



U.S. \$52,000,000,000

Petróleos Mexicanos

Medium-Term Notes, Series C, Due 1 Year or More from Date of Issue

jointly and severally guaranteed by

Pemex-Exploración y Producción, Pemex-Refinación and Pemex-Gas y Petroquímica Básica

Petróleos Mexicanos (the "Issuer"), a productive state-owned company of the Federal Government (the "Mexican Government") of the United Mexican States ("Mexico"), may offer from time to time its Medium-Term Notes, Series C, due 1 year or more from date of issue, as selected by the purchaser and agreed to by the Issuer, in an aggregate initial offering price not to exceed U.S. \$52,000,000,000 or its equivalent in other currencies or currency units, subject to increase by the Issuer (the "Notes"). The currency or currency unit of denomination and payment, form, interest rate, interest payment dates, issue price (and the U.S. dollar equivalent thereof, in the case of Notes denominated in other than U.S. dollars) and maturity date of any Note will be set forth in the related Final Terms ("Final Terms"). See "Description of Notes." The payment of principal and premium (if any) and interest on the Notes will be unconditionally and irrevocably guaranteed jointly and severally by Pemex-Exploración y Producción, Pemex-Refinación and Pemex-Gas y Petroquímica Básica (each a "Guarantor" and, collectively, the "Guarantors"), each of which is a decentralized public entity of the Mexican Government. The Notes are not obligations of, or guaranteed by, the Mexican Government.

The principal amount payable at or prior to maturity, the amount of interest payable and any premium payable with respect to the Notes may be determined by the difference in the price of crude oil on certain dates, or by some other index or indices, as set forth in the related Final Terms.

Unless a Redemption Commencement Date is specified in the applicable Final Terms, the Notes will not be redeemable prior to their Stated Maturity except in the event of certain changes in Mexican Withholding Taxes (each as defined below). If a Redemption Commencement Date is so specified, the Notes will be redeemable at the option of the Issuer at any time after such date as described herein. Unless otherwise specified in the applicable Final Terms, the Notes will not be subject to repayment at the option of the holder prior to their Stated Maturity.

The Notes will contain provisions regarding acceleration and future modifications to their terms that differ from those applicable to certain of the Issuer's and the Guarantors' other outstanding public external indebtedness issued prior to October 2004. Under these provisions, which are commonly referred to as "collective action clauses" and are described under "Description of Notes—Modification and Waiver," in certain circumstances, the Issuer may amend the payment and certain other provisions of an issue of Notes with the consent of the holders of 75% of the aggregate principal amount of such Notes.

The Notes are being offered for sale in offshore transactions in reliance on Regulation S ("Regulation S") under the U.S. Securities Act of 1933, as amended (the "Securities Act"). A portion of the Notes may also be offered for sale in the United States of America (the "United States") pursuant to an available exemption from registration under the Securities Act. Unless otherwise specified in the applicable Final Terms, each Registered Note (as defined below) offered hereby will be represented by one or more global Registered Notes without interest coupons (each, a "Global Note"), which will be deposited with, or on behalf of, The Depository Trust Company ("DTC") or with a common depository for Euroclear Bank S.A./N.V., as operator of the Euroclear Clearance System plc ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"). Unless otherwise specified in the applicable Final Terms, Bearer Notes (as defined below) will initially be represented by a temporary global Bearer Note, without interest coupons, which will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Such temporary global Bearer Note will be exchangeable for a permanent global Bearer Note or definitive Bearer Notes, as specified in the applicable Final Terms, on or after the Exchange Date (as defined below) therefor and after the requisite certifications as to non-U.S. beneficial ownership have been provided as described herein. See "Description of Notes—Form and Denomination." Except as described herein, Notes in definitive certificated form will not be issued in exchange for Global Notes or Bearer Notes in global form or interests therein. See "Description of Notes—Certificated Notes and Definitive Bearer Notes."

Application has been made to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF Market (the "Euro MTF Market"). No assurance can be given that the Notes will be sold or that an active trading market for the Notes will develop. This Offering Circular constitutes a Prospectus for the purposes of the Luxembourg Law on Prospectuses for Securities dated July 10, 2005, as amended. This program is valid for a period of 1 year from the date of this Offering Circular.

See "Risk Factors" on page 12 and "Currency Risks and Risks Associated with Indexed Notes" on page 54 for certain considerations relevant to an investment in the Notes.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE NOTES MAY BE OFFERED AND SOLD ONLY (A) TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A ("RULE 144A") UNDER THE SECURITIES ACT) IN COMPLIANCE WITH RULE 144A AND (B) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S. FOR CERTAIN RESTRICTIONS ON RESALE AND TRANSFER, SEE "OFFERING AND SALE" AND "NOTICE TO INVESTORS."

The Notes have not been and will not be registered with the National Securities Registry maintained by the *Comisión Nacional Bancaria y de Valores* (National Banking and Securities Commission of Mexico, or "CNBV"), and therefore may not be offered or sold publicly in Mexico. The Notes may be offered and sold to qualified and institutional investors in Mexico, pursuant to the private placement exemption set forth under Article 8 of the *Ley del Mercado de Valores* (Securities Market Law). As required under the Securities Market Law, the Issuer will give notice to the CNBV of the offering of the Notes for informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not certify the solvency of the Issuer or the Guarantors, the investment quality of the Notes, or that the information contained in this Offering Circular or any Final Terms is accurate or complete. The CNBV has not reviewed or authorized the content of this Offering Circular.

Offers to purchase Notes are being solicited, on a reasonable efforts basis, from time to time by the Agents (as defined below) on behalf of the Issuer. Notes may be sold to the Agents on their own behalf at negotiated discounts for resale as described above. The Issuer may also sell Notes directly on its own behalf or to or through other brokers or dealers. The Issuer reserves the right to withdraw, cancel or modify the offering contemplated hereby without notice. No termination date for the offering of the Notes has been established. The Issuer, or any Agent if it solicits the offer, may reject any offer to purchase Notes as a whole or in part. See "Offering and Sale."

Agents

Citigroup

Credit Agricole CIB

Credit Suisse

HSBC

Santander

This Offering Circular is dated January 22, 2015. This Offering Circular may not be used for the purpose of listing the Notes on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF Market after January 22, 2016.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Guarantors to subscribe for or purchase, any of the Notes. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantors and the Agents to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Offering Circular, see “Offering and Sale” and “Notice to Investors.”

The Issuer was established by a decree of the Federal Congress of Mexico (the “Mexican Congress”) on June 7, 1938 as a result of the nationalization of the foreign-owned oil companies then operating in Mexico. The Issuer and its four subsidiary entities—Pemex-Exploración y Producción (Pemex-Exploration and Production), Pemex-Refinación (Pemex-Refining), Pemex-Gas y Petroquímica Básica (Pemex-Gas and Basic Petrochemicals) and Pemex-Petroquímica (Pemex-Petrochemicals) (each a “Subsidiary Entity” and, collectively, the “Subsidiary Entities”)—comprise Mexico’s state oil and gas company. The Issuer is a productive state-owned company and each Subsidiary Entity is a decentralized public entity of the Mexican Government. Each is a legal entity empowered to own property and carry on business in its own name. In addition, the results of a number of subsidiary companies that are listed in “Consolidated Structure of PEMEX” in the Form 20-F (as defined below) (such companies, the “Subsidiary Companies”) are incorporated into the consolidated financial statements published by the Issuer. The Issuer, the Subsidiary Entities and the Subsidiary Companies are collectively referred to as “PEMEX.” PEMEX’s executive offices are located at Avenida Marina Nacional No. 329, Colonia Petróleos Mexicanos, México, D.F. 11311, Mexico. PEMEX’s telephone number is (52-55) 1944-2500.

The Issuer and the Guarantors, having made all reasonable inquiries, confirm that (i) this Offering Circular contains all information in relation to the Issuer, the Guarantors, PEMEX, Mexico and the Notes which is material in the context of the issue and offering of the Notes, (ii) there are no untrue statements of a material fact contained in it in relation to the Issuer, the Guarantors, PEMEX, Mexico or the Notes, (iii) there is no omission to state a material fact which is necessary in order to make the statements made in it in relation to the Issuer, the Guarantors, PEMEX, Mexico or the Notes, in light of the circumstances under which they were made, not misleading in any material respect, (iv) the opinions and intentions expressed in this Offering Circular with regard to the Issuer, the Guarantors, PEMEX and Mexico are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, and (v) all reasonable inquiries have been made by the Issuer and the Guarantors to ascertain such facts and to verify the accuracy of all such information and statements. The Issuer and the Guarantors accept responsibility accordingly.

The Notes have not been and will not be registered under the Securities Act and may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

No person has been authorized to give any information or to make any representations other than those contained in this Offering Circular and, if given or made, such information or representations must not be relied upon as having been authorized. This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or any offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or PEMEX since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

This Offering Circular has been prepared by the Issuer solely for use in connection with future offerings of the Notes, and the application to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to have the Notes trade on the Euro MTF Market. Each prospective investor, by accepting delivery of this Offering Circular, agrees to the foregoing, and agrees that this Offering Circular may be used only for the purposes for which it was published.

THE ISSUER WILL FILE A NOTICE IN RESPECT OF THE OFFERING OF THE NOTES WITH THE CNBV, WHICH IS A REQUIREMENT UNDER THE SECURITIES MARKET LAW, IN CONNECTION WITH AN OFFERING OF SECURITIES OUTSIDE OF MEXICO BY A MEXICAN ISSUER. SUCH NOTICE IS SOLELY FOR INFORMATIVE PURPOSES AND DOES NOT IMPLY ANY CERTIFICATION AS TO THE INVESTMENT QUALITY OF THE NOTES, THE SOLVENCY OF THE ISSUER OR THE GUARANTORS OR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN. FURTHERMORE, THE INFORMATION CONTAINED HEREIN IS THE EXCLUSIVE RESPONSIBILITY OF THE ISSUER AND THE GUARANTORS AND HAS NOT BEEN REVIEWED OR AUTHORIZED BY THE CNBV. THE NOTES HAVE NOT BEEN REGISTERED IN THE *REGISTRO NACIONAL DE VALORES* MAINTAINED BY THE CNBV AND, CONSEQUENTLY, MAY NOT BE OFFERED OR SOLD PUBLICLY IN MEXICO. FURTHERMORE, THE NOTES MAY NOT BE OFFERED OR SOLD IN MEXICO, EXCEPT THROUGH A PRIVATE OFFERING UNDER THE SECURITIES MARKET LAW. ANY MEXICAN INVESTOR WHO ACQUIRES THESE NOTES FROM TIME TO TIME MUST RELY ON ITS OWN EXAMINATION OF THE ISSUER AND GUARANTORS.

IN CONNECTION WITH AN ISSUE OF NOTES OFFERED HEREBY, THE AGENT OR AGENTS SPECIFIED IN THE APPLICABLE FINAL TERMS MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE NOTES, INCLUDING OVER-ALLOTMENT, STABILIZING AND SHORT-COVERING TRANSACTIONS IN THE NOTES, AND THE IMPOSITION OF A PENALTY BID, IN CONNECTION WITH SUCH ISSUANCE. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE "OFFERING AND SALE."

IN CONNECTION WITH THE ISSUE OF ANY SERIES OF NOTES, THE AGENT (IF ANY) DISCLOSED AS THE STABILIZING MANAGER IN THE APPLICABLE FINAL TERMS, OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER, MAY OVER-ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF SUCH NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE DISCONTINUED AT ANY TIME. STABILIZATION ACTIVITIES IN THE UNITED KINGDOM, IF ANY, MUST BE BROUGHT TO AN END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILIZING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

FOR NEW HAMPSHIRE RESIDENTS ONLY: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

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AVAILABLE INFORMATION

The Issuer files periodic reports and other information with the U.S. Securities and Exchange Commission (the "SEC") under "Mexican Petroleum" (the English translation of the name *Petróleos Mexicanos*). These reports, including the attached exhibits, and any reports or other information filed by the Issuer with the SEC are available at the SEC's public reference room in Washington, D.C. Copies of these SEC filings may also be obtained at prescribed rates from the Public Reference Section of the SEC at Judiciary Plaza, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information regarding the operation of the public reference rooms. In addition, electronic SEC filings of the Issuer are available to the public over the Internet at the SEC's website at <http://www.sec.gov> under the name "Mexican Petroleum." So long as any of the Notes are outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, if at any time the Issuer is neither a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Issuer will be required under the Indenture referred to under "Description of Notes—General" to furnish to a holder of a Note and a prospective purchaser designated by such holder, upon the request of such holder in connection with a transfer or proposed transfer of such Note pursuant to Rule 144A, the information required to be delivered under Rule 144A(d)(4)(i) under the Securities Act.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed by the Issuer with the SEC are incorporated by reference into this Offering Circular and are available for viewing at the website of the Luxembourg Stock Exchange at <http://www.bourse.lu>:

- the Issuer's annual report on Form 20-F for the year ended December 31, 2013, filed with the SEC on Form 20-F on May 15, 2014 (the "Form 20-F");
- the Issuer's report relating to certain recent developments and PEMEX's condensed consolidated results for the nine months ended September 30, 2014, furnished to the SEC on Form 6-K on December 11, 2014 (the "Interim Results Form 6-K"), and the Issuer's report relating to certain other recent developments, furnished to the SEC on Form 6-K on January 14, 2015; and
- all of the Issuer's annual reports on Form 20-F filed with, and all reports on Form 6-K that are designated in such reports as being incorporated into this Offering Circular furnished to the SEC pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act after the date of this Offering Circular and prior to the termination of the offer of any issue of Notes hereunder.

The information incorporated herein by reference is considered to be part of this Offering Circular, and later information filed with the SEC will update and supersede this information.

Copies of the most recent audited annual and unaudited condensed consolidated interim financial statements of PEMEX, as well as this Offering Circular (and any amendment or supplement hereto) and any Final Terms relating to any issue of Notes admitted to be listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market, will be available free of charge at the office of Deutsche Bank Luxembourg S.A. (in such capacity the "Paying Agent" and the "Transfer Agent") in Luxembourg. Such documents will also be available free of charge at the principal executive office of the Issuer and at the principal executive office of Deutsche Bank Trust Company Americas (in such capacity the "Trustee").

NOTICE TO INVESTORS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Notes offered hereby.

Each purchaser of Notes offered and sold in reliance on Rule 144A will be deemed to have represented and agreed as follows (terms used herein that are defined in Rule 144A, Regulation S or Regulation D under the Securities Act are used herein as defined therein):

- (a) The purchaser (1) is a Qualified Institutional Buyer; (2) is aware that the sale to it is being made in reliance on Rule 144A; and (3) is acquiring such Notes for its own account or for the account of a Qualified Institutional Buyer;
- (b) The purchaser understands that the Notes have not been registered under the Securities Act and may not be reoffered, resold, pledged or otherwise transferred except (A) (1) to a person who such purchaser reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A; (2) in an offshore transaction meeting the requirements of Rule 903 or Rule 904 of Regulation S; (3) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder ("Rule 144") (if available); or (4) pursuant to an effective registration statement under the Securities Act and (B) in accordance with all other applicable securities laws;
- (c) Such Notes will bear a legend to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THIS NOTE AND THE GUARANTIES IN RESPECT HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. EACH HOLDER OF THIS NOTE OR A BENEFICIAL INTEREST HEREIN, BY ITS ACCEPTANCE HEREOF OR OF SUCH BENEFICIAL INTEREST, AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED THIS NOTE, TO OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") ON WHICH THE ISSUER INSTRUCTS THE TRUSTEE THAT THIS RESTRICTIVE LEGEND SHALL BE DEEMED REMOVED (WHICH INSTRUCTION IS EXPECTED TO BE GIVEN ON OR ABOUT THE ONE-YEAR ANNIVERSARY OF THE ISSUANCE OF THIS NOTE), ONLY (1) TO THE ISSUER OR A GUARANTOR, (2) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON WHO THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE

MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A “QUALIFIED INSTITUTIONAL BUYER,” (3) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND SUBJECT, IN THE CASE OF A TRANSFER PURSUANT TO CLAUSE (4), TO THE ISSUER’S AND THE TRUSTEE’S RIGHT TO REQUIRE THE DELIVERY OF A CERTIFICATE OR AN OPINION OF COUNSEL SATISFACTORY TO EACH OF THEM.

THIS LEGEND SHALL BE DEEMED REMOVED WITHOUT FURTHER ACTION OF THE ISSUER, THE TRUSTEE OR ANY HOLDER AT SUCH TIME AS THE ISSUER INSTRUCTS THE TRUSTEE IN WRITING TO REMOVE SUCH LEGEND IN ACCORDANCE WITH THE INDENTURE.

- (d) The purchaser understands that such Notes will be represented by a Restricted Global Note (as defined below). Before any interest in a Restricted Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note (as defined below), the transferor will be required to provide the Trustee with a written certification (in the form provided in the Indenture) as to compliance with the transfer restrictions referred to in clause (b)(2) or (b)(3) above.

The Notes offered and sold in reliance on Rule 144A will constitute “restricted securities” within the meaning of Rule 144(a)(3) and any sale pursuant to Rule 144 will be subject to the requirements of that rule, including the holding period requirements.

CURRENCY OF PRESENTATION

References herein to “U.S. dollars,” “U.S. \$,” “dollars” or “\$” are to the lawful currency of the United States, references herein to “pesos” or “Ps.” are to the lawful currency of Mexico, and references to “euros” or “€” are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the treaty establishing the European Community, as amended by the Treaty on European Union. The term “billion” as used in this Offering Circular means one thousand million.

This Offering Circular contains translations of certain peso amounts into U.S. dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the peso amounts actually represent the actual U.S. dollar amounts or could be converted into U.S. dollars at the rate indicated. Unless otherwise indicated, the U.S. dollar amounts have been translated from pesos at an exchange rate of Ps. 13.4541 = U.S. \$1.00, which is the exchange rate that the *Secretaría de Hacienda y Crédito Público* (the Ministry of Finance and Public Credit) instructed the Issuer to use on September 30, 2014. On January 16, 2015, the noon buying rate for cable transfers in New York reported by the Board of Governors of the Federal Reserve System was Ps. 14.6110 = U.S. \$1.00.

PRESENTATION OF FINANCIAL INFORMATION

The audited consolidated financial statements of PEMEX as of December 31, 2013 and 2012 and for the years ended December 31, 2013, 2012 and 2011, are included in Item 18 of the Form 20-F incorporated by reference in this Offering Circular (the “2013 Financial Statements”). The 2013 Financial Statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, which are referred to in this Offering Circular as IFRS.

Also incorporated by reference in this Offering Circular are the unaudited condensed consolidated interim financial statements of PEMEX as of September 30, 2014 and for the three-month and nine-month periods ended September 30, 2014 and 2013 included in the Interim Results Form 6-K (the “September Interim Financial Statements”), which were prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” of IFRS.

RECENT DEVELOPMENTS

The following information supplements, and to the extent inconsistent therewith supersedes, the information contained in the documents incorporated by reference in this Offering Circular.

Recent Securities Offerings and Other Financing Activities

On January 23, 2015, Petróleos Mexicanos is expected to close its offering of U.S. \$6,000,000,000 of debt securities under its Medium-Term Notes Program, Series C, in three tranches: (i) U.S. \$1,500,000,000 of its 3.500% Notes due 2020, (ii) U.S. \$1,500,000,000 of its 4.500% Notes due 2026 and (iii) U.S. \$3,000,000,000 of its 5.625% Bonds due 2046. All debt securities issued under this program are guaranteed by Pemex-Exploration and Production, Pemex-Refining and Pemex-Gas and Basic Petrochemicals.

Capital Contribution by the Federal Government of Mexico

On January 19, 2015, the Mexican Government made a capital contribution to Petróleos Mexicanos of Ps. 10 billion in accordance with the *Ley Federal de Presupuesto y Responsabilidad Hacendaria* (Federal Law of Budget and Fiscal Accountability). This payment was recognized as a Ps. 10 billion increase in Mexican Government contributions to Petróleos Mexicanos.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains words, such as “believe,” “expect,” “anticipate” and similar expressions that identify forward-looking statements, which reflect PEMEX’s views about future events and financial performance. PEMEX has made forward-looking statements that address, among other things, its:

- exploration and production activities, including drilling;
- activities relating to import, export, refining, petrochemicals and transportation of petroleum, natural gas and oil products;
- projected and targeted capital expenditures and other costs, commitments and revenues; and
- liquidity and sources of funding.

Actual results could differ materially from those projected in such forward-looking statements as a result of various factors that may be beyond PEMEX’s control. These factors include, but are not limited to:

- changes in international crude oil and natural gas prices;
- effects on PEMEX from competition, including on its ability to hire and retain skilled personnel;
- limitations on PEMEX’s access to sources of financing on competitive terms;
- PEMEX’s ability to find, acquire or gain access to additional reserves and to develop the reserves that it obtains successfully;
- uncertainties inherent in making estimates of oil and gas reserves, including recently discovered oil and gas reserves;
- PEMEX’s technical capabilities and difficulties;
- significant developments in the global economy;
- significant economic or political developments in Mexico;
- developments relating to the implementation, interpretation and application of the laws (the “Secondary Legislation”) that implement the new legal framework contemplated by the *Decreto por el que se reforman y adicionan diversas disposiciones de la Constitución Política de los Estados Unidos Mexicanos, en Materia de Energía* (Decree that amends and supplements various provisions of the Political Constitution of the United Mexican States relating to energy matters, or the “Energy Reform Decree”);
- developments affecting the energy sector; and
- changes in PEMEX’s legal regime or regulatory environment, including tax and environmental regulations.

Accordingly, undue reliance should not be placed on these forward-looking statements. In any event, these statements speak only as of their dates, and PEMEX undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

For a discussion of important factors that could cause actual results to differ materially from those contained in any forward-looking statement, see “Item 3—Key Information—Risk Factors” in the Form 20-F and “Risk Factors” on page 12.

SUMMARY OF THE OFFERING

The following summary highlights selected information from this Offering Circular and may not contain all of the information that is important to you. You should read this Offering Circular and the documents incorporated by reference in their entirety.

- Issuer:** Petróleos Mexicanos (the “Issuer”), a productive state-owned company of the Mexican Government.
- Guarantors:** Pemex-Exploración y Producción (Pemex-Exploration and Production), Pemex-Refinación (Pemex-Refining) and Pemex-Gas y Petroquímica Básica (Pemex-Gas and Basic Petrochemicals), each a decentralized public entity of the Mexican Government (each, a “Guarantor” and, collectively, the “Guarantors”).
- Security:** Medium-Term Notes, Series C, Due 1 Year or More from Date of Issue (the “Notes”).
- Guaranties:** The unconditional obligations of the Guarantors to be jointly and severally liable for payment of principal, premium (if any) and interest on the Notes (the “Guaranties”).
- Form of Notes:** Notes may be issued in registered form without interest coupons (“Registered Notes”) or, subject to certain limitations, in bearer form with or without interest coupons (“Bearer Notes”). See “Limitations on Issuance of Bearer Notes.”
- Clearing and Settlement of Notes:** Unless otherwise specified in the applicable Final Terms, Registered Notes of the same tranche and of like tenor sold in offshore transactions in reliance on Regulation S will be represented by one or more Registered Notes in global form (each, a “Regulation S Global Note”) which will be deposited with, or on behalf of, The Depository Trust Company (“DTC”) or with a common depository, in each case for the account of Euroclear Bank S.A./N.V., as operator of the Euroclear Clearance System plc (“Euroclear”) and Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”). Unless otherwise specified in the applicable Final Terms, Registered Notes initially sold within the United States and eligible for resale in reliance on Rule 144A will be represented by one or more Registered Notes in global form (each, a “Restricted Global Note” and, together with any Regulation S Global Notes, the “Global Notes”), which will be deposited with, or on behalf of, DTC. Bearer Notes may only be sold in offshore transactions in reliance on Regulation S. Unless otherwise specified in the applicable Final Terms, Bearer Notes will initially be represented by a temporary Bearer Note in global form, without interest coupons, which will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Such temporary Bearer Note in global form will be exchangeable for a permanent Bearer Note in global form or definitive Bearer Notes, as specified in the applicable Final Terms, on or after the 40th day after the completion of the distribution of Notes constituting an identifiable tranche (the “Exchange Date”) and after the requisite certifications as to non-U.S. beneficial ownership have been provided as described herein. See “Description of Notes—Form and Denomination.” Except as

described herein or as specified in the applicable Final Terms, Notes in definitive certificated form will not be issued in exchange for a Global Note or Bearer Notes in global form or interests therein. Registered Notes may not be exchanged for Bearer Notes and, unless otherwise specified in the applicable Final Terms, Bearer Notes may not be exchanged for Registered Notes. The Global Notes will be deposited with a common Depository for the account of Euroclear and Clearstream, Luxembourg. Investors may hold book-entry interests in the Global Notes through organizations that participate, directly or indirectly, in Euroclear and/or Clearstream, Luxembourg. The distribution of the Global Notes will be carried through Euroclear and Clearstream, Luxembourg. With respect to Global Notes deposited with a common depository for Euroclear and Clearstream, Luxembourg, any secondary market trading of book-entry interests in the Global Notes will take place through participants in Euroclear and Clearstream, Luxembourg and will settle in same-day funds. Owners of book-entry interests in the Global Notes will receive payments relating to their Global Notes in euros. Euroclear and Clearstream, Luxembourg have established electronic securities and payment transfer, processing, depository and custodial links among themselves and others, either directly or through custodians and depositories. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market. See “Description of Notes—Global Notes” and “Clearing and Settlement.”

