 of the General Corporations Law may not serve as Corporate Examiners.

TWENTY-NINTH ARTICLE. Term of Office. The term of office for the Corporate Examiner(s) shall be for the period specified and, they shall continue to discharge their duties until the persons appointed to replace them have assumed their positions.

THIRTIETH ARTICLE. Remuneration. The Corporate Examiners shall receive the remuneration set by the Ordinary General Assembly of Stockholders and shall attend,

with voice but without vote, the Assemblies of Stockholders, Board of Director meetings and the committee meetings determined by the Board.

SIXTH CHAPTER FISCAL YEARS, FINANCIAL INFORMATION, PROFITS AND LOSSES

THIRTY-FIRST ARTICLE. Fiscal Year. The fiscal year shall be a calendar year, beginning on the first of January and ending on the last day of December of each year.

THIRTY-SECOND ARTICLE. Financial Information. Every year, the Board of Directors shall submit to the Ordinary General Assembly of Stockholders a report in the terms set forth under Article 172 of the General Corporations Law.

The aforementioned report, including the Corporate Examiner's report referred to in Article 166 of the General Corporations Law, shall be completed and made available to the stockholders, along with supporting documents, at least fifteen days prior to the assembly meeting in which it is to be discussed.

The stockholders shall be entitled to a copy of the corresponding reports.

Within fifteen days after the date on which the Ordinary General Assembly of Stockholders has approved the report referred to in the general provisions of Article 172 of the General Corporations Law, the financial statements included in said report, along with the notes and official opinion of the Corporate Examiner, shall be sent for publication to the official newspaper of the state in which the Company is registered.

THIRTY-THIRD ARTICLE. Profits and Losses. For the purposes Article 129 of the General Corporations Law, the Company shall keep a stockholder registry in accordance with the provisions set forth in these Bylaws.

The Company may redeem shares with distributable profits by a resolution of the Extraordinary General Assembly of Stockholders, under the terms of Article 136 of the General Corporations Law.

After deducting income taxes for the period; profit-sharing for Company staff, if applicable; and amortization of losses sustained in previous years, the net profits from each fiscal year shall be distributed as follows:

1. Five percent per year to establish and replenish the reserve fund until it is equal to at least twenty percent of the capital stock.
2. Five percent to pay mandatory dividends in the four-month period following approval of the respective financial statements, unless the shareholders unanimously agree not to distribute them or the appropriate authorities, in general legislation, establish a longer period.
3. If the assembly of stockholders so determines, it may establish, increase or eliminate the capital reserves it deems advisable or establish contingency or reinvestment funds, as well as special reserve funds.

4. The remainder, if any, shall be used in the manner determined by the Ordinary General Assembly of Stockholders.

Dividend payments shall be made on the days and in the places determined by the Ordinary General Assembly or the Board of Directors, in accordance with the powers and authority delegated to it by the assembly for that purpose, and a notice shall be published in a major newspaper of the city where the Company is registered.

Dividends not collected within five years, computed as of the date on which they were payable, shall be considered renounced and prescribed in favor of the Company.

Losses, if any, shall be compensated first by profits from previous years pending use; second, by reserve funds; and, if these are insufficient, by paid-in capital stock, with the understanding that the liability of the stockholders concerning Company obligations shall be limited only up to the value of their respective shares.

SEVENTH CHAPTER DISSOLUTION, LIQUIDATION AND BANKRUPTCY

THIRTY-FOURTH ARTICLE. Dissolution and Liquidation. The Company shall be dissolved prematurely for any of the reasons set forth in Article 229 of the General Corporations Law.

Having declared the dissolution of the Company, it shall be placed in a state of liquidation administered by a liquidator that shall act upon the instructions of the Assembly of Stockholders.

The Assembly of Stockholders that appoints the liquidator shall determine the period in which the liquidator shall fulfill his/her duties, as well as his/her remuneration, if applicable.

The liquidator shall proceed to liquidate the Company and to distribute the proceeds among the shareholders, in proportion to their number of shares, in accordance with Article 240 and the other applicable provisions of the General Corporations Law.

However, in the liquidation procedure, if after paying off the liabilities, this Company has shares or rights in other companies, the liquidator shall proceed to distribute them among the different shareholders and is expressly prohibited from giving any shareholder rights or shares in any of these companies in percentages exceeding his/her interest in the liquidated Company.

EIGHTH CHAPTER SUPPLEMENTARY REGULATIONS AND RESOLUTION OF CONFLICTS

THIRTY-FIFTH ARTICLE. Supplementary Regulations. Any matter not set forth in these Bylaws shall be subject to the provisions contained in the "Agreement Between the Government of the United States of America and the Government of the United Mexican States Concerning the Establishment of a Border Environment Cooperation Commission and a North American Development Bank," enacted through a Decree

published in the *Diario Oficial de la Federación* on December 27, 1993 and its attachments; the General Corporations Law; the General Law of Negotiable Instruments and Credit Operations; the General Law of Credit Institutions and Auxiliary Activities; and in commercial legislation, in general; as well as to commercial uses and practices, and the regulations of the Civil Code for the Federal District, and any other applicable law.

THIRTY-SIXTH ARTICLE. Arbitration In the event that the shareholders can not reach an agreement on any question of interpretation, observance or non-observance of these Bylaws within a reasonable period, either party may request in writing that the issue be submitted to arbitration. An arbitration panel shall be established in accordance with the following procedure:

- (1) The panel shall be composed of three arbitrators;
- (2) The panelists shall be selected from the financial services roster established pursuant to Article 1414 of the North American Free Trade Agreement;
- (3) The parties shall endeavor to agree on the chairperson of the panel within fifteen days of the delivery of the request. If the parties are unable to agree within this period, the party chosen by lot shall select a chairperson from the financial services roster within five days;
- (4) Within fifteen days of selecting the chairperson of the panel, each disputing party shall select a panelist from the financial services roster.