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Corporate and Project Finance Practice Group News Flash



Special Accounting Criteria issued by the National Banking and Securities Commission (CNBV), applicable to Credit Institutions, SOFIPOS, SOCAPS, and Credit Unions to address the COVID-19 contingency.

The CNBV, for the benefit and support of the Mexican population, has issued special temporary accounting criteria to mitigate the economic effects of the COVID-19 pandemic, which are applicable to Credit Institutions, SOFIPOS, SOCAPS, and Credit Unions ("**Financial Institutions**").

In general terms, Financial Institutions can use these special and temporary accounting rules for:

- » Loan restructuring or refinancing, extending the original maturity term by up to 6 months (or up to 18 months in the case of loans granted to the rural sector);
- » Partial or total deferment of principal and/or interest payments;
- » Loans will not be reported as past due with credit information bureaus;
- » In addition, Financial Institutions may offer their clients loan forgiveness or discounts on the outstanding loan amount, among others.

The aforementioned benefits will apply with respect to consumer, housing, commercial, and agricultural loans.

The benefits are aimed at individuals, individuals with business activities, and corporations, and may apply to mortgage loans, revolving and non-revolving credit, automotive loans, personal loans, payroll loans, credit card debt, microloans, and agricultural loans.

Learn more about these special temporary accounting criteria in the following link:

<https://www.gob.mx/cnbv/articulos/criterios-contables-especiales?idiom=es>

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