Denominations of Notes:

Unless otherwise specified in the applicable Final Terms, Registered Notes will be issued in denominations of U.S. \$10,000 and integral multiples of U.S. \$1,000 in excess thereof and Bearer Notes will be issued in denominations of U.S. \$10,000 and U.S. \$100,000 (or, in each case, the approximate equivalent thereof in a Specified Currency, as defined below, other than U.S. dollars).

Amount of Notes

Outstanding at Any Time:

Not to exceed U.S. \$52,000,000,000 (or its equivalent in other Specified Currencies) in aggregate initial offering price, subject to increase by the Issuer.

Currency of Denomination and Payment:

U.S. dollars or one or more foreign currencies or currency units (each, a “Specified Currency”).

Maturities:

Maturities of 1 year or more from date of issue, as indicated in each Note and the applicable Final Terms.

Interest Rate:

Notes may bear interest at a fixed rate (“Fixed Rate Notes”) or at a floating rate (“Floating Rate Notes”) determined by reference to one or more base rates, which may be adjusted by a Spread and/or a Spread Multiplier (each as defined below), in each case as indicated in the Note and the applicable Final Terms.

Interest Payments:	Interest on the Notes will be payable on the dates specified therein and in the applicable Final Terms.
Interest Rate Computation:	Unless otherwise specified in the applicable Final Terms, interest on Fixed Rate Notes will be calculated on the basis of a 360-day year of twelve 30-day months (except as specified below with respect to Fixed Rate Notes denominated in currencies other than U.S. dollars), and interest on Floating Rate Notes will be calculated on the basis of a daily interest factor computed by dividing the interest rate applicable to such day by 360 (or, in the case of Treasury Rate Notes (as defined below), by the actual number of days in the year).
Redemption:	Except as described in “Tax Redemption” below, no Note will be subject to redemption prior to its maturity at the option of the Issuer unless so indicated in such Note and the applicable Final Terms.
Tax Redemption:	If, as a result of certain changes in Mexican law, the Issuer or any Guarantor becomes obligated to pay Additional Amounts (as defined below) in excess of the Additional Amounts that any of them would be obligated to pay if payments on any Notes or Guaranties were subject to withholding tax in Mexico at a rate of 10%, then, at the Issuer’s option, such Notes may be redeemed at any time in whole, but not in part, at a price equal to 100% of the outstanding principal amount thereof, except as specified in the applicable Final Terms, plus accrued interest and any Additional Amounts due thereon to the date of such redemption. See “Description of Notes—Redemption—Tax Redemption.”
Early Repayment:	No Note will be subject to repayment at the option of the holder prior to its maturity unless so indicated in such Note and the applicable Final Terms.
Indexed Notes:	The principal amount payable at or prior to maturity, the amount of interest payable and any premium payable with respect to each Note may be determined by the difference in the price of crude oil on certain dates, or by some other index or indices, if and as indicated in such Note and the applicable Final Terms.
Offering Price:	At par, unless otherwise indicated in the applicable Final Terms.
Trustee:	Deutsche Bank Trust Company Americas.
Status of the Notes:	The Notes will constitute direct, unsecured and unsubordinated Public External Indebtedness (as defined under “Description of Notes—Negative Pledge”) of the Issuer and will at all times rank equally with each other and with all other present and future unsecured and unsubordinated Public External Indebtedness of the Issuer. See “Description of Notes—Ranking of Notes.”
Status of the Guaranties:	The Guaranties will constitute direct, unsecured and unsubordinated Public External Indebtedness of each Guarantor and will rank equally with each other and with all other present and future unsecured and unsubordinated Public External Indebtedness of each Guarantor. As of September 30, 2014, the Guarantors had certain outstanding financial leases which will, with respect to the assets subject to such financial leases, rank prior to the Guaranties.

Collective Action Clauses:

The Notes will contain provisions regarding acceleration and future modifications to their terms that differ from those applicable to certain of the Issuer's other outstanding Public External Indebtedness issued prior to October 2004. Under these provisions, in certain circumstances, the Issuer may amend the payment and certain other provisions of an issue of Notes with the consent of the holders of 75% of the aggregate principal amount of such Notes.

Governing Law:

State of New York.

Agents:

Citigroup Global Markets Inc.
Credit Agricole Securities (USA) Inc.
Credit Suisse Securities (USA) LLC
HSBC Securities (USA) Inc.
Santander Investment Securities Inc.

Final Terms:

The Issuer will prepare the Final Terms for each issuance of Notes setting forth, among other things, certain information about the terms of such Notes and the offering and sale thereof. Such information may differ from that set forth herein and in all cases will supplement and, to the extent inconsistent herewith, supersede the information herein.

RISK FACTORS

The following factors as well as the other information in this Offering Circular should be carefully considered.

Considerations Related to Mexico

The effects of the implementation of the new legal framework applicable to the energy sector in Mexico are uncertain but likely to be material.

The Energy Reform Decree, which was enacted in December 2013, included transitional articles that set forth the framework for the implementation of the Secondary Legislation and provided for certain transitional steps, including the Round Zero process described below. On August 6, 2014, the Mexican Congress completed the process of approving the Secondary Legislation, which was signed into law by President Enrique Peña Nieto and published in the *Diario Oficial de la Federación* (Official Gazette of the Federation) on August 11, 2014. Certain provisions of the Secondary Legislation, including some provisions of the new *Ley de Petróleos Mexicanos* (Petróleos Mexicanos Law), are not yet effective as of the date of this Offering Circular. PEMEX expects that the effects of these developments on its business and operations will be material.

Among the features of the Energy Reform Decree and the Secondary Legislation that could affect PEMEX are the following:

- the Mexican Government will carry out the exploration and extraction of hydrocarbons in Mexico through assignments to PEMEX as well as through agreements with PEMEX and with third parties;
- the *Secretaría de Energía* (Ministry of Energy) will grant permits to PEMEX and third parties to engage in natural gas processing and oil refining;
- the *Comisión Reguladora de Energía* (Energy Regulatory Commission) will grant permits to PEMEX and third parties to engage in the transportation, storage, distribution and selling of hydrocarbons and petrochemicals in Mexico;
- the transfer of certain of PEMEX's assets related to the national gas pipeline system and the storage of natural gas to the *Centro Nacional de Control del Gas Natural* (National Center of Natural Gas Control, or CENAGAS), a decentralized public entity of the Mexican Government; and
- the grant of additional technical and administrative authority to the Ministry of Energy, the *Comisión Nacional de Hidrocarburos* (National Hydrocarbons Commission) and the Energy Regulatory Commission.

Although, as of the date of this Offering Circular, PEMEX remains the only entity that conducts exploration and extraction activities in Mexico on behalf of the Mexican Government, the Energy Reform Decree and the Secondary Legislation will allow other oil and gas companies to enter into agreements with the Mexican Government to conduct these activities in the near future.

The Secondary Legislation sets forth, among other things, the contractual and fiscal regime applicable to PEMEX and changes to PEMEX's corporate structure as part of the Issuer's transformation from a decentralized public entity to a productive state-owned company. As of the date of this Offering Circular, PEMEX is assessing the impact that the Energy Reform Decree and the Secondary Legislation will have on it, which will depend in part on how they are implemented by further regulations. It would therefore be premature to predict the long-term effects of the implementation of this new legal framework, but these effects could be adverse to PEMEX's interests in certain respects. In addition, as a result of longstanding restrictions included in certain of PEMEX's financing agreements that were based on the

legal framework in effect before the Energy Reform Decree and the Secondary Legislation were enacted, these effects may cause PEMEX to default on these agreements in the event that PEMEX is unable to amend them or obtain waivers from its lenders. For more information, see “Item 4—Information on the Company—History and Development—Energy Reform” in the Form 20-F and “Amendments to Certain Financing Agreements” in the Interim Results Form 6-K.

Economic conditions and government policies in Mexico and elsewhere may have a material impact on PEMEX’s operations.

A deterioration in Mexico’s economic condition, social instability, political unrest or other adverse social developments in Mexico could adversely affect PEMEX’s business and financial condition. Those events could also lead to increased volatility in the foreign exchange and financial markets, thereby affecting PEMEX’s ability to obtain new financing and service its debt. Additionally, the Mexican Government may cut spending in the future. These cuts could adversely affect the Mexican economy and, consequently, PEMEX’s business, financial condition, operating results and prospects. In the past, Mexico has experienced several periods of slow or negative economic growth, high inflation, high interest rates, currency devaluation and other economic problems. These problems may worsen or reemerge, as applicable, in the future, and could adversely affect PEMEX’s business and its ability to service its debt. A worsening of international financial or economic conditions, including a slowdown in growth or recessionary conditions in Mexico’s trading partners, including the United States, or the emergence of a new financial crisis, could have adverse effects on the Mexican economy, PEMEX’s financial condition and its ability to service its debt.

Changes in exchange rates or in Mexico’s exchange control laws may hamper PEMEX’s ability to service its foreign currency debt.

The Mexican Government does not currently restrict the ability of Mexican companies or individuals to convert pesos into U.S. dollars or other currencies, and Mexico has not had a fixed exchange rate control policy since 1982. However, in the future the Mexican Government could impose a restrictive exchange control policy or devalue the peso, as it has done in the past. PEMEX cannot provide assurances that the Mexican Government will maintain its current policies with regard to the peso or that the peso’s value will not fluctuate significantly in the future. The peso has been subject to significant devaluations against the U.S. dollar in the past and has recently been subject to significant fluctuations. Mexican Government policies affecting the value of the peso or preventing PEMEX from exchanging pesos into U.S. dollars could prevent PEMEX from paying its foreign currency obligations.

Most of PEMEX’s debt is denominated in U.S. dollars. In the future, PEMEX may incur additional indebtedness denominated in U.S. dollars or other currencies. Declines in the value of the peso relative to the U.S. dollar or other currencies may increase PEMEX’s interest costs in pesos and result in foreign exchange losses to the extent that PEMEX has not hedged its exposure with derivative financial instruments.

For information on historical peso/U.S. dollar exchange rates, see “Item 3—Key Information—Exchange Rates” in the Form 20-F.

Political conditions in Mexico could materially and adversely affect Mexican economic policy and, in turn, PEMEX’s operations.

Political events in Mexico may significantly affect Mexican economic policy and, consequently, PEMEX’s operations. On December 1, 2012, Enrique Peña Nieto, a member of the *Partido Revolucionario Institucional* (Institutional Revolutionary Party, or PRI), formally assumed office for a six-year term as the President of Mexico. As of the date of this Offering Circular, no political party holds a simple majority in either house of the Mexican Congress.

Mexico has experienced a period of increasing criminal violence and such activities could affect PEMEX's operations.

Recently, Mexico has experienced a period of increasing criminal violence, primarily due to the activities of drug cartels and related criminal organizations. In response, the Mexican Government has implemented various security measures and has strengthened its military and police forces. Despite these efforts, drug-related crime continues to exist in Mexico. These activities, their possible escalation and the violence associated with them, in an extreme case, may have a negative impact on PEMEX's financial condition and results of operations.

Risk Factors Related to the Relationship between PEMEX and the Mexican Government

The Mexican Government controls PEMEX and it could limit its ability to satisfy its external debt obligations or could reorganize or transfer PEMEX or its assets.

PEMEX is controlled by the Mexican Government and its annual budget, which is approved by the *Cámara de Diputados* (Chamber of Deputies), can be adjusted by the Mexican Government in certain respects. Pursuant to the *Petróleos Mexicanos* Law, the Issuer was transformed from a decentralized public entity to a productive state-owned company on October 7, 2014. As a productive state-owned company, the Issuer will have additional technical, managerial and budgetary autonomy, which is designed to increase its production and allow it to compete effectively with other oil and gas companies that enter the Mexican energy sector. See "Item 4—Information on the Company—History and Development—Energy Reform" in the Form 20-F and "Energy Reform" in the Interim Results Form 6-K. Notwithstanding this increased autonomy, the Issuer remains under the Mexican Government's control, which could adversely affect its ability to make payments under any securities issued by the Issuer. Although the Issuer is wholly owned by the Mexican Government, its financing obligations do not constitute obligations of and are not guaranteed by the Mexican Government.

The Mexican Government's agreements with international creditors may affect PEMEX's external debt obligations. In certain past debt restructurings of the Mexican Government, the Issuer's external indebtedness was treated on the same terms as the debt of the Mexican Government and other public sector entities, and it may be treated on similar terms in any future debt restructuring. In addition, Mexico has entered into agreements with official bilateral creditors to reschedule public sector external debt. Mexico has not requested restructuring of bonds or debt owed to multilateral agencies.

The *Ley de Hidrocarburos* (Hydrocarbons Law) that was adopted as part of the Secondary Legislation contemplates the transfer of certain of PEMEX's assets to CENAGAS in the future. The Mexican Government has the power, if the Political Constitution of the United Mexican States and federal law were further amended, to reorganize PEMEX, including a transfer of all or a portion of the Issuer and the Guarantors or their assets to an entity not controlled by the Mexican Government. The reorganization and transfer of assets contemplated by the Energy Reform Decree and the Secondary Legislation, or any other reorganization or transfer that the Mexican Government may effect, could adversely affect PEMEX's production, cause a disruption in its workforce and operations and cause PEMEX to default on certain obligations. See "Energy Reform" in the Interim Results Form 6-K.

The Issuer and the Subsidiary Entities pay special taxes and duties to the Mexican Government, which may limit PEMEX's capacity to expand its investment program.

The Issuer and Subsidiary Entities pay a substantial amount of taxes and duties to the Mexican Government, particularly on the revenues of Pemex-Exploration and Production, which may limit its ability to make capital investments. In 2013, approximately 53.8% of PEMEX's sales revenues was used to pay taxes and duties to the Mexican Government. These special taxes and duties constitute a substantial portion of the Mexican Government's revenues. For further information, see "Item 4—Information on the Company—Taxes and Duties" and "Item 5—Operating and Financial Review and Prospects—IEPS Tax, Hydrocarbon Duties and Other Taxes" in the Form 20-F. The Secondary Legislation includes changes to the fiscal regime applicable to PEMEX, particularly with respect to certain exploration and extraction

activities. As of the date of this Offering Circular, PEMEX is assessing the impact that these changes may have on it. See “The effects of the implementation of the new legal framework applicable to the energy sector in Mexico are uncertain but likely to be material” above.

The Mexican Government has imposed price controls in the domestic market on PEMEX’s products.

The Mexican Government has from time to time imposed price controls on the sales of natural gas, liquefied petroleum gas (“LPG”), gasoline, diesel, gas oil intended for domestic use, fuel oil and other products. As a result of these price controls, PEMEX has not been able to pass on all of the increases in the prices of its product purchases to its customers in the domestic market. PEMEX does not control the Mexican Government’s domestic policies, and the Mexican Government could impose additional price controls on the domestic market in the future. The imposition of such price controls would adversely affect PEMEX’s results of operations. For more information, see “Item 4—Information on the Company—Business Overview—Refining—Pricing Decrees” and “Item 4—Information on the Company—Business Overview—Gas and Basic Petrochemicals—Pricing Decrees” in the Form 20-F.

The Mexican nation, not PEMEX, owns the hydrocarbon reserves in Mexico located in the subsoil of Mexico, and its right to continue to extract these reserves is subject to the approval of the Ministry of Energy.

The Political Constitution of the United Mexican States provides that the Mexican nation, not PEMEX, owns all petroleum and other hydrocarbon reserves located in Mexico.

Following the adoption of the Energy Reform Decree, Article 27 of the Political Constitution of the United Mexican States provides that the Mexican Government will carry out exploration and extraction activities through agreements with third parties and through assignments to and agreements with PEMEX. The Secondary Legislation allows PEMEX and other oil and gas companies to explore and extract the petroleum and other hydrocarbon reserves located in the subsoil of Mexico, subject to assignment of rights by the Ministry of Energy and entry into agreements pursuant to a competitive bidding process.

Access to crude oil and natural gas reserves is essential to an oil and gas company’s sustained production and generation of income, and PEMEX’s ability to generate income could be materially and adversely affected if the Mexican Government were to restrict or prevent PEMEX from exploring or extracting any of the crude oil and natural gas reserves that it is assigned. For more information, see “PEMEX must make significant capital expenditures to maintain its current production levels, and to maintain, as well as increase, the proved hydrocarbon reserves assigned to it by the Mexican Government. Reductions in PEMEX’s income and inability to obtain financing may limit its ability to make capital investments” below.

Information on Mexico’s hydrocarbon reserves in the Form 20-F is based on estimates, which are uncertain and subject to revisions.

The information on oil, gas and other reserves set forth in the Form 20-F is based on estimates. Reserves valuation is a subjective process of estimating underground accumulations of crude oil and natural gas that cannot be measured in an exact manner; the accuracy of any reserves estimate depends on the quality and reliability of available data, engineering and geological interpretation and subjective judgment. Additionally, estimates may be revised based on subsequent results of drilling, testing and production. These estimates are also subject to certain adjustments based on changes in variables, including crude oil prices. Therefore, proved reserves estimates may differ materially from the ultimately recoverable quantities of crude oil and natural gas. See “—Risk Factors Related to the Operations of PEMEX—Crude oil and natural gas prices are volatile and low crude oil and natural gas prices adversely affect PEMEX’s income and cash flows and the amount of Mexico’s hydrocarbon reserves.” Pemex-Exploration and Production revises annually its estimates of Mexico’s hydrocarbon reserves that it is entitled to extract and sell, which may result in material revisions to these estimates. PEMEX’s ability to

maintain its long-term growth objectives for oil production depends on its ability to successfully develop its reserves, and failure to do so could prevent PEMEX from achieving its long-term goals for growth in production.

PEMEX must make significant capital expenditures to maintain its current production levels, and to maintain, as well as increase, the proved hydrocarbon reserves assigned to it by the Mexican Government. Reductions in PEMEX's income and inability to obtain financing may limit its ability to make capital investments.

PEMEX's ability to maintain, as well as increase, its oil production levels is highly dependent upon its ability to successfully develop existing hydrocarbon reserves and, in the long term, upon its ability to obtain the right to develop additional reserves.

PEMEX continually invests capital to enhance its hydrocarbon recovery ratio and improve the reliability and productivity of its infrastructure. Despite these investments, the replacement rate for proved hydrocarbon reserves decreased to 67.8% in 2013, representing a significant decline in proved hydrocarbon reserves. Pemex-Exploration and Production's crude oil production decreased by 1.0% from 2010 to 2011, by 0.2% from 2011 to 2012 and by 1.0% from 2012 to 2013, primarily as a result of the decline of production in the Cantarell and Delta del Grijalva projects.

The transitional articles of the Energy Reform Decree outlined a process, commonly referred to as Round Zero, for the determination of PEMEX's initial allocation of rights to continue to carry out exploration and extraction activities in Mexico. On August 13, 2014, the Ministry of Energy granted PEMEX the right to continue to explore and develop areas that together contain 96% of Mexico's estimated proved reserves of crude oil and natural gas as of December 31, 2013. The development of the reserves that were assigned to PEMEX pursuant to Round Zero, particularly the reserves in the deep waters of the Gulf of Mexico and in shale oil and gas fields in the Burgos basin, will demand significant capital investments and will pose significant operational challenges. Pursuant to the terms of the transitional articles of the Energy Reform Decree, PEMEX's right to develop the reserves assigned to it through Round Zero is conditioned on its ability to develop such reserves in accordance with its development plans, which were based on PEMEX's technical, financial and operational capabilities at the time. PEMEX cannot provide assurances that it will have or will be able to obtain, in the time frame that it expects, sufficient resources or the technical capacity necessary to explore and extract the reserves that the Mexican Government assigned to PEMEX as part of Round Zero, or that it may grant to PEMEX in the future. PEMEX may also lose the right to continue to extract these reserves if it fails to develop them in accordance with its development plans, which could adversely affect its operating results and financial condition. In addition, increased competition in the oil and gas sector in Mexico may increase the costs of obtaining additional acreage in bidding rounds for the rights to new reserves.

PEMEX's ability to make capital expenditures is limited by the substantial taxes and duties that it pays to the Mexican Government and cyclical decreases in its revenues primarily related to lower oil prices. The availability of financing may limit PEMEX's ability to make capital investments that are necessary to maintain current production levels and increase the proved hydrocarbon reserves it is entitled to extract. For more information, see "Item 4—Information on the Company—History and Development—Capital Expenditures and Investments" and "—Energy Reform" in the Form 20-F.

Increased competition in the Mexican energy sector may have a negative impact on PEMEX's results of operations and financial conditions.

The Hydrocarbons Law also allows other oil and gas companies, in addition to PEMEX, to carry out certain activities related to the energy sector in Mexico, including exploration and extraction activities. The Mexican Government will carry out exploration and extraction activities through assignments to, or agreements with, PEMEX and through agreements with other oil and gas companies. The oil and gas fields that PEMEX did not request or were not assigned to it pursuant to Round Zero will be subject to a competitive bidding process open to participation by other oil and gas companies in which PEMEX will not have a preferential right. PEMEX will also likely face competition for the right to develop new oil and gas

fields in Mexico, as well as in connection with certain refining, transportation and processing activities. In addition, increased competition could make it more difficult for PEMEX to hire and retain skilled personnel. For more information, see “Item 4—Information on the Company—History and Development—Energy Reform” in the Form 20-F and “Energy Reform” in the Interim Results Form 6-K. If PEMEX is unable to compete successfully with other oil and gas companies in the energy sector in Mexico, its results of operations and financial condition may be adversely affected.

PEMEX may claim some immunities under the Foreign Sovereign Immunities Act and Mexican law, and investors’ ability to sue or recover may be limited.

The Issuer and the Guarantors are public-sector entities of the Mexican Government. Accordingly, investors may not be able to obtain a judgment in a U.S. court against PEMEX unless the U.S. court determines that it is not entitled to sovereign immunity with respect to that action. Under certain circumstances, Mexican law may limit investors’ ability to enforce judgments against the Issuer and the Guarantors in the courts of Mexico. See “Description of Notes—Governing Law, Jurisdiction and Waiver of Immunity” below. PEMEX also does not know whether Mexican courts would enforce judgments of U.S. courts based on the civil liability provisions of the U.S. federal securities laws. Therefore, even if investors were able to obtain a U.S. judgment against the Issuer or one or more of the Guarantors, they might not be able to obtain a judgment in Mexico that is based on that U.S. judgment. Moreover, investors may not be able to enforce a judgment against the property of the Issuer or a Guarantor in the United States except under the limited circumstances specified in the Foreign Sovereign Immunities Act of 1976, as amended (the “Foreign Sovereign Immunities Act”). Finally, if investors were to bring an action in Mexico seeking to enforce the obligations of the Issuer under the Notes or the Guarantors under the Guaranties, satisfaction of those obligations may be made in pesos, pursuant to the laws of Mexico.

PEMEX’s directors and officers, as well as some of the experts named in this Offering Circular or the Form 20-F, reside outside the United States. Substantially all of PEMEX’s assets and those of most of its directors, officers and experts are located outside the United States. As a result, investors may not be able to effect service of process on PEMEX’s directors or officers or those experts within the United States.

Recent U.S. federal court decisions addressing the meaning of ranking provisions could potentially reduce or hinder the ability of issuers such as PEMEX to restructure their debt.

As of the date of this Offering Circular, the Issuer and the Guarantors cannot be subject to a bankruptcy proceeding under the *Ley de Concursos Mercantiles* (Commercial Bankruptcy Law of Mexico) because it is inapplicable to these entities. Accordingly, any future debt restructuring, to the extent it is not regulated otherwise as a result of specific legislative action in Mexico (including legislative action approving its dissolution and liquidation), will require the consent of PEMEX’s creditors based on the consent provisions set forth in its financing instruments.

In *NML Capital, Ltd. v. Republic of Argentina*, the U.S. Court of Appeals for the Second Circuit ruled that the ranking clause in certain defaulted bonds issued by Argentina prevents Argentina from making payments on certain of its performing debt unless it makes *pro rata* payments on defaulted debt that ranks *pari passu* with the performing debt. The ruling in *NML Capital, Ltd. v. Republic of Argentina* requiring ratable payments could potentially hinder or impede a future debt restructuring or distressed debt management in which the debtor is not subject to a bankruptcy regime, unless the debtor can obtain the requisite creditor consents, including pursuant to any applicable collective action clauses contained in PEMEX’s debt securities. See “Description of Notes—Modification and Waiver” below. PEMEX cannot predict how this decision may impact any future debt restructuring of an issuer such as itself.

Risk Factors Related to the Operations of PEMEX

Crude oil and natural gas prices are volatile and low crude oil and natural gas prices adversely affect PEMEX's income and cash flows and the amount of Mexico's hydrocarbon reserves.

International crude oil and natural gas prices are subject to global supply and demand and fluctuate due to many factors beyond PEMEX's control. These factors include competition within the oil and natural gas industry, the prices and availability of alternative sources of energy, international economic trends, exchange rate fluctuations, expectations of inflation, domestic and foreign government regulations or international laws, political and other events in major oil and natural gas producing and consuming nations and actions taken by Organization of the Petroleum Exporting Countries (OPEC) members and other oil exporting countries, trading activity in oil and natural gas and transactions in derivative financial instruments related to oil and gas.

When international crude oil and natural gas prices are low, PEMEX earns less export sales revenue and, therefore, generates lower cash flows and earns less income, because PEMEX's costs remain roughly constant. Conversely, when crude oil and natural gas prices are high, PEMEX earns more export sales revenue and its income before taxes and duties increases. As a result, future fluctuations in international crude oil and natural gas prices will have a direct effect on PEMEX's results of operations and financial condition, and may affect Mexico's hydrocarbon reserves estimates. See "—Risk Factors Related to the Relationship between PEMEX and the Mexican Government—Information on Mexico's hydrocarbon reserves in the Form 20-F is based on estimates, which are uncertain and subject to revisions" above and "Item 11—Quantitative and Qualitative Disclosures about Market Risk—Hydrocarbon Price Risk" in the Form 20-F.

PEMEX is an integrated oil and gas company and is exposed to production, equipment and transportation risks, criminal acts and deliberate acts of terror.

PEMEX is subject to several risks that are common among oil and gas companies. These risks include production risks (fluctuations in production due to operational hazards, natural disasters or weather, accidents, etc.), equipment risks (relating to the adequacy and condition of PEMEX's facilities and equipment) and transportation risks (relating to the condition and vulnerability of pipelines and other modes of transportation). More specifically, PEMEX's business is subject to the risks of explosions in pipelines, refineries, plants, drilling wells and other facilities, hurricanes in the Gulf of Mexico and other natural or geological disasters and accidents, fires and mechanical failures. Criminal attempts to divert PEMEX's crude oil, natural gas or refined products from its pipeline network and facilities for illegal sale have resulted in explosions, property and environmental damage, injuries and loss of life.

PEMEX's facilities are also subject to the risk of sabotage, terrorism and cyber attacks. In July 2007, two of PEMEX's pipelines were attacked. In September 2007, six different sites were attacked and 12 of its pipelines were affected. The occurrence of any of these events or of accidents connected with production, processing and transporting oil and oil products could result in personal injuries, loss of life, environmental damage with resulting containment, clean-up and repair expenses, equipment damage and damage to PEMEX's facilities. A shutdown of the affected facilities could disrupt PEMEX's production and increase its production costs. As of the date of this Offering Circular, there have been no similar occurrences since 2007. Although PEMEX has established cybersecurity systems and procedures to protect its information technology and has not yet suffered a cyber attack, if the integrity of its information technology were ever compromised due to a cyber attack, PEMEX's business operations could be disrupted and its proprietary information could be lost or stolen.

PEMEX purchases comprehensive insurance policies covering most of these risks; however, these policies may not cover all liabilities, and insurance may not be available for some of the consequential risks. There can be no assurance that accidents or acts of terror will not occur in the future, that insurance will adequately cover the entire scope or extent of PEMEX's losses or that it may not be found directly liable in connection with claims arising from these or other events. See "Item 4—Information on the Company—Business Overview—PEMEX Corporate Matters—Insurance" in the Form 20-F.

PEMEX has a substantial amount of liabilities that could adversely affect its financial condition and results of operations.

PEMEX has a substantial amount of debt. As of December 31, 2013, PEMEX's total indebtedness, excluding accrued interest, was approximately U.S. \$63.6 billion, in nominal terms, which is a 6.4% increase as compared to its total indebtedness, excluding accrued interest, of approximately U.S. \$59.8 billion at December 31, 2012. PEMEX's level of debt may increase further in the near or medium term and may have an adverse effect on its financial condition and results of operations.

To service its debt, PEMEX has relied and may continue to rely on a combination of cash flows provided by operations, drawdowns under its available credit facilities, and the incurrence of additional indebtedness. Certain rating agencies have expressed concerns regarding the total amount of PEMEX's debt, its increase in indebtedness over the last several years and its substantial unfunded reserve for retirement pensions and seniority premiums, which as of December 31, 2013 was equal to approximately U.S. \$85.6 billion.

Due to PEMEX's heavy tax burden, it has resorted to financings to fund its capital investment projects. Any lowering of PEMEX's credit ratings may have adverse consequences on its ability to access the financial markets and/or its cost of financing. If PEMEX is unable to obtain financing on favorable terms, this could hamper its ability to obtain further financing as well as hamper investment in projects financed through debt. As a result, PEMEX may not be able to make the capital expenditures needed to maintain its current production levels and to maintain, as well as increase, proved hydrocarbon reserves, which may adversely affect its financial condition and results of operations. See "—Risk Factors Related to the Relationship between PEMEX and the Mexican Government—PEMEX must make significant capital expenditures to maintain its current production levels, and to maintain, as well as increase, the proved hydrocarbon reserves assigned to it by the Mexican Government. Reductions in PEMEX's income and inability to obtain financing may limit its ability to make capital investments" above.

PEMEX's compliance with environmental regulations in Mexico could result in material adverse effects on its results of operations

A wide range of general and industry-specific Mexican federal and state environmental laws and regulations apply to PEMEX's operations; these laws and regulations are often difficult and costly to comply with and carry substantial penalties for non-compliance. This regulatory burden increases PEMEX's costs because it requires PEMEX to make significant capital expenditures and limits its ability to extract hydrocarbons, resulting in lower revenues. For an estimate of PEMEX's accrued environmental liabilities, see "Item 4—Information on the Company—Environmental Regulation—Environmental Liabilities" in the Form 20-F. In addition, PEMEX has agreed with third parties to make investments to reduce its carbon dioxide emissions. See "Item 4—Information on the Company—Environmental Regulation—Global Climate Change and Carbon Dioxide Emissions Reduction" in the Form 20-F.

Risks Related to the Notes

The Notes are subject to restrictions on resales and transfers.

The Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes may be offered and sold only (a) to Qualified Institutional Buyers in compliance with Rule 144A; (b) pursuant to offers and sales that occur outside the United States in compliance with Regulation S; (c) pursuant to an exemption from registration provided by Rule 144 (if available); or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. For certain restrictions on resale and transfer, see "Offering and Sale" and "Notice to Investors."

There is no prior market for the Notes; if one develops, it may not be liquid. In addition, a listing of the Notes on a securities exchange cannot be guaranteed.

There currently is no market for the Notes. PEMEX cannot promise that such a market will develop, or if it does develop, that it will continue to exist. If a market for the Notes were to develop, prevailing interest rates, exchange rates, economic conditions in Mexico and general market conditions could affect the price of the Notes. This could cause the Notes to trade at prices that may be lower than their principal amount or their initial offering price.

In addition, although application has been made to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF Market, the Notes issued under this program may not be so listed and traded. Moreover, even if a tranche of Notes is so listed and traded at the time of issuance, the Issuer may decide to delist the Notes and/or seek an alternative listing for such Notes on another stock exchange, although there can be no assurance that such alternative listing will be obtained.

The Notes will contain provisions that permit the Issuer to amend the payment terms of a series of Notes without the consent of all holders.

The Notes will contain provisions regarding acceleration and voting on amendments, modifications and waivers, which are commonly referred to as “collective action clauses.” Under these provisions, certain key terms of a series of the Notes may be amended, including the maturity date, interest rate and other payment terms, without the consent of all of the holders. See “Description of Notes—Modification and Waiver.”

USE OF PROCEEDS

Unless otherwise indicated in the applicable Final Terms, the net proceeds from the issuance of the Notes offered hereby will be used by the Issuer to finance PEMEX's investment program and working capital needs or to redeem, repurchase or refinance PEMEX's indebtedness. For more information on PEMEX's investment program, see "Item 4—Information on the Company—Capital Expenditures and Investments" in the Form 20-F.

SELECTED FINANCIAL DATA

This selected financial data set forth below is derived in part from, and should be read in conjunction with, the 2013 Financial Statements and the September Interim Financial Statements incorporated by reference in this Offering Circular, which were prepared in accordance with IFRS.

	As of and for the period ended ⁽¹⁾			
	December 31, ⁽²⁾		September 30, ⁽³⁾	
	2012	2013	2013	2014
	(millions of pesos, except ratios)			
Statement of Comprehensive Income Data				
Net sales.....	1,646,912	1,608,205	1,198,710	1,222,538
Operating income.....	905,339	727,622	591,141	522,345
Financing income.....	2,532	8,736	1,753	1,772
Financing cost.....	(46,011)	(39,586)	(28,230)	(33,767)
Derivative financial instruments income (cost)—Net.....	(6,258)	1,311	1,176	(5,644)
Exchange gain (loss)—Net.....	44,846	(3,951)	303	(9,505)
Net (loss) for the period.....	2,600	(170,058)	(92,584)	(147,966)
Statement of Financial Position Data (end of period)				
Cash and cash equivalents.....	119,235	80,746	n.a.	98,188
Total assets.....	2,024,183	2,047,390	n.a.	2,076,700
Long-term debt.....	672,618	750,563	n.a.	867,482
Total non-current liabilities.....	2,059,445	1,973,446	n.a.	2,145,059
Total equity (deficit).....	(271,066)	(185,247)	n.a.	(332,115)
Statement of Cash Flows				
Depreciation and amortization.....	140,538	148,492	111,906	111,586
Acquisition of wells, pipelines, properties, plant and equipment ⁽⁴⁾	197,509	245,628	140,719	152,730
Other Financial Data				
Ratio of earnings to fixed charges ⁽⁵⁾	1.14	—	—	—

Note: n.a. = Not applicable.

- (1) Includes Petróleos Mexicanos, the Subsidiary Entities and the Subsidiary Companies listed in Note 3(a) to PEMEX's 2013 Financial Statements and in Note 3(a) to PEMEX's September Interim Financial Statements.
- (2) Information derived from PEMEX's 2013 Financial Statements.
- (3) Information derived from PEMEX's September Interim Financial Statements.
- (4) Includes capitalized financing cost. See Note 10 to PEMEX's 2013 Financial Statements, "Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources" in the Form 20-F and Note 3(h) to PEMEX's September Interim Financial Statements.
- (5) Earnings, for the purpose of this calculation, consist of pre-tax income (loss) from continuing operations before income from equity investees, plus fixed charges, minus interest capitalized during the period, plus the amortization of capitalized interest during the period and plus dividends received on equity investments. Pre-tax income (loss) is calculated after the deduction of hydrocarbon duties, but before the deduction of the hydrocarbon income tax and other income taxes. Fixed charges are calculated as the sum of interest expense plus interest capitalized during the period. Fixed charges do not take into account exchange gain or loss attributable to our indebtedness. Earnings for the year ended December 31, 2013 and for the nine months ended September 30, 2013 and 2014 were insufficient to cover fixed charges. The amount by which fixed charges exceeded earnings was Ps. 163,803 million, Ps. 87,111 million and Ps. 147,152 million, respectively, during the relevant periods.

CAPITALIZATION

The following table sets forth the capitalization of PEMEX at September 30, 2014. Selected Mexican peso amounts presented below have been derived from Pemex's September Interim Financial Statements incorporated by reference in this Offering Circular, which were prepared in accordance with IFRS.

	At September 30, 2014⁽¹⁾⁽²⁾	
	(millions of pesos or U.S. dollars)	
	Ps.	U.S.\$
Long-term external debt	654,464	48,644
Long-term domestic debt.....	213,018	15,833
Total long-term debt ⁽³⁾	867,482	64,477
Certificates of Contribution "A" ⁽⁴⁾	114,605	8,518
Mexican Government contributions to Petróleos Mexicanos	113,731	8,453
Legal reserve.....	1,002	74
Accumulated other comprehensive result.....	(126,393)	(9,394)
(Deficit) from prior years.....	(287,606)	(21,377)
Net (loss) for the period.....	(147,759)	(10,982)
Total controlling interest.....	(332,421)	(24,708)
Total capitalization.....	Ps. 535,061	U.S.\$ 39,769

Note: Numbers may not total due to rounding.

- (1) Unaudited. Convenience translations into U.S. dollars of amounts in pesos have been made at the established exchange rate of Ps. 13.4541 = U.S. \$1.00 at September 30, 2014. Such translations should not be construed as a representation that the peso amounts have been or could be converted into U.S. dollar amounts at the foregoing or any other rate.
- (2) As of the date of this Offering Circular, there has been no material change in the capitalization of PEMEX since September 30, 2014, except for PEMEX's undertaking of the new financings described in "Recent Developments—Liquidity and Capital Resources—Recent Financing Activities" in the Interim Results Form 6-K.
- (3) Total long-term debt does not include short-term indebtedness of Ps. 128,103 million (U.S. \$9,522 million) at September 30, 2014.
- (4) Equity instruments held by the Mexican Government.

THE GUARANTORS

The Guarantors—Pemex-Exploration and Production, Pemex-Refining and Pemex-Gas and Basic Petrochemicals—are decentralized public entities of the Mexican Government, created by the Mexican Congress on July 17, 1992 out of operations that had previously been directly managed by the Issuer. Each of the Guarantors is a legal entity empowered to own property and carry on business in its own name. The executive offices of each of the Guarantors are located at Avenida Marina Nacional No. 329, Colonia Petróleos Mexicanos, México, D.F. 11311, México. The Guarantors' telephone number is (52-55) 1944-2500.

The activities of the Issuer and the Guarantors are regulated primarily by:

- the Hydrocarbons Law; and
- the Petróleos Mexicanos Law.

The operating activities of the Issuer are allocated among the Guarantors and the other Subsidiary Entity, Pemex-Petrochemicals, each of which has the characteristics of a Subsidiary (as defined below) of the Issuer. The principal business lines of the Guarantors are as follows:

- Pemex-Exploration and Production explores for and exploits crude oil and natural gas and transports, stores and markets these hydrocarbons;
- Pemex-Refining refines petroleum products and derivatives that may be used as basic industrial raw materials and stores, transports, distributes and markets these products and derivatives; and
- Pemex-Gas and Basic Petrochemicals processes natural gas, natural gas liquids and derivatives that may be used as basic industrial raw materials and stores, transports, distributes and markets these products and derivatives and produces, stores, transports, distributes and markets basic petrochemicals.

On November 18, 2014, the Issuer's Board of Directors approved the Director General's proposal for the corporate reorganization of PEMEX. Pursuant to this reorganization plan, the four existing Subsidiary Entities will be transformed into two new productive state-owned subsidiaries, which will assume the rights and obligations of the existing Subsidiary Entities. The first of these productive state-owned subsidiaries, *Exploración y Producción* (Exploration and Production), will subsume Pemex-Exploration and Production. The second of these productive state-owned subsidiaries, *Transformación Industrial* (Industrial Transformation) will comprise the following existing Subsidiary Entities: Pemex-Refining, Pemex-Gas and Basic Petrochemicals and Pemex-Petrochemicals. For further information about the general legal framework governing the Guarantors and changes thereto, see "Item 4—Information on the Company—History and Development" in the Form 20-F and "Energy Reform" in the Interim Results Form 6-K. Copies of the *Petróleos Mexicanos Law* will be available at the specified offices of Deutsche Bank Trust Company Americas and the Paying Agent and Transfer Agent in Luxembourg.

The Guarantors have been consolidated with PEMEX in the 2013 Financial Statements and the September Interim Financial Statements. See Notes 4 and 25 to the 2013 Financial Statements and Note 4 to the September Interim Financial Statements for the selected consolidating balance sheets, statements of operations and statements of cash flows for the Guarantors that are utilized to produce the consolidated financial statements of PEMEX. None of the Guarantors publish their own financial statements.

The following is a brief description of each Guarantor.

Pemex-Exploration and Production

Pemex-Exploration and Production explores for and produces crude oil and natural gas, primarily in the northeastern and southeastern regions of Mexico and offshore in the Gulf of Mexico. In nominal peso terms, PEMEX's capital investment in exploration and production activities increased by 9.7% in 2013. As a result of PEMEX's investments in previous years, its total hydrocarbon production reached a level of approximately 3,671 thousand barrels of oil equivalent per day in 2013. Pemex-Exploration and Production's crude oil production decreased by 1.0% from 2012 to 2013, averaging 2,522 thousand barrels per day in 2013, primarily as a result of the decline of the Cantarell, Delta del Grijalva, Jujotecominoacán, Ixtal-Manik and Crudo Ligerito Marino projects, which was partially offset by increased crude oil production in the following projects: Ku-Maloob-Zaap, Tsimin-Xux, Chuc, Ek-Balam, El Golpe-Puerto Ceiba, Burgos and Veracruz. Pemex-Exploration and Production's natural gas production (excluding natural gas liquids) decreased by 0.2% from 2012 to 2013, averaging 6,370.3 million cubic feet per day in 2013. This decrease in natural gas production was a result of lower volumes from the Veracruz, Delta del Grijalva, Crudo Ligerito Marino, Ixtal-Manik and Costero Terrestre projects. Exploration drilling activity increased by 2.7% from 2012 to 2013, from 37 exploratory wells completed in 2012 to 38 exploratory wells completed in 2013. Development drilling activity decreased by 34.6% from 2012 to 2013, from 1,201 development wells completed in 2012 to 785 development wells completed in 2013. In 2013, PEMEX completed the drilling of 823 wells in total. PEMEX's drilling activity in 2013 was focused on increasing the production of non-associated gas in the Aceite Terciario del Golfo (or ATG) and Ogarrio-Magallanes projects and of heavy crude oil in the Cantarell and Ku-Maloob-Zaap projects.

In 2013, the reserves replacement rate ("RRR") was 67.8%, which was 36.5 percentage points lower than the RRR in 2012, which was 104.3%.

PEMEX's well-drilling activities during 2013 led to significant onshore discoveries. The main discoveries included light crude oil reserves located in the Southeastern and Veracruz basins, specifically in the Northern and Southern regions. In addition, exploration activities in the Northern region led to the discovery of additional non-associated gas reserves in the Burgos basin. PEMEX's current challenge with respect to these discoveries is their immediate development in order to increase current production levels.

Pemex-Exploration and Production's production goals for 2014 include increasing its crude oil production to approximately 2.55 million barrels per day and maintaining natural gas production above 6.7

billion cubic feet per day, in order to better satisfy domestic demand for natural gas, and thus lower the rate of increase of imports of natural gas and natural gas derivatives. PEMEX aims to meet these production goals by managing the decline in field production through the application of primary, secondary and enhanced oil recovery processes, developing extra-heavy crude oil fields and accelerating production at new fields.

For further information about Pemex-Exploration and Production, see “Item 4—Information on the Company—Business Overview—Exploration and Production” in the Form 20-F.

Pemex-Refining

Pemex-Refining converts crude oil into gasoline, jet fuel, diesel, fuel oil, asphalts and lubricants. It also distributes and markets most of these products throughout Mexico, where it experiences significant demand for its refined products. At the end of 2013, Pemex-Refining’s atmospheric distillation refining capacity reached 1,690 thousand barrels per day. In 2013, Pemex-Refining produced 1,276 thousand barrels per day of refined products as compared to 1,226 thousand barrels per day of refined products in 2012. The 4.1% increase in refined products production was mainly due to the startup of new plants following the reconfiguration of the Minatitlán refinery and to the improved performance of the national refining system.

For further information about Pemex-Refining, see “Item 4—Information on the Company—Business Overview—Refining” in the Form 20-F.

Pemex-Gas and Basic Petrochemicals

Pemex-Gas and Basic Petrochemicals processes wet natural gas in order to obtain dry natural gas, LPG and other natural gas liquids. Additionally, it transports, distributes and sells natural gas and LPG throughout Mexico and produces and sells several basic petrochemical feedstocks used by Pemex-Refining and Pemex-Petrochemicals. In 2013, Pemex-Gas and Basic Petrochemicals’ total sour natural gas processing capacity remained constant at 4,503 million cubic feet per day. Pemex-Gas and Basic Petrochemicals processed 4,404 million cubic feet per day of wet natural gas in 2013, a 0.5% increase from the 4,382 million cubic feet per day of wet natural gas processed in 2012. It produced 362 thousand barrels per day of natural gas liquids in 2013, a 0.8% decrease from the 365 thousand barrels per day of natural gas liquids production in 2012. It also produced 3,693 million cubic feet of dry gas (which is natural gas with a methane content of more than 90.5%) per day in 2013, 1.8% more than the 3,628 million cubic feet of dry gas per day produced in 2012.

For further information about Pemex-Gas and Basic Petrochemicals, see “Item 4—Information on the Company—Business Overview—Gas and Basic Petrochemicals” in the Form 20-F.

For further information about the investment policies of the Guarantors, see “Item 4—Information on the Company—History and Development—Capital Expenditures and Investment” in the Form 20-F.

DESCRIPTION OF NOTES

General

The Notes are to be issued under an indenture dated as of January 27, 2009 between the Issuer and Deutsche Bank Trust Company Americas, as trustee (the “Trustee”), as supplemented by (i) the first supplemental indenture, dated as of June 2, 2009 among the Issuer, the Trustee and Deutsche Bank AG, London Branch, as international paying agent and authenticating agent (the “International Paying Agent”); (ii) the second supplemental indenture, dated as of October 13, 2009 among the Issuer, the Trustee, Credit Suisse AG, as principal Swiss paying agent, and BNP Paribas (Suisse) S.A., as Swiss paying agent and authenticating agent; (iii) the third supplemental indenture, dated as of April 10, 2012, among the Issuer, the Trustee and Credit Suisse AG, as Swiss paying agent and authenticating agent; (iv) the fourth supplemental indenture, dated as of June 24, 2014, between the Issuer and the Trustee; and (v) the fifth supplemental indenture, dated as of October 15, 2014, between the Issuer and the Trustee (as supplemented, the “Indenture”). The information contained in this section summarizes the terms of the Notes and certain of the provisions of the Indenture. This summary does not contain all of the information that may be important to a potential investor in the Notes. One should read the Indenture and the forms of the Notes before making an investment decision. The Issuer has filed or will file copies of these documents with the SEC and will also file copies of these documents at the offices of the Trustee, the Paying Agent and the Transfer Agent in Luxembourg. Wherever particular defined terms of the Indenture are referred to, such defined terms are incorporated herein by reference.

The particular terms of each issue of Notes, including the purchase price, currency or currency unit of denomination and payment, Stated Maturity (as defined below), form, interest rate, interest payment dates, and, if applicable, redemption, repayment and index provisions, will be set forth for each such issue in the Notes and the applicable Final Terms. With respect to any particular Note, the description of the Notes herein is qualified in its entirety by reference to, and to the extent inconsistent therewith is superseded by, such Notes and the applicable Final Terms.

The Notes are limited to an aggregate initial offering price of U.S. \$52,000,000,000 or its equivalent in Specified Currencies (as defined below) other than U.S. dollars. The foregoing limit, however, may be increased by the Issuer if in the future it determines that it may wish to sell additional Notes.

The issuance of the Notes has been duly authorized by the board of directors of the Issuer; *provided* that additional authorization of the board of directors of the Issuer will be necessary in order to issue Notes after December 31, 2015.

Unless previously redeemed, a Note will mature on the date (the “Stated Maturity”) one or more years from its date of issue that is specified on the face thereof and in the applicable Final Terms.

Each Note will be denominated in U.S. dollars or in one or more foreign currencies or currency units (each, a “Specified Currency”) as shall be specified in such Note and the applicable Final Terms. Unless otherwise specified in the Notes and the applicable Final Terms, payments on the Notes will be made in the applicable Specified Currency, except in the circumstances specified under “—Foreign Currency Notes and Indexed Notes” below. The Final Terms for each issue of Foreign Currency Notes will include additional information with respect to exchange rates applicable to the currency or currency unit specified therein, any relevant foreign exchange controls and any relevant foreign currency risk.

Unless otherwise indicated in the applicable Final Terms, each Note, except any Indexed Note (as defined below), will bear interest at a fixed rate or at a rate determined by reference to the London Interbank Offered Rate (“LIBOR”) or the Treasury Rate, as adjusted by the Spread and/or Spread Multiplier (each as defined below), if any, applicable to such Note. See “—Interest Rate” below.

The Notes may be issued as Original Issue Discount Notes. “Original Issue Discount Note” means (i) a Note, including any Note having an interest rate of zero, that has a stated redemption price at maturity that exceeds its issue price (each as defined for U.S. federal income tax purposes) by at least 0.25% of such stated redemption price at maturity, multiplied by the number of complete years from the issue date to the Stated Maturity for such Note and (ii) any other Note designated by the Issuer as issued with original issue discount for U.S. federal income tax purposes, as disclosed in the applicable Final Terms.

The Notes may be issued as Indexed Notes, the principal amount of which payable on or prior to Stated Maturity, the amount of interest payable on which and/or any premium payable with respect to which will be determined by reference to the difference in the price of crude oil on certain specified dates or by some other index or indices. See “—Foreign Currency Notes and Indexed Notes” below.

The Indenture does not limit the aggregate amount of debt securities that may be issued thereunder and provides that debt securities may be issued thereunder from time to time in one or more series.

The Issuer has agreed to maintain Paying Agents and Transfer Agents in the Borough of Manhattan, The City of New York, and in the City of London. The Issuer has initially appointed the Trustee at its corporate trust office in New York as principal Paying Agent, Transfer Agent, authenticating agent and registrar for all Registered Notes that are not International Global Notes (as defined below). The Transfer Agent will keep a register in which, subject to such reasonable regulations as the Issuer may prescribe, the Issuer will provide for the registration of the Notes and the registration of transfers of the Notes. The Issuer and the Trustee have initially appointed the International Paying Agent at its corporate trust office in London as Paying Agent and Authenticating Agent for Registered and Bearer Notes represented, in whole or in part, by a Note in definitive or temporary global form that is deposited with or on behalf of a common depository located outside the United States for Euroclear or Clearstream, Luxembourg (“International Global Notes”). For so long as any Notes are outstanding, the Issuer shall maintain a Paying Agent and a Transfer Agent for the Notes in a city in Western Europe, and, for so long as any Registered Notes are outstanding, the Issuer shall maintain a Paying Agent and Transfer Agent in The City of New York. See “—Payment of Principal and Interest” below.

Ranking of Notes and Guaranties

The Notes will constitute direct, unsecured and unsubordinated Public External Indebtedness (as defined under “—Negative Pledge” below) of the Issuer and will at all times rank equally with each other. The payment obligations of the Issuer under the Notes will, except as may be provided by applicable law and subject to “—Negative Pledge” below, at all times rank equally with all other present and future unsecured and unsubordinated Public External Indebtedness for money borrowed of the Issuer, including its obligations with respect to the Public External Indebtedness incurred by the Master Trust, a Delaware trust established by the Issuer. The payment of principal of and interest on the Notes will be unconditionally guaranteed, jointly and severally, by the Guarantors pursuant to the Guaranty Agreement and Certificates of Designation (each as defined below) delivered by the Issuer to each Guarantor designating the Notes and the Indenture as subject to the Guaranty Agreement. See “—Guaranties” below. The Guaranty of the Notes by each Guarantor will constitute direct, unsecured and unsubordinated Public External Indebtedness of such Guarantor and will, except as may be provided by applicable law and subject to “—Negative Pledge” below, at all times rank equally with each other Guaranty and with all other present and future unsecured and unsubordinated Public External Indebtedness of such Guarantor, including its obligations with respect to the Public External Indebtedness incurred by the Master Trust. The Notes are not obligations of, or guaranteed by, the Mexican Government.

Form and Denomination

Notes may be issued in registered form without interest coupons (“Registered Notes”) or in bearer form, with or without interest coupons (“Bearer Notes”), as specified in the applicable Final Terms and as described below.

Unless otherwise specified in the applicable Final Terms, Registered Notes will be issued in denominations of U.S. \$10,000 and integral multiples of U.S. \$1,000 in excess thereof and Bearer Notes will be issued in denominations of U.S. \$10,000 and U.S. \$100,000 (or, in each case, the approximate equivalent thereof in a Specified Currency other than U.S. dollars).

Registered Notes will be issued in the forms described below, unless otherwise specified in the applicable Final Terms.

Registered Notes of the same tranche and tenor initially sold outside the United States in compliance with Regulation S will be represented by one or more Registered Notes in global form (collectively, a "Regulation S Global Note") which will be (a) deposited with the Trustee in New York as custodian for DTC and will be registered in the name of a nominee of DTC, for the accounts of Euroclear and Clearstream, Luxembourg or (b) deposited with a common depository for Euroclear and Clearstream, Luxembourg and registered in the name of such common depository or its nominee, for the accounts of Euroclear and Clearstream, Luxembourg (DTC or such other depository, a "Depository").

Registered Notes of the same tranche or tenor initially sold within the United States and eligible for resale in reliance on Rule 144A will be represented by one or more Registered Notes in global form (collectively, a "Restricted Global Note" and, together with a Regulation S Global Note, the "Global Notes") which will be (a) deposited with the Trustee in New York as custodian for DTC and will be registered in the name of DTC or a nominee of DTC for credit to an account of a direct or indirect Participant (as defined below) in DTC as described below or (b) deposited with a common depository for Euroclear and Clearstream, Luxembourg and registered in the name of such common depository or its nominee, for the accounts of Euroclear and Clearstream, Luxembourg. The Restricted Global Notes (and any Certificated Notes (as defined below) issued in exchange therefor) will be subject to certain restrictions on transfer set forth under "Notice to Investors."

On or prior to the 40th day after the completion of the distribution (as certified to the Trustee by the relevant Agent) of all Notes of an identifiable tranche (the "Restricted Period"), a beneficial interest in a Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in a Restricted Global Note of the same tranche and like tenor, but only upon receipt by the Trustee of a written certification from the transferor (in the form provided in the Indenture) to the effect that such transfer is being made to a person whom the transferor reasonably believes is purchasing for its own account or accounts as to which it exercises sole investment discretion and that such person and each such account is a Qualified Institutional Buyer within the meaning of Rule 144A, in each case in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the United States (a "Restricted Global Note Certification"). After the last day of the Restricted Period, such certification requirement will no longer apply to such transfers. Beneficial interests in a Restricted Global Note may be transferred to a person in the form of an interest in a Regulation S Global Note of the same tranche and of like tenor, whether before, on or after the end of the Restricted Period, but only upon receipt by the Trustee of a written certification from the transferor (in the form(s) provided in the Indenture) to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S or (if available) Rule 144 (a "Regulation S Global Note Certification"). Any beneficial interest in a Global Note that is transferred to a person who takes delivery in the form of an interest in another Global Note of the same tranche and of like tenor will, upon transfer, cease to be an interest in such Global Note and become an interest in such other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

Unless otherwise specified in the applicable Final Terms, Bearer Notes of the same tranche and tenor will initially be represented by a temporary global Bearer Note, without interest coupons, which will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Such temporary global Bearer Note will be exchangeable for a permanent global Bearer Note (such permanent global Bearer Note, together with a temporary global Bearer Note, a "Global Bearer Note"), without interest coupons, or definitive Bearer Notes, with coupons, as specified in the applicable Final Terms, on or after the 40th day after the completion of the distribution (as certified to the Trustee by the relevant Agent) of

the identifiable tranche of which such Notes constitute a part (the “Exchange Date”), as notified to the Trustee in writing by the relevant Agents; *provided* that with respect to each beneficial interest in the portion of such temporary global Bearer Note to be exchanged, (i) the participant in Euroclear or Clearstream, Luxembourg, as the case may be, through which such beneficial interest is held has delivered to Euroclear or Clearstream, Luxembourg, as the case may be, an Owner Tax Certification (as defined below), and (ii) Euroclear or Clearstream, Luxembourg, as the case may be, has delivered to the Trustee a Depository Tax Certification (as defined below) in the form required by the Indenture.

No interest or principal payable in respect of any beneficial interest in a temporary global Bearer Note will be paid until the certification requirements described above have been satisfied with respect to such beneficial interest. Delivery of an Owner Tax Certification by a participant in Euroclear or Clearstream, Luxembourg shall constitute an irrevocable instruction by such participant to Euroclear or Clearstream, Luxembourg, as the case may be, to exchange on the applicable Exchange Date the beneficial interest covered by such certificate for such definitive Bearer Notes or interest in a permanent global Bearer Note as such participant may specify consistent with the Indenture and the applicable Final Terms.

As described above, no payment will be made on any temporary global Bearer Note and no exchange of a beneficial interest in a temporary global Bearer Note for a definitive Bearer Note or an interest in a permanent global Bearer Note may occur until (i) the person entitled to receive such interest or Bearer Note furnishes Euroclear or Clearstream, Luxembourg, as the case may be, a written certification (an “Owner Tax Certification”) and (ii) Euroclear or Clearstream, Luxembourg, as the case may be, delivers to the Trustee a written certification (a “Depository Tax Certification”), in each case in the form required by the Indenture, to the effect that such person (1) is not a United States Person (as defined below under “Limitations on Issuance of Bearer Notes”), (2) is a foreign branch of a United States financial institution purchasing for its own account or for resale, or is a United States Person who acquired the Note through such a financial institution and who holds the Note through such financial institution on the date of certification, provided in either case that such financial institution certifies that it agrees to comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended (the “Code”), and the U.S. Treasury Regulations thereunder, or (3) is a financial institution holding for purposes of resale during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)). A financial institution described in clause (3) of the preceding sentence (whether or not also described in clause (1) or (2)) must certify that it has not acquired the Note for purposes of resale directly or indirectly to a United States Person or to a person within the United States or its possessions.

The following legend will appear on all permanent global Bearer Notes and definitive Bearer Notes and any coupons with respect thereto: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the United States Internal Revenue Code of 1986, as amended.” The sections referred to in the legend provide that, with certain exceptions, a United States taxpayer will not be permitted to deduct any loss, and will not be eligible for capital gain treatment with respect to any gain, realized on a sale, exchange or redemption of a Bearer Note or coupon.

Global Notes

A Global Note may not be transferred except as a whole by its Depository to a nominee of such Depository or by a nominee of such Depository to such Depository or another nominee of such Depository or by such Depository or any such nominee to a successor of such Depository or a nominee of such successor.

Upon the issuance of a Global Note or a Global Bearer Note, DTC, Euroclear or Clearstream, Luxembourg, as the case may be, will credit, on its book-entry registration and transfer system, the respective principal amounts of the Notes represented by such Global Note or such Global Bearer Note to the accounts of institutions that have accounts with DTC, Euroclear or Clearstream, Luxembourg, as the case may be (“Participants”). The accounts to be credited shall be designated by the underwriters or agents of such Notes or by the Issuer, if such Notes are offered and sold directly by the Issuer.

Ownership of beneficial interests in a Global Note or a Global Bearer Note will be limited to Participants or persons that may hold interests through Participants. Ownership of beneficial interests in such Global Note or such Global Bearer Note will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC, Euroclear or Clearstream, Luxembourg, as the case may be (with respect to interests of Participants), or by Participants or persons that hold through Participants (with respect to interests of persons other than Participants). The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a Global Note or Global Bearer Note.

So long as a Depository, or its nominee, is the holder of a Global Note or Global Bearer Note, such Depository or its nominee, as the case may be, will be considered the sole registered owner or holder of the Notes represented by such Global Note or Global Bearer Note for all purposes under the Indenture. Except as set forth below under “—Certificated Notes and Definitive Bearer Notes,” owners of beneficial interests in a Global Note or Global Bearer Note will not be entitled to have Notes represented by such Global Note or such Global Bearer Note registered in their names, will not receive or be entitled to receive physical delivery of Notes of such tranche in definitive form and will not be considered the owners or holders thereof under the Indenture.

Payments of principal of and premium (if any) and interest on Notes registered in the name of or held by a Depository or its nominee will be made to such Depository or its nominee, as the case may be, as the registered owner or the holder of the Global Note or Global Bearer Note representing such Notes. None of the Issuer, the Guarantors or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Note or Global Bearer Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Issuer expects that DTC, Euroclear or Clearstream, Luxembourg, as the case may be, upon receipt of any payment of principal of or premium (if any) or interest in respect of a Global Note or Global Bearer Note, will credit immediately Participants' accounts with payments in amounts proportionate to their respective beneficial ownership interests in the principal amount of such Global Note or Global Bearer Note as shown on the records of DTC, Euroclear or Clearstream, Luxembourg, as the case may be. The Issuer also expects that payments by Participants to owners of beneficial interests in such Global Note or Global Bearer Note held through such Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participants.

Certificated Notes and Definitive Bearer Notes

If DTC or any other Depository is at any time unwilling or unable to continue as depository and a successor depository is not appointed by the Issuer within 90 days after the Issuer receives notice from such depository to that effect, the Issuer will issue Notes in definitive, registered form (“Certificated Notes”) in exchange for interests in the relevant Global Note or Notes. In addition, the Issuer may determine that any Global Note will be exchanged for Certificated Notes, upon 10 days' prior written notice to the relevant Depository. In the case of Certificated Notes issued in exchange for a Restricted Global Note, such certificates will bear, and be subject to, the legend referred to under “Notice to Investors.”

Neither the Trustee nor any Transfer Agent will be required to register the transfer or exchange of any Certificated Notes for a period of 15 days preceding any interest payment date, or register the transfer or exchange of any Certificated Notes previously called for redemption.

Certificated Notes may be presented for registration of transfer, or for exchange for new Certificated Notes of authorized denominations, at the corporate trust office of the Trustee in the Borough of Manhattan, The City of New York, or at the office of any Transfer Agent. Upon the transfer, exchange or replacement of Certificated Notes bearing a restrictive legend, or upon specific request for removal of such legend, the Issuer will deliver only Certificated Notes that bear such legend, or will refuse to remove

such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence, which may include an opinion of New York counsel, as may reasonably be required by the Issuer, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act. In the case of a transfer of less than the principal amount of any Certificated Note, a new Certificated Note will be issued to the transferee in respect of the amount transferred and another Certificated Note will be issued to the transferor in respect of the portion not transferred. Such new Notes will be available within three Business Days (as defined below) at the corporate trust office of the Trustee in New York or at the office of any Transfer Agent.

No service charge will be made for any registration of transfer or exchange of Notes, but the Issuer or the Trustee may require payment of a sum sufficient to cover any stamp tax or other governmental duty payable in connection therewith.

Unless otherwise specified in the applicable Final Terms, if either Euroclear or Clearstream, Luxembourg is closed for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to cease business permanently, the Issuer will issue Bearer Notes in definitive form, with interest coupons (“Definitive Bearer Notes”) in exchange for any Bearer Notes in global form, subject to the certification requirements set forth in such Notes. Definitive Bearer Notes of one denomination may be presented for exchange for definitive Bearer Notes of another authorized denomination against surrender of the relevant definitive Bearer Notes at the office of any Transfer Agent located outside the United States. New definitive Notes will be available for delivery within three Business Days at the offices of such Transfer Agent outside the United States. See “Limitations on the Issuance of Bearer Notes.”

Replacement of Notes

Notes that become mutilated, destroyed, stolen or lost will be replaced upon delivery to the Trustee of the Notes, or delivery to the Issuer and the Trustee of evidence of the loss, theft or destruction thereof satisfactory to the Issuer and the Trustee. In the case of a lost, stolen or destroyed Note, an indemnity satisfactory to the Trustee and the Issuer may be required at the expense of the holder of such Note before a replacement Note will be issued. Upon the issuance of any new Note, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and the expenses of the Trustee, its counsel and its agents) connected therewith.

Redemption

Redemption at the Option of the Issuer

Unless otherwise specified in the Notes and the applicable Final Terms, the Notes will not be subject to any sinking fund. Unless a Redemption Commencement Date is specified in the Notes and the applicable Final Terms, the Notes will not be redeemable prior to their Stated Maturity, except as specified under “—Tax Redemption” below. If a Redemption Commencement Date is so specified with respect to any Note, such Note and the applicable Final Terms will also specify one or more redemption prices (expressed as a percentage of the principal or face amount of such Note) (“Redemption Prices”) and the redemption period or periods (“Redemption Periods”) during which such Redemption Prices shall apply. Unless otherwise specified in the Notes and the applicable Final Terms, any such Note shall be redeemable at the option of the Issuer at any time in whole or from time to time in part in increments of U.S. \$10,000 (or the approximate equivalent thereof in a Specified Currency other than U.S. dollars) on or after such specified Redemption Commencement Date at the specified Redemption Price applicable to the Redemption Period during which such Note is to be redeemed, together with interest accrued to the redemption date, on notice given not less than 60 days prior to the redemption date.

Tax Redemption

An issue of Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, together, if applicable, with interest accrued to but excluding the date fixed for redemption, at par, except as specified in the applicable Final Terms, or in the case of Notes issued with original issue discount, at an amount to be specified in the applicable Final Terms, on giving not less than 30 nor more than 60 days' notice to the holders of such Notes (which notice shall be irrevocable), if (i) the Issuer certifies to the Trustee immediately prior to the giving of such notice that the Issuer or a Guarantor has or will become obligated to pay Additional Amounts in excess of the Additional Amounts that it would be obligated to pay if payments (including payments of interest) on such Notes (or payments under the Guaranties of such Notes) were subject to a tax at a rate of 10%, as a result of any change in, or amendment to, or lapse of, the laws, rules or regulations of Mexico or any political subdivision or any taxing authority thereof or therein affecting taxation, or any change in, or amendment to, an official interpretation or application of such laws, rules or regulations, which change or amendment becomes effective on or after the date of issuance of such Notes, and (ii) prior to the publication of any notice of redemption, the Issuer shall deliver to the Trustee a certificate signed by an authorized officer of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer or such Guarantor, as the case may be, taking reasonable measures available to it, and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (i) above in which event it shall be conclusive and binding on the holders of such Notes; *provided* that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or such Guarantor, as the case may be, would be obligated but for such redemption to pay such Additional Amounts were a payment in respect of such Notes or Guaranties then due and, at the time such notice is given, such obligation to pay such Additional Amounts remains in effect.

Repayment at the Option of the Holder

Unless otherwise specified in the applicable Final Terms and Notes, the Notes will not be subject to repayment at the option of the holder prior to the Stated Maturity. If so specified in the Final Terms relating to any Note and such Note, such Note will be repayable at the option of the holder on a date or dates specified prior to its Stated Maturity (each, an "Optional Repayment Date") at the price or prices set forth in such Note and in such Final Terms, if any, together with accrued interest to the Optional Repayment Date. The Note and any applicable forms must be tendered to the Issuer at least 30 but not more than 45 days prior to an Optional Repayment Date. Any such tender for repayment is irrevocable. The repayment option may be exercised by the holder for less than the entire principal or face amount of the Note; *provided* that the amount outstanding after repayment is an authorized denomination.

Interest Rate

Unless otherwise specified in the applicable Final Terms and Note, each Note will bear interest from its date of issue or from the most recent Interest Payment Date (or, if such Note is a Floating Rate Note and the Interest Reset Period is daily or weekly, from the day following the most recent Regular Record Date) to which interest on such Note has been paid or duly provided for at the fixed rate per annum, or at the rate per annum determined pursuant to the interest rate formula stated therein and in the applicable Final Terms, until the principal thereof is paid or made available for payment. Interest will be payable on each Interest Payment Date and at maturity as specified under "Payment of Principal and Interest" below.

Unless otherwise specified in the applicable Final Terms and Note, each Note will bear interest at either (a) a fixed rate (such Note, a "Fixed Rate Note") or (b) a variable rate (such Note, a "Floating Rate Note") determined by reference to an interest rate basis, which may be adjusted by adding or subtracting the Spread and/or multiplying by the Spread Multiplier. The "Spread" is the number of basis points specified in the applicable Final Terms and Note as being applicable to the interest rate for such Note and the "Spread Multiplier" is the percentage specified in the applicable Final Terms and Note as being applicable to the interest rate for such Note. A Floating Rate Note may also have either or both of the following: (a) a maximum numerical interest rate limitation, or ceiling, on the rate of interest which may accrue during any interest period (a "Maximum Rate"); and (b) a minimum numerical interest rate

limitation, or floor, on the rate of interest which may accrue during any interest period (a “Minimum Rate”). “Market Day” means (a) with respect to any Note (other than any LIBOR Note) denominated in U.S. dollars, any Business Day in The City of New York, (b) with respect to any Note denominated in a Specified Currency other than U.S. dollars, any day (i) that is a Business Day in the financial center of the country issuing the Specified Currency or, in the case of euros, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (“TARGET2”) System is operating and a day on which commercial banks are open for dealings in euro deposits in the London interbank market, (ii) on which banking institutions in such financial center are carrying out transactions in such Specified Currency and (iii) that is a London Banking Day (as defined below) and (c) with respect to any LIBOR Note, a London Banking Day. “Business Day,” when used with respect to any particular location, means each Monday, Tuesday, Wednesday, Thursday or Friday which is not a day on which banking institutions are authorized or obligated by law to close in such location. “London Banking Day” means any day on which dealings in deposits in U.S. dollars are transacted in the London interbank market. “Indexed Maturity” means, with respect to a Floating Rate Note, the period to maturity of the instrument or obligation on which the interest rate formula is based, as specified in the applicable Final Terms and Note. Unless otherwise specified in the applicable Final Terms, Deutsche Bank Trust Company Americas will be the Calculation Agent (as defined below) with respect to Floating Rate Notes.

The applicable Final Terms relating to a Fixed Rate Note will designate a fixed rate of interest per annum payable on such Note and the Interest Payment Dates with respect to such Note.

The applicable Final Terms relating to a Floating Rate Note will designate an interest rate basis (the “Interest Rate Basis”) for such Floating Rate Note. The Interest Rate Basis for each Floating Rate Note will be: (a) LIBOR, in which case such Note will be a LIBOR Note; (b) the Treasury Rate, in which case such Note will be a Treasury Rate Note; or (c) such other interest rate basis as is set forth in such Final Terms. The Final Terms for a Floating Rate Note will also specify, if applicable, the Calculation Agent, the Exchange Rate Agent, the Indexed Maturity, the Spread and/or Spread Multiplier, the Maximum Rate, the Minimum Rate, the Initial Interest Rate, the Interest Payment Dates, the Regular Record Dates, the Calculation Dates, the Interest Determination Dates, the Interest Reset Period and the Interest Reset Dates with respect to such Note.

The rate of interest on each Floating Rate Note will be reset and become effective daily, weekly, monthly, quarterly, semi-annually or annually or otherwise as specified in the applicable Final Terms and Note (each, an “Interest Reset Period”); *provided* that (a) if so specified in the Note and applicable Final Terms, the interest rate in effect from the date of issue to the first Interest Reset Date with respect to a Floating Rate Note will be the Initial Interest Rate set forth in the Note and the applicable Final Terms and (b) unless otherwise specified in the Note and the applicable Final Terms, the interest rate in effect for the ten days immediately prior to maturity of a Note will be that in effect on the tenth day preceding such maturity. Unless otherwise specified in the applicable Final Terms and Note, the interest reset date (the “Interest Reset Date”) will be, in the case of Floating Rate Notes which reset daily, each Market Day; in the case of Floating Rate Notes (other than Treasury Rate Notes) which reset weekly, the Wednesday of each week; in the case of Treasury Rate Notes which reset weekly, the Tuesday of each week; in the case of Floating Rate Notes which reset monthly, the third Wednesday of each month; in the case of Floating Rate Notes which reset quarterly, the third Wednesday of March, June, September and December; in the case of Floating Rate Notes which reset semi-annually, the third Wednesday of two months of each year as specified in the Note and the applicable Final Terms; and in the case of Floating Rate Notes which reset annually, the third Wednesday of one month of each year as specified in the Note and the applicable Final Terms. If any Interest Reset Date for any Floating Rate Note would otherwise be a day that is not a Market Day with respect to such Floating Rate Note, the Interest Reset Date for such Floating Rate Note shall be postponed to the next day that is a Market Day with respect to such Floating Rate Note, except that, in the case of a LIBOR Note, if such Market Day is in the next succeeding calendar month, such Interest Reset Date shall be the next preceding Market Day.

Unless otherwise indicated in the applicable Final Terms and Notes, the rate of interest on any given Floating Rate Note in effect on any day on or after the first Interest Reset Date will be either (i) if such day is an Interest Reset Date, the interest rate for such Interest Reset Date or (ii) if such day is not an Interest

Reset Date, the interest rate for the immediately preceding Interest Reset Date, unless such day falls within the ten days immediately before the Stated Maturity, in which case the applicable interest rate will be that in effect on the tenth day preceding such Stated Maturity.

Unless otherwise specified in the applicable Final Terms, Interest Determination Dates will be as set forth below. The Interest Determination Date pertaining to an Interest Reset Date for a LIBOR Note (the "LIBOR Interest Determination Date") will be the second Market Day preceding such Interest Reset Date. The Interest Determination Date pertaining to an Interest Reset Date for a Treasury Rate Note (the "Treasury Interest Determination Date") will be the day of the week in which such Interest Reset Date falls on which Treasury bills would normally be auctioned. Treasury bills are usually sold at auction on the Monday of each week, unless that day is a legal holiday, in which case the auction is usually held on the following Tuesday, except that such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Interest Determination Date pertaining to the Interest Reset Date occurring in the next succeeding week.

The Issuer will at all times appoint and maintain a banking institution that is not an affiliate of the Issuer as calculation agent (the "Calculation Agent"). The Issuer will cause the Calculation Agent to calculate the interest rate of any given Floating Rate Note for any Interest Reset Date. All percentages resulting from any calculations referred to in this Offering Circular will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upward (e.g., 9.876545% (or 0.09876545) being rounded to 9.87655% (or 0.0987655)), and all Specified Currency amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent rounded upward) or approximate equivalent in Specified Currencies other than U.S. dollars.

In addition to any Maximum Rate which may be applicable to any Floating Rate Note pursuant to the above provisions, the interest rate on Floating Rate Notes will in no event be higher than the maximum interest rate permitted by New York law, as the same may be modified by United States law of general application. Under present New York law, the maximum rate of interest is 25% per annum on a simple interest basis, with certain exceptions. The limit may not apply to Floating Rate Notes in which U.S. \$2,500,000 or more has been invested.

Upon the written request of the holder of any Floating Rate Note, the Calculation Agent will provide to such holder the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date with respect to such Floating Rate Note. The Calculation Agent's determination of any interest rate will be final and binding in the absence of manifest error.

The Trustee shall notify the Luxembourg Stock Exchange of the Interest Payment Dates, the applicable interest rate and the amount of interest payable on each Interest Payment Date for each issue of Floating Rate Notes listed on such Exchange and traded on the Euro MTF Market by no later than the relevant Interest Reset Date relating to such Notes.

LIBOR Notes

LIBOR Notes will bear interest at the interest rates (calculated with reference to LIBOR and the Spread and/or Spread Multiplier, if any), and will be payable on the dates, specified on the face of the LIBOR Note and in the applicable Final Terms.

Unless otherwise indicated in the applicable Final Terms and Note, LIBOR with respect to any Interest Reset Date will be determined by the Calculation Agent in accordance with the following provisions:

- (i) On the relevant LIBOR Interest Determination Date, LIBOR will be determined on the basis of the offered rate for deposits in U.S. dollars having the specified Indexed Maturity, commencing on the second Market Day immediately following such LIBOR Interest Determination

Date, that appears on the display designated as page “LIBOR01” on Reuters (or any successor service) (“Reuters”) (or such other page as may replace the LIBOR01 page on that service for the purpose of displaying London interbank offered rates of major banks or such other service or services as may be nominated by the British Bankers’ Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits) (the “Reuters Screen LIBOR01 Page”) as of 11:00 a.m., London time, on such LIBOR Interest Determination Date.

(ii) With respect to a LIBOR Interest Determination Date on which no offered rate for the applicable Indexed Maturity appears on the Reuters Screen LIBOR01 Page as described in (i) above, LIBOR will be determined on the basis of the rates at approximately 11:00 a.m., London time, on such LIBOR Interest Determination Date at which deposits in U.S. dollars having the specified Indexed Maturity are offered to prime banks in the London interbank market by four major banks in the London interbank market selected by the Calculation Agent (after consultation with the Issuer) commencing on the second Market Day immediately following such LIBOR Interest Determination Date and in a principal amount of not less than U.S. \$1,000,000 (or its approximate equivalent in a Specified Currency other than U.S. dollars) that in the Issuer’s judgment is representative for a single transaction in such market at such time (a “Representative Amount”). The Calculation Agent will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, LIBOR with respect to such Interest Reset Date will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, LIBOR with respect to such Interest Reset Date will be the arithmetic mean of the rates quoted at approximately 11:00 a.m., New York City time, on such LIBOR Interest Determination Date by three major banks in The City of New York, selected by the Calculation Agent (after consultation with the Issuer), for loans in U.S. dollars to leading European banks having the specified Indexed Maturity commencing on the Interest Reset Date and in a Representative Amount; *provided* that if fewer than three banks selected as aforesaid by the Calculation Agent are quoting as mentioned in this sentence, LIBOR with respect to such Interest Reset Date will be the LIBOR in effect on such LIBOR Interest Determination Date.

Treasury Rate Notes

Treasury Rate Notes will bear interest at the interest rates (calculated with reference to the Treasury Rate and the Spread and/or Spread Multiplier, if any) and will be payable on the dates specified on the face of the Treasury Rate Note and in the applicable Final Terms. Unless otherwise specified in the applicable Final Terms and Note, the “Calculation Date” with respect to a Treasury Interest Determination Date will be the tenth day after such Treasury Interest Determination Date or, if such day is not a Market Day, the next succeeding Market Day.

Unless otherwise indicated in the applicable Final Terms and Note, “Treasury Rate” means, with respect to any Interest Reset Date, the rate for the auction on the relevant Treasury Interest Determination Date of direct obligations of the United States (“Treasury Bills”) having the Indexed Maturity specified on the face of such Note or in the applicable Final Terms, as such rate appears on Reuters page USAUCTION10 (or any other page as may replace such page on such service) or page USAUCTION11 (or any other page as may replace such page on such service). In the event that such rate does not appear by 3:00 p.m., New York City time, on the Calculation Date pertaining to such Treasury Interest Determination Date, then the Treasury Rate for such Interest Reset Date shall be the “Investment Rate” (expressed as a bond equivalent yield, on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) as announced by the United States Department of the Treasury for the auction held on such Treasury Interest Determination Date, currently available on the worldwide web at: <http://www.treasurydirect.gov/RI/OFBills>. In the event that the results of the auction of Treasury Bills having the Indexed Maturity specified on the face of the Note and in the applicable Final Terms are not published or reported as provided above by 3:00 p.m., New York City time, on such Calculation Date or if no such auction is held on such Treasury Interest Determination Date, then the Treasury Rate shall be calculated by the Calculation Agent and shall be the rate for such Treasury Interest Determination Date for the issue of Treasury Bills with a remaining maturity closest to the specified Indexed Maturity (expressed as a bond equivalent yield, on the basis of a year of 365 or 366 days, as applicable, and

applied on a daily basis) as published in H.15(519), under the heading “U.S. government securities— Treasury bills (secondary market).” In the event that the foregoing rates do not so appear or are not so published by 3:00 p.m., New York City time, on the Calculation Date pertaining to such Treasury Interest Determination Date, then the Treasury Rate for such Interest Reset Date shall be the rate for such Treasury Interest Determination Date for the issue of Treasury bills with a remaining maturity closest to the specified Indexed Maturity, as published in H.15 Daily Update or another recognized electronic source used for the purpose of displaying such rate, under the heading “U.S. government securities—Treasury bills (secondary market).” In the event that the foregoing rates do not so appear or are not so published by 3:00 p.m., New York City time, on the Calculation Date pertaining to such Treasury Interest Determination Date, then the Treasury Rate shall be calculated by the Calculation Agent and shall be a yield to maturity (expressed as a bond equivalent yield, on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the arithmetic mean of the secondary market bid rates, at approximately 3:30 p.m., New York City time, on such Treasury Interest Determination Date, quoted by three leading primary United States government securities dealers selected by the Calculation Agent with the approval of the Issuer (such approval not to be unreasonably withheld) for the issue of Treasury Bills with a remaining maturity closest to the specified Indexed Maturity; *provided* that if the dealers selected as aforesaid by the Calculation Agent with the approval of the Issuer (such approval not to be unreasonably withheld) are not quoting as mentioned in this sentence, the Treasury Rate for such Interest Reset Date shall be the Treasury Rate in effect on such Treasury Interest Determination Date.

Payment of Principal and Interest

Interest on Registered Notes will be payable to the person in whose name a Note is registered at the close of business on the Regular Record Date next preceding each Interest Payment Date; *provided* that interest payable at maturity will be payable to the person to whom principal shall be payable; and *provided, further*, that any payment of interest on Global Notes shall be made to the applicable Depository or its nominee, as the registered owner of the Global Note representing such Notes. Unless otherwise specified in the Note or the applicable Final Terms, the first payment of interest on any Note originally issued between a Regular Record Date and an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the registered owner on such next succeeding Regular Record Date. Unless otherwise indicated in the applicable Final Terms and Note, the “Regular Record Date” with respect to any Note shall be the date 15 calendar days prior to each Interest Payment Date, whether or not such date shall be a Business Day.

Payment of principal (and premium, if any) and any interest due with respect to any Registered Note at Stated Maturity will be made in immediately available funds to the person in whose name such Note is registered upon surrender of such Note at the corporate trust office of the Trustee in the Borough of Manhattan, The City of New York, or at the specified office of any other Paying Agent; *provided* that the Registered Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Payments of principal (and premium, if any) and any interest in respect of Registered Notes to be made other than at Stated Maturity or upon redemption will be made by check mailed on or before the due date for such payments to the address of the person entitled thereto as it appears in the Security Register; *provided* that (a) the applicable Depository, as holder of the Global Notes, shall be entitled to receive payments of interest by wire transfer of immediately available funds, (b) a holder of U.S. \$10,000,000 (or the approximate equivalent thereof in a Specified Currency other than U.S. dollars) in aggregate principal or face amount of Notes having the same Interest Payment Date shall be entitled to receive payments of interest by wire transfer to an account maintained by such holder at a bank located in the United States as may have been appropriately designated by such person to the Trustee in writing no later than the relevant Regular Record Date and (c) to the extent that the holder of a Registered Note issued and denominated in a Specified Currency other than U.S. dollars elects to receive payment of principal and interest at Stated Maturity in such Specified Currency, such payment, except in circumstances described in the applicable Final Terms, shall be made by wire transfer of immediately available funds to an account specified in writing not less than 15 days prior to Stated Maturity by the holder to the Trustee. Unless such designation is revoked, any such designation made by such holder with respect to such Notes shall remain in effect with respect to any future payments with respect to such Notes payable to such holder.

Principal of (and premium, if any, on) a Bearer Note shall be payable by check or wire transfer upon presentation and surrender of such Note at an office of a Paying Agent located outside the United States and its possessions, as defined herein, or at such other offices or agencies located outside the United States and its possessions as the Issuer shall have appointed for the purpose pursuant to the Indenture. Such Paying Agents shall initially be Deutsche Bank AG, London Branch and Deutsche Bank Luxembourg S.A. Interest on Bearer Notes shall be payable by check or wire transfer to the holder of each coupon appertaining to such Note in the amount determined in accordance with such coupon, on or after the due date of such payment as set forth in such coupon, upon presentation and surrender thereof at the offices of the Paying Agents set forth on the reverse of such coupon or at such other offices or agencies located outside the United States and its possessions as the Issuer shall have appointed pursuant to the Indenture.

Unless otherwise indicated in the applicable Final Terms and Note, and except as provided below, interest will be payable, in the case of Floating Rate Notes which reset daily, weekly or monthly, on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year (as indicated in the applicable Final Terms and Note); in the case of Floating Rate Notes which reset quarterly, on the third Wednesday of March, June, September and December of each year; in the case of Floating Rate Notes which reset semi-annually, on the third Wednesday of the two months of each year specified in the applicable Final Terms and Note; and in the case of Floating Rate Notes which reset annually, on the third Wednesday of the month specified in the applicable Final Terms and Note (each, an "Interest Payment Date"), and in each case, at maturity.

Payments of interest on any Fixed Rate Note or Floating Rate Note with respect to any Interest Payment Date will include interest accrued to but excluding such Interest Payment Date; *provided* that, unless otherwise specified in the applicable Final Terms and Note, if the Interest Reset Dates with respect to any Floating Rate Note are daily or weekly, interest payable on such Note on any Interest Payment Date, other than interest payable on the date on which principal on any such Note is payable, will include interest accrued to but excluding the day following the next preceding Regular Record Date.

With respect to a Floating Rate Note, accrued interest from the date of issue or from the last date to which interest has been paid is calculated by multiplying the principal or face amount of such Floating Rate Note by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day from the date of issue, or from the last date to which interest has been paid, to but excluding the date for which accrued interest is being calculated. Unless otherwise specified in the applicable Final Terms and Note, the interest factor (expressed as a decimal) for each such day is computed by dividing the interest rate (expressed as a decimal) applicable to such date by 360, in the case of LIBOR Notes, or by the actual number of days in the year, in the case of Treasury Rate Notes. Unless otherwise specified in the applicable Final Terms and Note, interest on Fixed Rate Notes denominated in U.S. dollars will be computed on the basis of a 360-day year of twelve 30-day months and interest on Fixed Rate Notes denominated in all other currencies will be computed on the basis of the actual number of days in the relevant period for which interest is being calculated (the "Calculation Period") from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the product of the number of days in the interest period during which such Calculation Period falls (including the first such day but excluding the last) and the number of interest periods normally ending in any year.

If any Interest Payment Date (other than the Stated Maturity) for any Floating Rate Note would otherwise be a day that is not a Market Day, such Interest Payment Date shall be the succeeding Market Day, except that, in the case of a LIBOR Note, if such Market Day is in the next succeeding calendar month, such Interest Payment Date shall be the next preceding Market Day. If the Stated Maturity for any Fixed Rate Note or Floating Rate Note or the Interest Payment Date for any Fixed Rate Note falls on a day which is not a Business Day in the place of payment, payment of principal (and premium, if any) and interest with respect to such Note will be made on the next succeeding Business Day in the place of payment with the same force and effect as if made on the due date and no interest on such payment will accrue from and after such due date.

Foreign Currency Notes and Indexed Notes

If any Note is to be denominated in a Specified Currency other than U.S. dollars (each such Note, a “Foreign Currency Note”), certain provisions with respect thereto will be set forth in the applicable Note and in the related Final Terms, which will specify the foreign currency or currency unit in which the principal, premium, if any, and interest with respect to such Note are to be paid, along with any other terms relating to the non-U.S. dollar denomination.

If the principal of or premium (if any), interest, Additional Amounts or other amounts on any Note is payable in a Specified Currency other than U.S. dollars and such Specified Currency is not available due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, or is no longer used by the government of the country issuing such currency or for settlement of transactions by public institutions of or within the international banking community, the Issuer will be entitled to satisfy its obligations to the holder of such Notes by making such payment in U.S. dollars on the basis of the noon buying rate in The City of New York for cable transfers in such Specified Currency as certified for customs purposes by the Federal Reserve Bank of New York (the “Exchange Rate”) for such Specified Currency on the second Business Day in The City of New York prior to the applicable payment date or, if the Exchange Rate is not then available, on the basis of the most recently available Exchange Rate. In the event no Exchange Rate is published for such currency, then the payment in U.S. dollars shall be made based on the rate given by the relevant central bank for buying such currency or, if no such rate is available, the rate shall be the average of rates given to the Trustee by internationally recognized commercial banks selected by the Trustee in consultation with the Issuer which regularly engage in foreign currency dealings for buying such currency. The Exchange Rate, or the rate as so determined, is referred to herein as the “Market Exchange Rate.” Any payment made under such circumstances in U.S. dollars where the required payment is due in other than U.S. dollars will not constitute an Event of Default (as defined below) under the Notes.

Payments of principal and any premium, interest, Additional Amounts or other amounts to holders of a Foreign Currency Note who hold the Note through DTC will be made in U.S. dollars. However, any DTC holder of a Foreign Currency Note may elect to receive payments by wire transfer in the Specified Currency other than U.S. dollars by delivering a written notice to the DTC Participant (as defined in the section “Clearing and Settlement—DTC” below) through which it holds its beneficial interest, not later than the Regular Record Date, in the case of an interest payment, or at least 15 calendar days before the maturity date, specifying wire transfer instructions to an account denominated in the Specified Currency. The DTC Participant must notify DTC of the election and wire transfer instructions on or before the twelfth Business Day in New York before the applicable payment of the principal.

If so specified in a Foreign Currency Note and the applicable Final Terms, and except as provided in the next following paragraph, payments of principal and any premium, interest, Additional Amounts or other amounts with respect to such Note will be made in U.S. dollars if the holder of such Note on the relevant Regular Record Date or at Stated Maturity, as the case may be, has transmitted a written request for such payment in U.S. dollars to the Trustee and the applicable Paying Agent on or prior to such Regular Record Date or the date 15 days prior to Stated Maturity, as the case may be. Such request may be in writing (mailed or hand delivered) or by facsimile transmission. Any such request made with respect to any Registered Note by a holder will remain in effect with respect to any further payments of principal and any premium, interest, Additional Amounts or other amounts with respect to such Registered Note payable to such holder, unless such request is revoked on or prior to the relevant Regular Record Date or the date 15 days prior to Stated Maturity, as the case may be. Holders of Foreign Currency Notes that are registered in the name of a broker or nominee should contact such broker or nominee to determine whether and how an election to receive payments in U.S. dollars may be made.

The U.S. dollar amount to be received by a holder of a Foreign Currency Note who elects to receive payment in U.S. dollars will be based on the highest bid quotation in The City of New York received by the Exchange Rate Agent (as defined below) as of 11:00 a.m., New York City time, on the second Business Day in New York next preceding the applicable payment date from three recognized foreign

exchange dealers (one of which may be the Exchange Rate Agent) for the purchase by the quoting dealer of the Specified Currency for U.S. dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all holders of Notes electing to receive U.S. dollar payments and at which the applicable dealer commits to execute a contract. If three such bid quotations are not available on the second Business Day in New York preceding the date of payment of principal or any premium, interest, Additional Amounts or other amounts with respect to any Note, such payment will be made in the Specified Currency. All currency exchange costs associated with any payment in U.S. dollars on any such Foreign Currency Note will be borne by the holder thereof by deductions from such payment of such currency exchange being effected on behalf of the holder by the Exchange Rate Agent. Unless otherwise specified in the applicable Final Terms, the Trustee will be the exchange rate agent (the "Exchange Rate Agent") with respect to Foreign Currency Notes.

Unless otherwise specified in the applicable Final Terms, Foreign Currency Notes will provide that, in the event of an official redenomination of the Specified Currency, the obligations of the Issuer with respect to payments on such Notes shall, in all cases, be deemed immediately following such redenomination to provide for payment of that amount of the redenominated Specified Currency representing the amount of such obligations immediately before such redenomination.

All determinations referred to above made by the Exchange Rate Agent shall, in the absence of manifest error, be conclusive for all purposes and binding on holders of the Notes and the Issuer, and the Exchange Rate Agent shall have no liability therefor.

The Issuer may from time to time offer Notes ("Indexed Notes"), the principal amount of which is payable on or prior to Stated Maturity, the amount of interest payable on which and/or any premium payment with respect to which will be determined with reference to an index or indices (e.g., the difference in price of crude oil on certain dates or any other index or indices). The Final Terms relating to such Indexed Notes and such Indexed Notes will set forth the method by and the terms on which the amount of principal (payable on or prior to Stated Maturity), interest and/or any premium will be determined, any additional tax consequences to the holder of such Note, a description of certain risks associated with investment in such Note and other information relating to such Note.

Introduction of a Single European Currency

On January 1, 1999, the European Community introduced the single European currency known as the euro in the 11 participating member states of the European Economic and Monetary Union (the "EMU"). A participating member state is a member state of the European Community that has adopted the euro as its legal currency according to the Treaty of Rome of March 25, 1957, as amended by the Single European Act of 1986 and the Treaty on European Union, signed in Maastricht, The Netherlands on February 1, 1992. During a transition period from January 1, 1999 to December 31, 2001, the former national currencies of those 11 member states continued to be legal tender in their country of issue, at rates irrevocably fixed on December 3, 1998.

The European Community completed the final stage of its economic and monetary union on January 1, 2002, when euro notes and coins became available and participating member states withdrew their national currencies. It is not possible to predict how the EMU may affect the value of the Notes or the rights of holders of such Notes. Each prospective investor in the Notes that may be affected by the EMU is responsible for informing himself or herself about the EMU and the effects it may have on his or her contemplated investment and assumes for himself or herself the associated investment risks.

If so specified in the applicable Final Terms, the Issuer may at its option, and without the consent of the holders of such Notes or any coupons appertaining thereto or the need to amend the Notes or the Indenture, redenominate the Notes issued in the currency of a country that subsequently participates in the EMU in a manner with similar effect to the final stage of such EMU, into euros. The provisions relating to any such redenomination will be contained in the applicable Final Terms.

Guaranties

Pursuant to a guaranty agreement dated July 29, 1996 (the "Guaranty Agreement"), among the Issuer and the Guarantors, each of the Guarantors will be jointly and severally liable with the Issuer for all payment obligations incurred by the Issuer under any international financing agreement entered into by the Issuer and designated by the Issuer as entitled to the benefit of the Guaranty Agreement in a certificate of designation in accordance with the Guaranty Agreement. Each of the Indenture and the Notes will be so designated by the Issuer in certificates of designation (the "Certificates of Designation") to benefit from the Guaranty Agreement. Accordingly, each of the Guarantors will be unconditionally liable for the due and punctual payment of all amounts payable by the Issuer in respect of the Notes, as and when the same shall become due and payable, whether at maturity, by declaration of acceleration or otherwise. Under the terms of the Guaranty Agreement, each Guarantor will be jointly and severally liable for the full amount of each payment under the Notes. Although the Guaranty Agreement may be terminated in the future, the Guaranties will remain in effect with respect to all agreements designated prior to such termination until all amounts payable under such agreements have been paid in full, including, with respect to the Notes, the entire principal thereof and interest thereon. Any amendment to the Guaranty Agreement which would affect the rights of any party to or beneficiary of any designated international financing agreement (including the Notes and the Indenture) will be valid only with the consent of each such party or beneficiary (or percentage of parties or beneficiaries) as would be required to amend such agreement.

Additional Amounts

The Issuer, or in the case of a payment by a Guarantor, such Guarantor, will pay to the holder of any Note such additional amounts ("Additional Amounts") as may be necessary in order that every net payment made by the Issuer or a Guarantor in respect of such Note, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by Mexico or any political subdivision or taxing authority thereof or therein ("Mexican Withholding Taxes") will not be less than the amount provided for in such Note and the Indenture to be then due and payable on such Note. The foregoing obligation to pay Additional Amounts, however, will not apply to:

(a) any Mexican Withholding Taxes that would not have been imposed or levied on a holder of Notes but for the existence of any present or former connection between the holder of such Notes and Mexico or any political subdivision or territory or possession thereof or area subject to its jurisdiction, including, without limitation, such holder of Notes (i) being or having been a citizen or resident thereof, (ii) maintaining or having maintained an office, permanent establishment or branch therein, or (iii) being or having been present or engaged in trade or business therein, except for a connection solely arising from the mere ownership of, or receipt of payment under, such Notes;

(b) except as otherwise provided, any estate, inheritance, gift, sales, transfer, or personal property or similar tax, assessment or other governmental charge;

(c) any Mexican Withholding Taxes that are imposed or levied by reason of the failure by the holder of Registered Notes to comply with any certification, identification, information, documentation, declaration or other reporting requirement that is required or imposed by a statute, treaty, regulation, general rule or administrative practice as a precondition to exemption from, or reduction in the rate of, the imposition, withholding or deduction of any Mexican Withholding Taxes; *provided* that at least 60 days prior to (i) the first payment date with respect to which the Issuer or any Guarantor shall apply this clause (c) and, (ii) in the event of a change in such certification, identification, information, documentation, declaration or other reporting requirement, the first payment date subsequent to such change, the Issuer or any Guarantor, as the case may be, shall have notified the Trustee in writing that the holders of Registered Notes will be required to provide such certification, identification, information or documentation, declaration or other reporting;

(d) any Mexican Withholding Taxes imposed at a rate in excess of 4.9%, in the event that such holder has failed to provide on a timely basis, at the reasonable request of the Issuer, information or documentation (not described in clause (c) above) concerning such holder's eligibility, if any, for benefits under an income tax treaty to which Mexico is a party that is in effect, that is necessary to determine the appropriate rate of deduction or withholding of Mexican taxes under any such treaty; *provided* that this clause (d) shall not require holders of Bearer Notes to identify themselves;

(e) any Mexican Withholding Taxes that would not have been so imposed but for the presentation by the holder of such Note for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(f) any payment on such Note to any holder who is a fiduciary or partnership or other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the holder of such Note;

(g) any withholding tax or deduction imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC (as amended from time to time) on the taxation of savings income (the "Savings Directive") or any other European Union directive implementing the conclusions of the ECOFIN council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such a directive; or

(h) a Note presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union.

All references herein to principal, interest, Redemption Price or any other amount payable under or in respect of the Notes shall, unless the context otherwise requires, be deemed to mean and include all Additional Amounts, if any, payable in respect thereof as set forth in the first paragraph of this Additional Amounts section and in clauses (a) through (h) above.

Notwithstanding the foregoing, the limitations on the Issuer's and the Guarantors' obligation to pay Additional Amounts set forth in clauses (c) and (d) above shall not apply if the provision of the certification, identification, information, documentation, declaration or other evidence described in such clauses (c) and (d) would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a holder or beneficial owner of a Note (taking into account any relevant differences between United States and Mexican law, regulation or administrative practice) than comparable information or other applicable reporting requirements imposed or provided for under U.S. federal income tax law (including the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, and a Protocol thereto, both signed on September 18, 1992, as amended by Additional Protocols signed on September 8, 1994 and November 26, 2002), regulations (including proposed regulations) and administrative practice. In addition, the limitations on the Issuer's and the Guarantors' obligation to pay Additional Amounts set forth in clauses (c) and (d) above shall not apply if Article 195, Section II, paragraph a) of the Mexican Income Tax Law (or a substantially similar successor of such provision) is in effect, unless (i) the provision of the certification, identification, information, documentation, declaration or other evidence described in clauses (c) and (d) above is expressly required by statute, regulation, general rules or administrative practice in order to apply Article 195, Section II, paragraph a) (or a substantially similar successor of such provision), the Issuer or the Guarantors cannot obtain such certification, identification, information, documentation, declaration or evidence, or satisfy any other reporting requirements, on its own through reasonable diligence and the Issuer or the Guarantors otherwise would meet the requirements for application of Article 195, Section II, paragraph a) (or such successor of such provision) or (ii) in the case

of a holder or beneficial owner of a Note that is a pension fund or other tax-exempt organization, such holder or beneficial owner would be subject to Mexican Withholding Taxes at a rate less than that provided by Article 195, Section II, paragraph a) if the information, documentation or other evidence required under clause (d) above were provided. In addition, clause (c) or (d) above shall not be construed to require that a non-Mexican pension or retirement fund, a non-Mexican tax-exempt organization or a non-Mexican financial institution or any other holder or beneficial owner of a Note register with the Ministry of Finance and Public Credit for the purpose of establishing eligibility for an exemption from or reduction of Mexican Withholding Taxes.

The Issuer or the applicable Guarantor, as the case may be, will, upon written request, provide the Trustee, the holders and the Paying Agents with a duly certified or authenticated copy of an original receipt of the payment of Mexican Withholding Taxes which the Issuer or such Guarantor has withheld or deducted in respect of any payments made under or with respect to the Notes or the Guaranties of the Notes.

In the event that Additional Amounts actually paid with respect to any Notes pursuant to the preceding paragraph are based on rates of deduction or withholding of Mexican Withholding Taxes in excess of the appropriate rate applicable to the holder of such Notes, and, as a result thereof, such holder is entitled to make a claim for a refund or credit of such excess, then such holder shall, by accepting such Notes, be deemed to have assigned and transferred all right, title and interest to any such claim for a refund or credit of such excess to the Issuer or a Guarantor, as the case may be. However, by making such assignment, the holder makes no representation or warranty that the Issuer or such Guarantor will be entitled to receive such claim for a refund or credit and incurs no other obligation with respect thereto.

Negative Pledge

So long as any Note remains outstanding, the Issuer will not create or permit to subsist, and will not permit its Subsidiaries or the Guarantors or any of their respective Subsidiaries to create or permit to subsist, any Security Interest upon the whole or any part of its or their crude oil or receivables in respect of crude oil to secure (i) any of its or their Public External Indebtedness; (ii) any of its or their Guarantees in respect of Public External Indebtedness; or (iii) the Public External Indebtedness or Guarantees in respect of Public External Indebtedness of any other person; without at the same time or prior thereto securing the Notes equally and ratably therewith or providing such other Security Interest for the Notes as shall be approved by the holders of at least 66 2/3% in aggregate principal amount of the Outstanding (as defined in the Indenture) Notes; *provided* that the Issuer and its Subsidiaries, and the Guarantors and their respective Subsidiaries, may create or permit to subsist a Security Interest upon its or their receivables in respect of crude oil if (i) on the date of creation of such Security Interest the aggregate of (a) the amount of principal and interest payments secured by Oil Receivables due during such calendar year in respect of Receivables Financings entered into on or before such date, (b) the total amount of revenues during such calendar year from the sale of crude oil or natural gas transferred, sold, assigned or otherwise disposed of in Forward Sales (other than Governmental Forward Sales) entered into on or before such date and (c) the total amount of payments of the purchase price of crude oil, natural gas or Petroleum Products foregone during such calendar year as a result of all Advance Payment Arrangements entered into on or before such date, shall not exceed in such calendar year U.S. \$4,000,000,000 (or its equivalent in other currencies) less the amount of Governmental Forward Sales during that calendar year, (ii) the aggregate amount outstanding in all currencies at any one time under all Receivables Financings, Forward Sales (other than Governmental Forward Sales) and Advance Payment Arrangements shall not exceed U.S. \$12,000,000,000 (or its equivalent in other currencies) and (iii) the Issuer has given a certificate to the Trustee certifying that on the date of creation of such Security Interest there is no default under any Financing Document (as defined in the Indenture) resulting from a failure to pay principal or interest.

For this purpose:

“Advance Payment Arrangement” means any transaction involving the receipt by the Issuer, any Guarantor or any of their respective Subsidiaries of payment of the purchase price of crude oil or gas or Petroleum Products not yet earned by performance.

“External Indebtedness” means Indebtedness which is payable, or at the option of its holder may be paid, (i) in a currency or by reference to a currency other than the currency of Mexico, (ii) to a person resident or having its head office or its principal place of business outside Mexico and (iii) outside the territory of Mexico.

“Forward Sale” means any transaction involving the transfer, sale, assignment or other disposition by the Issuer, any Guarantor or any of their respective Subsidiaries of any right to payment under a contract for the sale of crude oil or gas not yet earned by performance, or any interest therein, whether in the form of an account receivable, negotiable instrument or otherwise.

“Governmental Forward Sale” means a Forward Sale to (i) Mexico or Banco de México or (ii) the Bank for International Settlements or another multilateral monetary authority or central bank or treasury of a sovereign state.

“Guarantee” means any obligation of a person to pay the Indebtedness of another person, including without limitation:

- (i) an obligation to pay or purchase such Indebtedness; or
- (ii) an obligation to lend money or to purchase or subscribe for shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness; or
- (iii) any other agreement to be responsible for such Indebtedness.

“Indebtedness” means any obligation (whether present or future, actual or contingent) for the payment or repayment of money which has been borrowed or raised (including money raised by acceptances and leasing).

“Oil Receivables” means amounts payable to the Issuer, any Guarantor or any of their respective Subsidiaries in respect of the sale, lease or other provision of crude oil or gas, whether or not yet earned by performance.

“Person” means any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other entity, whether or not having a separate legal personality.

“Petroleum Products” means the derivatives and by-products of crude oil and gas (including basic petrochemicals).

“Public External Indebtedness” means any External Indebtedness which is in the form of, or represented by, notes, bonds or other securities which are for the time being quoted, listed or ordinarily dealt in on any stock exchange.

“Receivables Financings” means any transaction resulting in the creation of a Security Interest on Oil Receivables to secure new External Indebtedness incurred by, or the proceeds of which are paid to or for the benefit of, the Issuer, any Guarantor or any of their respective Subsidiaries.

“Security Interest” means any mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance, including without limitation any equivalent thereof created or arising under the laws of Mexico.

“*Subsidiary*” means, in relation to any person, any other person (whether or not now existing) which is controlled directly or indirectly by, or more than 50 percent of whose issued equity share capital (or equivalent) is then held or beneficially owned by, the first person and/or any one or more of the first person’s Subsidiaries, and “control” means the power to appoint the majority of the members of the governing body or management of, or otherwise to control the affairs and policies of, that person.

The negative pledge does not restrict the creation of Security Interests over any assets of the Issuer or its Subsidiaries or of the Guarantors or any of their respective Subsidiaries other than crude oil and receivables in respect of crude oil. Under Mexican law, all domestic reserves of crude oil belong to Mexico and not to PEMEX, but the Issuer (together with the Guarantors) has been established with the purpose of exploiting the Mexican petroleum and gas reserves, including the production of oil and gas, oil products and basic petrochemicals. In addition, the negative pledge does not restrict the creation of Security Interests to secure obligations of the Issuer, the Guarantors or their respective Subsidiaries payable in pesos. Further, the negative pledge does not restrict the creation of Security Interests to secure any type of obligation (e.g., commercial bank borrowings) regardless of the currency in which it is denominated, other than obligations similar to the Notes (e.g., issuances of debt securities).

Events of Default; Waiver and Notice

If any of the following events (each, an “Event of Default”) occurs and is continuing with respect to an issue of Notes, the Trustee, if so requested in writing by holders of at least one-fifth in principal amount of the Notes of such issue then outstanding, shall give notice to the Issuer that such Notes are, and they shall immediately become, due and payable at their principal amount together with accrued interest:

(a) *Non-Payment:* default is made in payment of principal (or any part thereof) of or premium, if any, or any interest on, or any sinking fund payment with respect to, any of such Notes when due and such failure continues, in the case of non-payment of principal or any sinking fund payment, for seven days, or, in the case of non-payment of interest or premium, for 14 days after the due date; or

(b) *Breach of Other Obligations:* the Issuer defaults in performance or observance of or compliance with any of its other obligations set out in such Notes or (insofar as it concerns such Notes) the Indenture, which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Issuer and the Guarantors by the Trustee; or

(c) *Cross-Default:* default by the Issuer or any of its Material Subsidiaries (as defined below) or the Guarantors or any of them or any of their respective Material Subsidiaries in the payment of the principal of, or interest on, any Public External Indebtedness (as defined under “—Negative Pledge” above) of, or guaranteed by, the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries, in an aggregate principal amount exceeding U.S. \$40,000,000 or its equivalent in other currencies, when and as the same shall become due and payable, if such default shall continue for more than the period of grace, if any, originally applicable thereto; or

(d) *Enforcement Proceedings:* a distress or execution or other legal process is levied or enforced or sued out upon or against any substantial part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries and is not discharged or stayed within 60 days of having been so levied, enforced or sued out; or

(e) *Security Enforced:* an encumbrancer takes possession or a receiver, manager or other similar officer is appointed of the whole or any substantial part of the undertaking, property, assets or revenues of the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries; or

(f) *Insolvency*: the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries becomes insolvent or is generally unable to pay its debts as they mature or applies for or consents to or suffers the appointment of an administrator, liquidator, receiver or similar official of the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries or the whole or any substantial part of the undertaking, property, assets or revenues of the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries or takes any proceeding, under any law for a readjustment or deferment of its obligations or any part of them for insolvency, bankruptcy, *concurso mercantil*, reorganization, dissolution or liquidation or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors or stops or threatens to cease to carry on its business or any substantial part of its business; or

(g) *Winding-up*: an order is made or an effective resolution passed for winding up the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries; or

(h) *Moratorium*: a general moratorium is agreed or declared in respect of any External Indebtedness (as defined under “—Negative Pledge” above) of the Issuer or any of its Material Subsidiaries or the Guarantors or any of them or any of their respective Material Subsidiaries; or

(i) *Authorization and Consents*: any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorization, exemption, filing, license, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under such Notes, the Indenture and the Guaranty Agreement in relation to such Notes, (ii) to enable any of the Guarantors lawfully to enter into, perform and comply with its obligations under the Guaranty Agreement in relation to such Notes and (iii) to ensure that those obligations are legally binding and enforceable, is not taken, fulfilled or done within 30 days of its being so required; or

(j) *Illegality*: it is or becomes unlawful for (i) the Issuer to perform or comply with one or more of its obligations under any of such Notes, the Indenture or the Guaranty Agreement with respect to such Notes or (ii) the Guarantors or any of them to perform or comply with one or more of its obligations under the Guaranty Agreement with respect to such Notes; or

(k) *Control*: the Issuer shall cease to be a public-sector entity of the Mexican Government or the Mexican Government shall otherwise cease to control the Issuer or any Guarantor; or the Issuer or any of the Guarantors shall be dissolved, disestablished or shall suspend its respective operations, and such dissolution, disestablishment or suspension of operations is material in relation to the business of the Issuer and the Guarantors taken as a whole; or the Issuer, the Guarantors and entities that they control shall cease to be, in the aggregate, the primary public-sector entities which conduct on behalf of Mexico the activities of exploration, extraction, refining, transportation, storage, distribution and first-hand sale of crude oil and exploration, extraction, production and first-hand sale of gas; for purposes of this provision, the term “primary” shall refer to the production of at least 75% of the barrels of oil equivalent of crude oil and gas produced by public-sector entities in Mexico; or

(l) *Disposals*:

(i) the Issuer ceases to carry on all or a substantial part of its business, or sells, transfers or otherwise disposes (whether voluntarily or involuntarily) of all or substantially all of its assets (whether by one transaction or a series of transactions whether related or not) other than (A) solely in connection with the implementation of the

Petróleos Mexicanos Law that took effect on November 29, 2008 or (B) to a Guarantor;
or

(ii) any Guarantor ceases to carry on all or a substantial part of its business, or sells, transfers or otherwise disposes (whether voluntarily or involuntarily) of all or substantially all of its assets (whether by one transaction or a series of transactions whether related or not) and such cessation, sale, transfer or other disposal is material in relation to the business of the Issuer and the Guarantors taken as a whole; or

(m) *Analogous Events*: any event occurs which under the laws of Mexico has an analogous effect to any of the events referred to in paragraphs (d) to (g) above; or

(n) *Guaranties*: the Guaranty Agreement is not (or is claimed by any of the Guarantors not to be) in full force and effect.

“Material Subsidiaries” means, at any time, each of the Guarantors and any Subsidiary of the Issuer or of any of the Guarantors having, as of the end of the most recent fiscal quarter of the Issuer, total assets greater than 12% of the total assets of the Issuer, the Guarantors and their Subsidiaries on a consolidated basis. As of the date of this Offering Circular, there were no Material Subsidiaries other than the Guarantors.

After any such acceleration has been made, but before a judgment or decree for the payment of money due based on acceleration has been obtained by the Trustee, the holders of a majority in aggregate principal amount of the Notes of such issue then outstanding may rescind and annul such acceleration in writing if all Events of Default, other than the non-payment of the principal of such Notes that have become due solely by such declaration of acceleration, have been cured or waived as provided in the Indenture.

The holders of a majority in principal amount of the Outstanding Notes of any issue may on behalf of the holders of such Notes waive any past default and any Event of Default arising therefrom; *provided* that a default not theretofore cured in the payment of the principal of or premium or interest on such Notes or in respect of a covenant or provision in the Indenture, the modification of which would constitute a Reserved Matter (as defined below), may be waived only by a percentage of holders of Outstanding Notes of such issue that would be sufficient to effect a modification, amendment, supplement or waiver of such matter.

Purchase of Notes

The Issuer or any of the Guarantors may at any time purchase Notes at any price in the open market, in privately negotiated transactions or otherwise. Notes so purchased by the Issuer or any Guarantor shall be surrendered to the Trustee for cancellation.

Modification and Waiver

The Issuer and the Trustee may modify, amend or supplement the terms of the Notes of any issue or the Indenture in any way, and the holders of a majority in aggregate principal amount of the Notes of any issue may make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action that the Indenture or the Notes allow a holder to make, take or give, when authorized: (1) at a meeting of holders that is properly called and held by the affirmative vote, in person or by proxy (authorized in writing), of the holders of a majority in aggregate principal or face amount of the Outstanding Notes of that issue that are represented at the meeting; or (2) with the written consent of the holders of the majority (or of such other percentage as stated in the text of the Notes of that issue with respect to the action being taken) in aggregate principal amount of the Outstanding Notes of that issue.

However, under provisions which are commonly referred to as “collective action clauses,” without the consent of the holders of not less than 75% in aggregate principal amount of the Outstanding Notes of each issue affected thereby, no action may: (1) change the governing law with respect to the Indenture, the Guaranties or the Notes of that issue; (2) change the submission to the jurisdiction of the federal courts in the Borough of Manhattan, The City of New York, the obligation to appoint and maintain an Authorized Agent in the Borough of Manhattan, The City of New York, or the waiver of immunity provisions in the Notes of that issue; (3) amend the Events of Default in connection with an exchange offer for the Notes of that issue; (4) change the ranking of the Notes of that issue; or (5) change the definition of “Outstanding” with respect to the Notes of that issue.

Further, without (A) the consent of each holder of Outstanding Notes of each issue affected thereby or (B) the consent of the holders of not less than 75% in aggregate principal amount of the Outstanding Notes of each issue affected thereby, and (in the case of this clause (B) only) the certification by the Issuer to the Trustee that the modification, amendment, supplement or waiver is sought in connection with a General Restructuring (as defined below) by Mexico, no such modification, amendment or supplement may: (1) change the due date for any payment of, principal (if any) of or premium (if any) or interest on Notes of that issue; (2) reduce the principal or face amount of Notes of that issue, the portion of the principal or face amount that is payable upon acceleration of the maturity of Notes of that issue, the interest rate on the Notes of that issue or the premium (if any) payable upon redemption of the Notes of that issue; (3) shorten the period during which the Issuer is not permitted to redeem the Notes of that issue or permit the Issuer to redeem Notes of that issue prior to maturity, if, prior to such action, the Issuer is not permitted to do so, except as permitted in each case under “—Tax Redemption” above; (4) except as permitted by the terms of the Notes, change the coin or currency in which, or the required places at which, any principal of or premium or interest on Notes of that issue is payable; (5) modify the Guaranty Agreement in any manner adverse to the holder of any of the Notes of that issue; (6) change the obligation of the Issuer or any Guarantor to pay Additional Amounts with respect to the Notes of that issue; (7) reduce the percentage of the principal amount of the Notes of that issue, the vote or consent of the holders of which is necessary to modify, amend or supplement the Indenture or the Notes of that issue or the related Guaranties or to take other action provided therein, or (8) modify the provisions in the Indenture relating to waiver of compliance with certain provisions thereof or waiver of certain defaults, or to change the quorum requirements for a meeting of holders of the Notes, in each case except to increase any related percentage or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the holder of each Outstanding Note of that issue affected by such action.

A “General Restructuring” by Mexico means a request made by Mexico for one or more amendments or one or more exchange offers by Mexico, each of which affects a matter that would (if made to a term or condition of the Notes) constitute any of the matters described in clauses (1) through (8) in the immediately preceding paragraph or clauses (1) through (5) of the paragraph next preceding such paragraph (each, a “Reserved Matter”), and that applies to either (1) at least 75% of the aggregate principal amount of outstanding External Market Debt (as defined below) of Mexico that will become due and payable within a period of five years following the date of such request or exchange offer or (2) at least 50% of the aggregate principal amount of External Market Debt of Mexico outstanding at the time of such request or exchange offer. For the purposes of determining the existence of a General Restructuring, the principal amount of External Market Debt that is the subject of any such request for amendment by Mexico shall be added to the principal amount of External Market Debt that is the subject of a substantially contemporaneous exchange offer by Mexico. As used herein, “External Market Debt” means Indebtedness of the Mexican Government (including debt securities issued by the Mexican Government) which is payable or at the option of its holder may be paid in a currency other than the currency of Mexico, excluding any such Indebtedness that is owed to or guaranteed by multilateral creditors, export credit agencies or other international or governmental institutions.

In determining whether the holders of the requisite principal amount of the Outstanding Notes of an issue have consented to any amendment, modification, supplement or waiver, whether a quorum is present at a meeting of holders of the Outstanding Notes of an issue or the number of votes entitled to be cast by each holder of a Note in respect of such Note at any such meeting, Notes owned, directly or

indirectly, by Mexico or any public sector instrumentality of Mexico (including the Issuer or any Guarantor) shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such consent, amendment, modification, supplement or waiver, only Notes which a responsible officer of the Trustee actually knows to be so owned shall be so disregarded. As used in this paragraph, “public sector instrumentality” means Banco de México, any department, ministry or agency of the Mexican Government or any corporation, trust, financial institution or other entity owned or controlled by the Mexican Government or any of the foregoing, and “control” means the power, directly or indirectly, through the ownership of voting securities or other ownership interests or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or other entity.

If and for so long as Notes of an issue are listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market, and the rules of such Exchange so require, in the case of any such amendment, modification or waiver in respect of such Notes effected pursuant to the terms of the Indenture (excluding amendments or modifications with respect to the curing of any ambiguity or curing, correcting or supplementing any defective provision of the Indenture or the Notes of all issues) the Issuer will prepare a supplement to this Offering Circular. In addition, a notice regarding any such amendment, modification or waiver will be published in a newspaper of general circulation in Luxembourg or on the website of the Luxembourg Stock Exchange.

The Issuer and the Trustee may, without the vote or consent of any holder of the Notes of an issue, modify or amend the Indenture or the Notes of that issue for the purpose of: (1) adding to the covenants of the Issuer for the benefit of the holders of the Notes of that issue; (2) surrendering any right or power conferred upon the Issuer; (3) securing the Notes of that issue pursuant to the requirements of the Indenture or otherwise; (4) curing any ambiguity or curing, correcting or supplementing any defective provision of the Indenture or the Notes of that issue; (5) amending the Indenture or the Notes of that issue in any manner which the Issuer and the Trustee may determine and that will not adversely affect the rights of any holder of the Notes of that issue in any material respect; (6) reflecting the succession of another corporation to the Issuer and the successor corporation’s assumption of the covenants and obligations of the Issuer under the Notes of that issue and the Indenture; or (7) modifying, eliminating or adding to the provisions of the Indenture to the extent necessary to qualify the Indenture under the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”) or under any similar U.S. federal statute enacted in the future or adding to the Indenture other provisions that are expressly permitted by the Trust Indenture Act.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if the consent approves the substance of the proposed amendment, modification, supplement or waiver. After an amendment, modification or waiver under the Indenture becomes effective, the Issuer will mail to the holders a notice briefly describing the amendment, modification or waiver. However, the failure to give this notice to all the holders, or any defect in the notice, will not impair or affect the validity of the amendment, modification, supplement or waiver.

Meetings

The Indenture has provisions for calling a meeting of the holders of the Notes. Under the Indenture, the Trustee may call a meeting of the holders of any issue of Notes at any time. The Issuer or holders of at least 10% of the aggregate principal amount of any issue of Notes may also request a meeting of the holders of such Notes by sending a written request to the Trustee detailing the proposed action to be taken at the meeting.

At any meeting of the holders of the Notes to act on a matter that is not a Reserved Matter, a quorum exists if the holders of a majority of the aggregate principal amount Outstanding of any issue of Notes are present or represented. At any meeting of the holders of the Notes to act on a matter that is a Reserved Matter, a quorum exists if the holders of 75% of the aggregate principal amount Outstanding of that issue

of Notes are present or represented; *provided* that if the consent of each such holder is required to act on such Reserved Matter, then a quorum exists only if the holders of 100% of the aggregate principal amount Outstanding of that issue of Notes are present or represented.

Any holders' meeting that has properly been called and that has a quorum can be adjourned from time to time by those who are entitled to vote a majority of the aggregate principal amount Outstanding of that issue of Notes represented at the meeting. The adjourned meeting may be held without further notice.

Any resolution passed, or decision made, at a holders' meeting that has been properly held in accordance with the Indenture is binding on all holders of the Notes.

Further Issues

The Issuer may from time to time without the consent of any holder of the Notes of any issue create and issue additional Notes having the same terms and conditions as Notes previously issued (or the same except for the issue date, the first payment of interest or the issue price), which additional Notes may be consolidated to form a single series with the Outstanding Notes of that issue; *provided* that such additional Notes do not have, for purposes of U.S. federal income taxation, a greater amount of original issue discount than the original Notes of such issue have as of the date of the issue of such additional Notes.

Repayment of Monies; Prescription

Any monies paid by the Issuer or any Guarantor to the Trustee for the payment of the principal of or premium, if any, or interest on any Notes and remaining unclaimed at the end of two years after such principal or interest shall have become due and payable and shall have been paid to the Trustee by the Issuer or any Guarantor, shall then be repaid to the Issuer upon its written request, and the holders of such Notes will thereafter look only to the Issuer and the Guarantors for payment thereof. Unless otherwise required by applicable law, the right to receive principal of any Notes or premium, if any, or interest thereon will become void at the end of five years after the due date thereof.

Governing Law, Jurisdiction and Waiver of Immunity

The Indenture and the Notes will be governed by and construed in accordance with the laws of the State of New York, except that the authorization and execution of such documentation by the Issuer shall be governed by the laws of Mexico. The payment obligations of the Guarantors under the Guaranties will be governed by and construed in accordance with the laws of the State of New York.

The Issuer and each of the Guarantors will appoint the Consul General of Mexico in New York City and his successors as their authorized agent (the "Authorized Agent") upon whom process may be served in any action based upon the Notes, the Indenture or the Guaranties which may be instituted in any federal court in the Borough of Manhattan, The City of New York, by the holder of any Note, and the Issuer, each Guarantor and the Trustee will each irrevocably submit to the jurisdiction of any such court in respect of any such action and will irrevocably waive any objection which it may now or hereafter have to the laying of venue of any such action in any such court, and the Issuer and each of the Guarantors will waive any right to which it may be entitled on account of residence or domicile. The Issuer and each of the Guarantors reserve the right to plead sovereign immunity under the Foreign Sovereign Immunities Act with respect to actions brought against them under U.S. federal securities laws or any state securities laws, and the Issuer's and each of the Guarantors' appointment of the Consul General as its agent for service of process will not extend to such actions. In the absence of a waiver of immunity by the Issuer and each of the Guarantors with respect to such actions, it would not be possible to obtain a U.S. judgment in such an action against the Issuer or such Guarantor unless a U.S. court were to determine that the Issuer or such Guarantor is not entitled under the Foreign Sovereign Immunities Act to sovereign immunity with respect to such action. However, even if a U.S. judgment could be obtained in any such

action under the Foreign Sovereign Immunities Act, it may not be possible to obtain in Mexico a judgment based on such a U.S. judgment. Moreover, execution upon property of the Issuer or a Guarantor located in the United States to enforce a judgment obtained under the Foreign Sovereign Immunities Act may not be possible except under the limited circumstances specified in the Foreign Sovereign Immunities Act.

Pursuant to Article 3 of the *Código Federal de Procedimientos Civiles* (Federal Code of Civil Procedure of Mexico), and any other applicable laws of Mexico, neither the Issuer nor any Guarantor is entitled to any immunity, whether on grounds of sovereign immunity or otherwise, from any legal proceedings (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) to enforce or collect upon this Offering Circular, the Indenture or the Guaranty Agreement, or any other liability or obligation of the Issuer and/or each of the Guarantors related to or arising from the transactions contemplated hereby or thereby in respect of itself or its property, subject to certain restrictions pursuant to applicable law, including (i) the adoption of the *Petróleos Mexicanos* Law, the *Hydrocarbons* Law and any other new law or regulation or (ii) any amendment to, or change in the interpretation or administration of, any existing law or regulation, in each case, pursuant to or in connection with the Energy Reform Decree, by any governmental authority in Mexico with oversight or authority over the Issuer or the Guarantors.

Therefore, under certain circumstances, a Mexican court may not enforce a judgment against the Issuer or any of the Guarantors. See *“Risk Factors—Risk Factors Related to the Relationship between PEMEX and the Mexican Government—PEMEX may claim some immunities under the Foreign Sovereign Immunities Act and Mexican law, and investors’ ability to sue or recover may be limited.”*

Trustee, Paying Agent and Transfer Agent

Deutsche Bank Trust Company Americas will be the Trustee under the Indenture. The corporate trust office of the Trustee is located at 60 Wall Street, 16th Floor, New York, New York 10005. Deutsche Bank Trust Company Americas has also been appointed as Paying Agent and Transfer Agent under the Indenture, at its offices specified above. Paying Agents and Transfer Agents are agents of the Issuer and do not have the duties of a trustee with respect to the holders of the Notes.

The Trustee may resign at any time or may be removed by the Issuer at any time. If the Trustee resigns, is removed or becomes incapable of acting as Trustee or if a vacancy occurs in the office of the Trustee for any cause, a successor Trustee shall be appointed in accordance with the provisions of the Indenture.

International Paying Agent and Authenticating Agent

Deutsche Bank AG, London Branch will be the International Paying Agent under the Indenture, and in this capacity will serve as Paying Agent and Authenticating Agent for all International Global Notes issued under the Indenture. The corporate trust office of the International Paying Agent is located at Winchester House, 1 Great Winchester Street, London EC2N 2DB.

The International Paying Agent may resign at any time or may be removed by the Issuer as Paying Agent and/or by the Trustee as Authenticating Agent at any time. The resignation or removal of the Trustee as Trustee in accordance with the terms of the Indenture will also terminate the roles of the International Paying Agent as Paying Agent and Authenticating Agent for the International Global Notes.

In the ordinary course of their respective businesses, Deutsche Bank Trust Company Americas, Deutsche Bank AG, London Branch and their respective affiliates have engaged, and may in the future engage, in investment banking activities and commercial banking activities with PEMEX, and have provided, and may in the future provide, investment advisory and corporate trust services to PEMEX.

Notices

Notices to holders of Registered Notes will be sent by mail to their respective addresses appearing in the register maintained by the Trustee; *provided* that notices to holders of Registered Notes that are represented by Global Securities may be given to the respective Depositary or Depositaries by mail or electronic transmission. In addition, if and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market, and the rules of such Exchange so require, such notices will be published either in a daily newspaper of general circulation in Luxembourg (expected to be the *Luxemburger Wort*), or on the website of such Exchange (<http://www.bourse.lu>). If publication as aforesaid is not practicable, notice will be validly given if made in accordance with the rules of the Luxembourg Stock Exchange. Any such notice shall be deemed to have been given on the later of the date of such publication, if required, and, in the case of notices sent by mail, the fourth calendar day after the date of mailing or, in the case of notices delivered electronically, on the day when received by the Depositary.

Notices to holders of Bearer Notes will be valid if published in a daily newspaper having general circulation in London (expected to be the *Financial Times*) or, if publication in such newspaper is not practicable, in another leading daily English language newspaper having general circulation in Europe approved by the Trustee. In addition, if and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market, and the rules of such Exchange so require, notices to holders of Bearer Notes will be published either in a leading newspaper having general circulation in Luxembourg (expected to be the *Luxemburger Wort*) or on the website of such Exchange (<http://www.bourse.lu>). Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in either both of such newspapers or in the first such newspaper and the Luxembourg Stock Exchange website as provided above. Holders of coupons shall be deemed for all purposes to have notice of the contents of any notice to the holders of the related Bearer Notes.

LIMITATIONS ON ISSUANCE OF BEARER NOTES

In compliance with United States federal tax laws and regulations, Bearer Notes (including temporary global Bearer Notes), other than Bearer Notes with a maturity not exceeding one year from the date of issue, may not be offered or sold during the restricted period (as defined in U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)) within the United States or its possessions or to United States Persons (each as defined below) other than to an office located outside the United States or its possessions of a U.S. financial institution (as defined in Section 1.165-12(c)(1) of the U.S. Treasury regulations), purchasing for its own account, that provides a certificate stating that it agrees to comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Code, and the U.S. Treasury regulations thereunder, or to certain other persons described in Section 1.163-5(c)(2)(i)(D)(1)(iii)(B) of the U.S. Treasury regulations. Moreover, such Bearer Notes may not be delivered within the United States or its possessions in connection with their sale during the restricted period. No Bearer Note (other than a temporary global Bearer Note) may be delivered, nor may interest be paid on any Bearer Note, until receipt by the Issuer of (i) a Depositary Tax Certification in the case of temporary global Bearer Notes or (ii) an Owner Tax Certification in all other cases as described above under “Description of Notes—Form and Denomination.”

For purposes of the limitations on the issuance of Bearer Notes, “United States Person” means any citizen or resident of the United States, any corporation, partnership or other entity created or organized in or under the laws of the United States, any estate the income of which is subject to U.S. federal income taxation regardless of its source, or any trust if (i) a U.S. court is able to exercise primary supervision over the trust’s administration and (ii) one or more United States Persons have the authority to control all of the trust’s substantial decisions. “United States” means the United States of America (including the States thereof and the District of Columbia) and “possessions” of the United States include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

IMPORTANT CURRENCY INFORMATION

Unless otherwise specified in the applicable Final Terms, purchasers are required to pay for Notes in the Specified Currency in immediately available funds. Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies or currency units and vice versa, and it is believed that only a limited number of U.S. banks offer foreign currency checking or savings account facilities in the United States. However, if requested by a prospective purchaser of Notes denominated in a Specified Currency other than U.S. dollars, an Agent soliciting the offer to purchase may at its discretion arrange for the conversion of U.S. dollars into such Specified Currency to enable the purchaser to pay for such Notes. Any request must be made by the date determined by such Agent. Each such conversion will be made by such Agent on such terms and subject to such conditions, limitations and charges as such Agent may from time to time establish in accordance with its regular foreign exchange practice. All costs of exchange will be borne by purchasers of the Notes.

For purposes of determining whether the holders of the requisite principal amount of Outstanding Notes have taken or authorized any action under the Indenture, the principal amount of a Note denominated in a Specified Currency other than U.S. dollars at any time outstanding shall be deemed to be the U.S. dollar equivalent, determined on the basis of the Market Exchange Rate as of the Issue Date of such Note, of the principal amount of such Note.

CURRENCY RISKS AND RISKS ASSOCIATED WITH INDEXED NOTES

Exchange Rates and Exchange Controls

An investment in a Note denominated in a Specified Currency other than the currency of the country in which a purchaser is resident or the currency (including any currency unit) in which a purchaser conducts its primary business (the “home currency”) or where principal of or interest on Notes is payable by reference to a Specified Currency index other than an index relating to the home currency entails significant risks that are not associated with a similar investment in a security denominated in the home currency. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the home currency and the Specified Currency and the possibility of the imposition or modification of foreign exchange controls by either the United States or foreign governments. Such risks generally depend on factors over which the particular country has no control, such as economic, financial, political and military events and the supply of and demand for the relevant currencies. In recent years, rates of exchange for certain currencies have been highly volatile, and such volatility may be expected in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in the exchange rate that may occur during the term of any Note. Depreciation of the Specified Currency in which a Note is denominated against the relevant home currency would result in a decrease in the effective home currency-equivalent yield of such Note below its interest rate, in the home currency-equivalent value of the principal payable at maturity of such Note and generally in the home currency-equivalent market value of such Note and could result in a loss to the investor on a home currency basis.

Foreign exchange rates can either be fixed by sovereign governments or float. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the U.S. dollar. National governments, however, rarely voluntarily allow their currencies to float freely in response to economic forces. Sovereign governments in fact use a variety of techniques, such as intervention by a country’s central bank or imposition of regulatory controls or taxes, to affect the rate of exchange of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing Notes that are denominated in a foreign currency or currency unit is that the U.S. dollar equivalent yields of such Notes could be affected by governmental actions which could change or interfere with theretofore freely determined currency valuations, fluctuations in response to other market forces and the movement of the currencies across borders.

Governments have from time to time imposed, and may in the future impose, exchange controls that could affect the availability of a Specified Currency for making payments with respect to a Note. There can be no assurance that exchange controls will not restrict or prohibit payments in any currency or currency unit. Even if there are no actual exchange controls, it is possible that on a payment date with respect to any particular Note, the Specified Currency for such Note would not be available to the Issuer to make payments then due. In that event, the Issuer will make such payments in the manner set forth below under “—Payment Currency.”

THIS OFFERING CIRCULAR AND ANY FINAL TERMS HERETO DO NOT DESCRIBE ALL THE RISKS OF AN INVESTMENT IN NOTES DENOMINATED IN A CURRENCY (INCLUDING ANY CURRENCY UNIT) OTHER THAN A PROSPECTIVE PURCHASER’S HOME CURRENCY AND THE ISSUER AND THE GUARANTORS DISCLAIM ANY RESPONSIBILITY TO ADVISE PROSPECTIVE PURCHASERS OF SUCH RISKS AS THEY EXIST AT THE DATE OF THIS OFFERING CIRCULAR AND AS SUCH RISKS MAY CHANGE FROM TIME TO TIME. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN FINANCIAL AND LEGAL ADVISORS AS TO THE RISKS ENTAILED BY AN INVESTMENT IN NOTES DENOMINATED IN A CURRENCY (INCLUDING ANY CURRENCY UNIT) OTHER THAN THEIR PARTICULAR HOME CURRENCY. SUCH NOTES ARE NOT AN APPROPRIATE INVESTMENT FOR PERSONS WHO ARE UNSOPHISTICATED WITH RESPECT TO FOREIGN CURRENCY TRANSACTIONS.

Unless otherwise provided, Notes denominated in a Specified Currency other than U.S. dollars or euros will not be sold in, or to residents of, the country of the Specified Currency in which such Notes are denominated. The information set forth in this Offering Circular and any Final Terms is directed to prospective purchasers who are U.S. residents. The Issuer and the Guarantors disclaim any responsibility to advise prospective purchasers who are residents of countries other than the United States with respect to any matters that may affect the purchase, holding or receipt of payments of principal of or interest on Notes. Such persons should consult their own legal and financial advisors with regard to such matters.

The Final Terms relating to each Foreign Currency Note may contain information concerning relevant historical exchange rates for the applicable Specified Currency, a description of such currency or currencies and any exchange controls affecting such currency or currencies. The information therein concerning exchange rates and exchange controls, if any, is furnished as a matter of information only and should not be regarded as indicative of the range of or trends in fluctuations in exchange rates or of exchange controls that may be imposed in the future. The Issuer and the Guarantors disclaim any responsibility to advise prospective purchasers of changes in such exchange rates or exchange controls after the date of any such Final Terms.

Payment Currency

Except as set forth below, if payment on a Note is required to be made in a Specified Currency other than U.S. dollars and on a payment date with respect to such Note such currency or currency unit is unavailable due to the imposition of exchange controls or other circumstances beyond the Issuer's control, or is no longer used by the government of the country issuing such currency or currency unit or for the settlement of transactions by public institutions of or within the international banking community, then all such payments due on such payment date shall be made in U.S. dollars. The amount so payable on any payment date in such foreign currency or currency unit shall be converted into U.S. dollars at a rate determined by the Exchange Rate Agent as of the second Business Day prior to the date on which such payment is due on the basis of the most recently available Market Exchange Rate for such currency or currency unit, or as otherwise specified in the applicable Final Terms. Any payment made under such circumstances in U.S. dollars will not constitute an Event of Default under the Notes.

All determinations referred to above made by the Exchange Rate Agent shall be confirmed by the Issuer (except to the extent expressly provided herein or in the applicable Final Terms) and, in the absence of manifest error, shall be conclusive for all purposes and binding on holders of the Notes, and the Exchange Rate Agent shall have no liability therefor.

Unless otherwise specified in the applicable Final Terms, Notes denominated in a Specified Currency other than U.S. dollars will provide that, in the event of an official redenomination of the Specified Currency, the obligations of the Issuer with respect to payments on such Notes shall, in all cases, be deemed immediately following such redenomination to provide for payment of that amount of the redenominated Specified Currency representing the amount of such obligations immediately before such redenomination.

Foreign Currency Judgments; Immunity from Attachment

The Notes and the Guaranties will be governed by and construed in accordance with the laws of the State of New York. See "Description of Notes—Governing Law, Jurisdiction and Waiver of Immunity." Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than U.S. dollars. New York statutory law provides, however, that in an action based on an obligation denominated in a currency other than U.S. dollars, a court shall render a judgment or decree in the foreign currency of the underlying obligation and that the judgment or decree shall be converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment or decree. It is not known whether the foregoing New York statutory law would be applied (a) in any action based on an obligation denominated in a currency unit or (b) by a Federal court sitting in the State of New York.

Under the Mexican Monetary Law, payments which should be made in Mexico in foreign currency, whether by agreement or upon judgment of a Mexican court, may be discharged in pesos at a rate of exchange for pesos into the relevant foreign currency prevailing at the time of payment. In addition, Mexican law specifies that attachment in aid of execution may not be ordered against the Issuer, the Guarantors or their assets and, as a result, the ability of investors to realize upon judgments in the courts of Mexico may be limited. See “Description of Notes—Governing Law, Jurisdiction and Waiver of Immunity.”

Risks Associated with Indexed Notes

An investment in Indexed Notes may entail significant risks that are not associated with a similar investment in a debt instrument that has a fixed principal amount, is denominated in U.S. dollars and bears interest at either a fixed rate or a floating rate determined by reference to nationally published interest rate references. The risks of a particular Indexed Note will depend on the terms of such Indexed Note, but may include, without limitation, the possibility of significant changes in the prices of securities, currencies, intangibles, goods, articles or commodities or of other objective price, economic or other measures making up the relevant index (the “Underlying Assets”). Such risks generally depend on factors over which the Issuer and the Guarantors have no control, such as economic and political events and the supply of and demand for the Underlying Assets. In recent years, currency exchange rates and prices for various Underlying Assets have been highly volatile, and such volatility may be expected in the future. Fluctuations in any such rates or prices that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any Indexed Note.

In considering whether to purchase Indexed Notes, investors should be aware that the calculation of amounts payable in respect of Indexed Notes may involve reference to prices which are published solely by third parties or entities which are not subject to regulation under the laws of the United States.

THIS OFFERING CIRCULAR AND ANY FINAL TERMS HERETO DO NOT DESCRIBE ALL THE RISKS OF AN INVESTMENT IN INDEXED NOTES AND THE ISSUER AND THE GUARANTORS DISCLAIM ANY RESPONSIBILITY TO ADVISE PROSPECTIVE PURCHASERS OF SUCH RISKS AS THEY EXIST AT THE DATE OF THIS OFFERING CIRCULAR OR AS SUCH RISKS MAY CHANGE FROM TIME TO TIME. THE RISK OF LOSS AS A RESULT OF THE LINKAGE OF PRINCIPAL OR INTEREST PAYMENTS ON INDEXED NOTES TO AN INDEX AND TO THE UNDERLYING ASSETS CAN BE SUBSTANTIAL. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN FINANCIAL AND LEGAL ADVISORS AS TO THE RISKS ENTAILED BY AN INVESTMENT IN INDEXED NOTES. AN INDEXED NOTE IS NOT AN APPROPRIATE INVESTMENT FOR PERSONS WHO ARE UNSOPHISTICATED WITH RESPECT TO TRANSACTIONS IN THE UNDERLYING ASSETS OR ANY INDEX RELEVANT TO THAT INDEXED NOTE.

CLEARING AND SETTLEMENT

Arrangements will be made with each of DTC, Euroclear and Clearstream, Luxembourg to facilitate initial issuance of Global Notes deposited with, or on behalf of, DTC (“DTC Global Notes”). See “Description of Notes—Form and Denomination.” Transfers within DTC, Euroclear and Clearstream, Luxembourg will be made in accordance with the usual rules and operating procedures of the relevant system. Cross-market transfers between investors who hold or who will hold DTC Global Notes through DTC and investors who hold or will hold DTC Global Notes through Euroclear and/or Clearstream, Luxembourg will be effected in DTC through the respective depositaries of Euroclear and Clearstream, Luxembourg. Each Regulation S Global Note and each Restricted Global Note deposited with DTC will have a different CUSIP or CINS number.

DTC

DTC has advised the Issuer as follows: DTC is a limited-purpose trust company organized under the laws of the State of New York, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participating organizations (“DTC Participants”) and to facilitate the clearance and settlement of securities transactions between DTC Participants through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. Indirect access to the DTC system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (“Indirect DTC Participants”).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “Rules”), DTC is required to make book-entry transfers between DTC Participants on whose behalf it acts with respect to the Notes and is required to receive and transmit distributions of principal of and interest on the Notes. DTC Participants and Indirect DTC Participants with which investors have accounts with respect to the Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective investors.

Because DTC can only act on behalf of DTC Participants, who in turn act on behalf of Indirect DTC Participants and certain banks, the ability of a person having a beneficial interest in a Note held in DTC to transfer or pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate of such interest. The laws of some states of the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in a Note held in DTC to such persons may be limited.

DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Notes (including, without limitation, the presentation of Notes for exchange as described above) only at the direction of one or more DTC Participants to whose account with DTC interests in the relevant Notes are credited, and only in respect of such portion of the aggregate principal amount of the Notes as to which such DTC Participant or DTC Participants has or have given such direction. However, in certain circumstances, DTC will exchange the DTC Global Notes held by it for Certificated Notes, which it will distribute to DTC Participants and which, if representing interests in the Restricted Global Note, will be legended as set forth above under “Notice to Investors.” See “Description of Notes—Certificated Notes and Definitive Bearer Notes.”

Euroclear

Euroclear was created in 1968 to hold securities for Participants of Euroclear (“Euroclear Participants”) and to clear and settle transactions between Euroclear Participants through simultaneous

electronic book-entry delivery against payment, thus eliminating the need for physical movement of certificates and risk from lack of simultaneous transfers of securities and cash. Transactions may now be settled in many currencies, including U.S. dollars and Japanese yen. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described below.

Euroclear is operated by Euroclear Bank S.A./N.V. (the “Euroclear Operator”), under contract with Euroclear Clearance System plc, a U.K. corporation (“Euroclear”). The Euroclear Operator conducts all operations, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not Euroclear. The Euroclear Operator establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the Agents. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly. Euroclear is an indirect participant in DTC.

The Euroclear Operator is a Belgian bank. The Belgian Banking Commission and the National Bank of Belgium regulate and examine the Euroclear Operator.

The Terms and Conditions Governing Use of Euroclear (the “Euroclear Terms and Conditions”) and the related Operating Procedures of Euroclear and applicable Belgian law govern securities clearance accounts and cash accounts with the Euroclear Operator. Specifically, these terms and conditions govern:

- transfers of securities and cash within Euroclear;
- withdrawals of securities and cash from Euroclear; and
- receipts of payments with respect to securities in Euroclear.

All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the terms and conditions only on behalf of Euroclear Participants and has no record of or relationship with persons holding securities through Euroclear Participants.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Euroclear Terms and Conditions, to the extent received by the Euroclear Operator and by Euroclear.

Clearstream, Luxembourg

Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”), was incorporated as a limited liability company under Luxembourg law. Clearstream, Luxembourg is owned by Cedel International, *société anonyme*, and Deutsche Börse AG. The shareholders of these two entities are banks, securities dealers and financial institutions.

Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thus eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities, securities lending and borrowing and collateral management. Clearstream, Luxembourg interfaces with domestic markets in a number of countries. Clearstream, Luxembourg has established an electronic bridge with the Euroclear Operator to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

As a registered bank in Luxembourg, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream, Luxembourg customers (“Clearstream, Luxembourg Participants”) are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. In the United States, Clearstream, Luxembourg customers are limited to securities brokers and dealers and banks, and may include the Agents for the Notes. Other institutions that maintain a custodial relationship with a Clearstream, Luxembourg customer may obtain indirect access to Clearstream, Luxembourg. Clearstream, Luxembourg is an indirect participant in DTC.

Distributions with respect to the Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg Participants in accordance with its rules and procedures, to the extent received by Clearstream, Luxembourg.

Initial Settlement in Relation to DTC Global Notes

Upon the issuance of a DTC Global Note, DTC or its custodian will credit, on its internal system, the respective principal amount of the individual beneficial interests represented by such DTC Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Agent or the Issuer, in the case of a Note sold directly by the Issuer. Ownership of beneficial interests in a DTC Global Note will be limited to DTC Participants, including Euroclear and Clearstream, Luxembourg, or Indirect DTC Participants. Ownership of beneficial interests in DTC Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to interests of Indirect DTC Participants).

Euroclear and Clearstream, Luxembourg will hold omnibus positions on behalf of their respective Participants through customers’ securities accounts for Euroclear and Clearstream, Luxembourg on the books of their respective depositories, which in turn will hold such positions in customers’ securities accounts in such depositories’ names on the books of DTC.

Investors that hold their interests in a DTC Global Note through DTC will follow the settlement practices applicable to global bond issues. Investors’ securities custody accounts will be credited with their holdings against payment in same-day funds on the settlement date.

Investors that hold their interests in a DTC Global Note through Euroclear or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional eurobonds in registered form. The interests will be credited to the securities custody accounts on the settlement date against payment in same-day funds.

Secondary Market Trading in Relation to DTC Global Notes

Since the purchaser determines the place of delivery, it is important to establish at the time of the trade where both the purchaser’s and the seller’s accounts are located to ensure that settlement can be made on the desired value date. Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the following procedures in order to facilitate transfers of interests in a Regulation S Global Note and a Restricted Global Note among Participants of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer nor the Trustee, any Paying Agent or the registrar will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective Participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Trading between DTC Participants

Secondary market trading between DTC Participants will be settled using the procedures applicable to global bond issues in same-day funds.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market trading between Euroclear Participants and/or Clearstream, Luxembourg Participants will be settled using the procedures applicable to conventional eurobonds in same-day funds.

Trading between DTC Sellers and Euroclear or Clearstream, Luxembourg Purchasers

When interests are to be transferred from the account of a DTC Participant to the account of a Euroclear Participant or a Clearstream, Luxembourg Participant, the purchaser will send instructions to Euroclear or Clearstream, Luxembourg through a Euroclear Participant or a Clearstream, Luxembourg Participant, as the case may be, at least one Business Day prior to settlement. The Euroclear Operator or Clearstream, Luxembourg will instruct its respective depository to receive such interest against payment. Payment will then be made by the depository to the DTC Participant's account against delivery of the interest in the relevant DTC Global Note. After settlement has been completed, the interest will be credited to the respective clearing system, and by the clearing system, in accordance with its usual procedures, to the Euroclear Participant's or Clearstream, Luxembourg Participant's account. The securities credit will appear the next day (European time) and the cash debit will be back-valued to, and the interest on the DTC Global Note will accrue from, the value date (which would be the preceding day, when settlement occurred in New York). If settlement is not completed on the intended value date (*i.e.*, the trade fails), the Euroclear or Clearstream, Luxembourg cash debit will be valued instead as of the actual settlement date.

Euroclear Participants and Clearstream, Luxembourg Participants will need to make available to the relevant clearing system the funds necessary to process same-day funds settlement. The most direct means of doing so is to preposition funds for settlement, either from cash on-hand or existing lines of credit, as such Participants would for any settlement occurring with Euroclear or Clearstream, Luxembourg. Under this approach, such Participants may take on credit exposure to the Euroclear Operator or Clearstream, Luxembourg until the interests in the relevant DTC Global Note are credited to their accounts one day later.

As an alternative, if the Euroclear Operator or Clearstream, Luxembourg has extended a line of credit to a Euroclear Participant or a Clearstream, Luxembourg Participant, as the case may be, such Participant may elect not to preposition funds and allow the credit line to be drawn upon to finance settlement. Under this procedure, Euroclear Participants or Clearstream, Luxembourg Participants purchasing interests in a DTC Global Note would incur overdraft charges for one day, assuming they cleared the overdraft when the interests in the relevant DTC Global Note were credited to their accounts. However, interest on the relevant DTC Global Note would accrue from the value date. Therefore, in many cases the investment income on the interest in the relevant DTC Global Note earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each Participant's particular cost of funds.

Since settlement takes place during New York business hours, DTC Participants can employ their usual procedures for transferring global bonds to the respective depositories of Euroclear or Clearstream, Luxembourg for the benefit of Euroclear Participants or Clearstream, Luxembourg Participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to DTC Participants, a cross-market sale transaction will settle no differently from a trade between two DTC Participants.

Trading between Euroclear or Clearstream, Luxembourg Sellers and DTC Purchasers

Due to time zone differences in their favor, Euroclear Participants and Clearstream, Luxembourg Participants may employ their customary procedures for transactions in which interests in a DTC Global Note are to be transferred by the relevant clearing system, through its respective depository, to a DTC Participant at least one Business Day prior to settlement. In these cases, Euroclear or Clearstream, Luxembourg will instruct its respective depository to deliver the interest in the relevant DTC Global Note to the DTC Participant's account against payment. The payment will then be reflected in the account of the Euroclear Participant or Clearstream, Luxembourg Participant the following day, and receipt of the cash proceeds in the Euroclear Participant's or Clearstream, Luxembourg Participant's account would be back-valued to the value date (which would be the preceding day, when settlement occurred in New York). Should the Euroclear Participant or Clearstream, Luxembourg Participant have a line of credit in its respective clearing system and elect to be in debit in anticipation of receipt of the sale proceeds in its account, the back-valuation will extinguish any overdraft charges incurred over that one-day period. If settlement is not completed on the intended value date (*i.e.*, the trade fails), receipt of the cash proceeds in the Euroclear Participant's or Clearstream, Luxembourg Participant's account would instead be valued as of the actual settlement date.

Finally, day traders that use Euroclear or Clearstream, Luxembourg to purchase interests in a DTC Global Note from DTC Participants for delivery to Euroclear Participants or Clearstream, Luxembourg Participants should note that these trades will automatically fail on the sale side unless affirmative action is taken. At least three techniques should be readily available to eliminate this potential problem:

- borrowing through Euroclear or Clearstream, Luxembourg for one day (until the purchase side of the day trade is reflected in their Euroclear or Clearstream, Luxembourg accounts) in accordance with the clearing system's customary procedures;
- borrowing the interests in the DTC Global Note in the United States from a DTC Participant no later than one day prior to settlement, which would give sufficient time for the Notes to be reflected in their Euroclear or Clearstream, Luxembourg account in order to settle the sale side of the trade; or
- staggering the value date for the buy and sell sides of the trade so that the value date for the purchase from the DTC Participant is at least one day prior to the value date for the sale to the Euroclear Participant or Clearstream, Luxembourg Participant.

Initial Settlement and Secondary Market Trading in relation to Bearer Notes and Global Notes deposited with the Common Depository

The Global Notes will be deposited with a common depository for the account of Euroclear and Clearstream, Luxembourg. Investors may hold book-entry interests in the Global Notes through organizations that participate, directly or indirectly, in Euroclear and/or Clearstream, Luxembourg. The distribution of the Global Notes will be carried through Euroclear and Clearstream, Luxembourg. With respect to Global Notes deposited with a common depository for Euroclear and Clearstream, Luxembourg, any secondary market trading of book-entry interests in the Global Notes will take place through participants in Euroclear and Clearstream, Luxembourg and will settle in same-day funds. Owners of book-entry interests in the Global Notes will receive payments relating to their Global Notes in euros. Euroclear and Clearstream, Luxembourg have established electronic securities and payment transfer, processing, depository and custodial links among themselves and others, either directly or through custodians and depositories. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market.

TAXATION

The following summary contains a description of the principal Mexican federal and U.S. federal income tax considerations that may be relevant to the ownership and disposition of Notes, but it does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase or dispose of Notes. This summary is based on the federal U.S. and federal Mexican tax laws in effect on the date of this Offering Circular. These laws are subject to change. Any change could apply retroactively and could affect the continued validity of this summary. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than Mexico and the United States.

This summary does not describe all of the tax considerations that may be relevant to a prospective holder's situation, particularly if such holder is subject to special tax rules. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the Mexican, U.S. or other tax consequences of the ownership and disposition of the Notes, including the effect of any foreign, state, local or municipal tax laws.

The United States and Mexico entered into a Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, and a Protocol thereto, both signed on September 18, 1992 and amended by additional Protocols signed on September 8, 1994 and November 26, 2002 (the "Tax Treaty"). This summary describes the provisions of the Tax Treaty that may affect the taxation of certain U.S. holders of Notes. The United States and Mexico have also entered into an agreement that covers the exchange of information with respect to tax matters.

Mexico has also entered into tax treaties with various other countries (most of which are in effect) and is negotiating tax treaties with various other countries. These tax treaties may have effects on holders of Notes. This summary does not discuss the consequences (if any) of such treaties.

Mexican Taxation

This summary of certain Mexican federal tax considerations refers only to prospective holders of Notes that are not residents of Mexico for Mexican tax purposes and that will not hold the Notes or a beneficial interest therein through a permanent establishment for tax purposes in Mexico (any such non-resident holder a "Foreign Holder"). For purposes of Mexican taxation, an individual is a resident of Mexico if he/she has established his/her domicile in Mexico, unless he/she has a place of residence in another country as well, in which case such individual will be considered a resident of Mexico for tax purposes, if such individual has his/her center of vital interest in Mexico; an individual would be deemed to maintain his/her center of vital interest in Mexico if, among other things, (i) more than 50% of his/her total income for the calendar year results from Mexican sources, or (ii) his/her principal center of professional activities is located in Mexico. A legal entity is a resident of Mexico if it maintains the main place of its management in Mexico or has established its effective management in Mexico. A Mexican national is presumed to be a resident of Mexico unless such person can demonstrate the contrary. If a legal entity or individual has a permanent establishment for tax purposes in Mexico, such legal entity or individual shall be required to pay taxes in Mexico on income attributable to such permanent establishment in accordance with Mexican federal tax law.

Taxation of Interest and Principal. Under existing Mexican laws and regulations, payments of principal under the Notes, made by the Issuer or a Guarantor, to a Foreign Holder, will not be subject to any taxes or duties imposed or levied by or on behalf of Mexico.

Pursuant to the Mexican Income Tax Law, payments of interest (or amounts deemed to be interest) made by the Issuer or the Guarantors in respect of the Notes to Foreign Holders will be subject to a Mexican withholding tax imposed at a rate of 4.9% if, as expected, (i) the Notes are placed outside of Mexico by a bank or broker dealer in a country with which Mexico has a tax treaty in effect, (ii) notice relating to the offering of the Notes is given to the CNBV as required under the Securities Market Law and evidence of such notice is timely filed with the Ministry of Finance and Public Credit, (iii) the Issuer timely

files with the Ministry of Finance and Public Credit (a) certain information related to the Notes and this Offering Circular, and (b) information representing that no party related to the Issuer, directly or indirectly, is the effective beneficiary of 5% or more of the aggregate amount of each such interest payment, and (iv) the Issuer or the Guarantor maintains records that evidence compliance with (iii)(b) above. If these requirements are not satisfied, the applicable withholding tax rate will be higher.

Under the Tax Treaty, the Mexican withholding tax rate is 4.9% for certain holders that are residents of the United States (within the meaning of the Tax Treaty) under certain circumstances contemplated therein.

Payments of interest made by the Issuer or a Guarantor in respect of the Notes to a non-Mexican pension or retirement fund will be exempt from Mexican withholding taxes; *provided* that any such fund: (i) is duly established pursuant to the laws of its country of origin and is the effective beneficiary of the interest paid and (ii) is exempt from income tax in respect of such payments in such country.

Additional Amounts. The Issuer and the Guarantors have agreed, subject to specified exceptions and limitations, to pay Additional Amounts to the holders of the Notes in respect of the Mexican withholding taxes mentioned above. If the Issuer or a Guarantor pays Additional Amounts in respect of such Mexican withholding taxes, any refunds received with respect to such Additional Amounts will be for the account of the Issuer or such Guarantor, as the case may be. See “Description of Notes—Additional Amounts.”

Holders or beneficial owners of Notes may be requested to provide certain information or documentation necessary to enable the Issuer or a Guarantor to establish the appropriate Mexican withholding tax rate applicable to such holders or beneficial owners. In the event that the specified information or documentation concerning the holder or beneficial owner, if requested, is not provided on a timely basis, the obligation of the Issuer or such Guarantor as the case may be, to pay Additional Amounts will be limited. See “Description of Notes—Additional Amounts.”

Taxation of Dispositions. Capital gains resulting from the sale or other disposition of the Notes by a Foreign Holder to another Foreign Holder will not be subject to Mexican income or other similar taxes.

Transfer and Other Taxes. There are no Mexican stamp, registration, or similar taxes payable by a Foreign Holder in connection with the purchase, ownership or disposition of the Notes. A Foreign Holder of Notes will not be liable for Mexican estate, gift, inheritance or similar tax with respect to the Notes.

U.S. Federal Income Taxation

The following discussion summarizes certain U.S. federal income tax considerations that may be relevant to a holder of a Note. Except for the discussion below under “—Non-U.S. Holders” and “—Information Reporting and Backup Withholding,” the discussion generally applies only to a holder of Notes that is an individual who is a citizen or resident of the United States, or a domestic corporation (or other entity treated as a corporation for U.S. federal income tax purposes), or any other person that is subject to U.S. federal income tax on a net income basis in respect of an investment in the Notes (a “U.S. holder”).

This summary is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change. This summary deals only with U.S. holders that will hold Notes as capital assets, and does not address tax considerations applicable to investors that may be subject to special tax rules, such as banks, tax-exempt entities, insurance companies, dealers in securities or currencies, certain short-term holders of Notes, traders in securities electing to mark to market, persons that hedge their exposure in the Notes or that will hold Notes as a position in a “straddle” or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction or U.S. holders that have a “functional currency” other than the U.S. dollar. U.S. holders should be aware that the U.S. federal income tax consequences of holding the Notes may be materially different for investors described in the previous sentence. Further, this summary does not address the alternative minimum tax, the Medicare tax on net

investment income or other aspects of U.S. federal income or state and local taxation that may be relevant to a holder in light of such holder's particular circumstances.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds Notes, the U.S. federal income tax treatment of a partner in such entity would generally depend on the status of the partner and upon the activities of the entity. Such entities and partners therein should consult their tax advisors as to the particular U.S. federal income tax consequences of acquiring, owning and disposing of Notes.

Special U.S. federal income tax considerations, if any, relevant to a particular issue of Notes, including any Indexed Notes, will be provided in the applicable Final Terms.

Investors should consult their own tax advisors in determining the tax consequences to them of holding Notes, including the application to their particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

Taxation of Interest and Additional Amounts. A U.S. holder will be taxed on the gross amount of payments of "qualified stated interest" (as defined below under "—Original Issue Discount") and Additional Amounts (*i.e.*, without reduction for Mexican withholding taxes, determined utilizing the appropriate Mexican withholding tax rate applicable to the U.S. holder) on a Note as ordinary income at the time that such payments are accrued or are received (in accordance with the U.S. holder's method of tax accounting). If such payments are made with respect to a Foreign Currency Note, the amount of interest income realized by a U.S. holder that uses the cash method of tax accounting will be the U.S. dollar value of the Specified Currency payment based on the exchange rate in effect on the date of receipt, regardless of whether the payment in fact is converted into U.S. dollars. A U.S. holder that uses the accrual method of accounting for tax purposes will accrue interest income on the Note in the relevant foreign currency and translate the amount accrued into U.S. dollars based on the average exchange rate in effect during the interest accrual period (or portion thereof within the U.S. holder's taxable year), or, at the accrual basis U.S. holder's election, at the spot rate of exchange on the last day of the accrual period (or the last day of the U.S. holder's taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period. A U.S. holder that makes such election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the Internal Revenue Service (the "IRS"). A U.S. holder that uses the accrual method of accounting for tax purposes will recognize foreign currency gain or loss, as the case may be, on the receipt of an interest payment made with respect to a Foreign Currency Note if the exchange rate in effect on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. This foreign currency gain or loss will be treated as U.S. source ordinary income or loss but generally will not be treated as an adjustment to interest income received on the Note.

Mexican withholding taxes paid at the appropriate rate applicable to the U.S. holder will be treated as foreign income taxes eligible for credit against such U.S. holder's U.S. federal income tax liability, subject to generally applicable limitations and conditions, or, at the election of such U.S. holder, for deduction in computing such U.S. holder's taxable income (*provided* that the U.S. holder elects to deduct, rather than credit, all foreign income taxes paid or accrued for the relevant taxable year). Interest and Additional Amounts will constitute income from sources without the United States for U.S. foreign tax credit purposes. The calculation of foreign tax credits and, in the case of a U.S. holder that elects to deduct foreign taxes, the availability of deductions, involves the application of rules that depend on a U.S. holder's particular circumstances. U.S. holders should consult their own tax advisors regarding the availability of foreign tax credits and the treatment of Additional Amounts.

Purchase of Notes and Basis. A U.S. holder's tax basis in a Note generally will equal the cost of such Note to such holder, increased by any amounts includible in income by the holder as original issue discount and market discount and reduced by any amortized premium (each as described below) and any payments other than payments of qualified stated interest made on such Note. In the case of a Foreign Currency Note, the cost of such Note to a U.S. holder will be the U.S. dollar value of the foreign currency

purchase price on the date of purchase. In the case of a Foreign Currency Note that is traded on an established securities market, a cash basis U.S. holder (and, if it so elects, an accrual basis U.S. holder) will determine the U.S. dollar value of the cost of such Note by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. The amount of any subsequent adjustments to a U.S. holder's tax basis in a Note in respect of original issue discount, market discount and premium denominated in a Specified Currency will be determined in the manner described under "—Original Issue Discount" and "—Premium and Market Discount" below. The conversion of U.S. dollars to a Specified Currency other than U.S. dollars and the immediate use of the Specified Currency to purchase a Foreign Currency Note generally will not result in taxable gain or loss for a U.S. holder.

Taxation of Dispositions. Upon the sale, exchange or retirement of a Note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (less any accrued qualified stated interest, which will be taxable as such) and the U.S. holder's tax basis in such Note. If a U.S. holder receives a currency other than the U.S. dollar in respect of the sale, exchange or retirement of a Note, the amount realized will be the U.S. dollar value of the specified currency received calculated at the exchange rate in effect on the date the instrument is disposed of or retired. In the case of a Foreign Currency Note that is traded on an established securities market, a cash basis U.S. holder, and if it so elects, an accrual basis U.S. holder, will determine the U.S. dollar value of the amount realized by translating such amount at the spot rate on the settlement date of the sale. The election available to accrual basis U.S. holders in respect of the purchase and sale of Foreign Currency Notes traded on an established securities market, discussed above, must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS.

Except as discussed below with respect to market discount, Short-Term Notes (as defined below) and foreign currency gain or loss, gain or loss recognized by a U.S. holder generally will be long-term capital gain or loss if the U.S. holder has held the Note for more than one year at the time of disposition. Net long-term capital gain recognized by certain U.S. holders (including individuals) is subject to a more favorable tax rate than ordinary income or net short-term capital gain.

Gain or loss recognized by a U.S. holder on the sale, exchange or retirement of a Foreign Currency Note generally will be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in exchange rates during the period in which the holder held such Note. This foreign currency gain or loss will not be treated as an adjustment to interest income received on the Notes. Gain or loss recognized by a U.S. holder on the sale or other disposition of a Note generally will be treated as U.S. source income or loss for U.S. foreign tax credit purposes.

Original Issue Discount. U.S. holders of Original Issue Discount Notes generally will be subject to the special tax accounting rules for obligations issued with original issue discount ("OID") provided by the Code, and certain regulations promulgated thereunder (the "OID Regulations"). U.S. holders of such Notes should be aware that, as described in greater detail below, they generally must include OID in ordinary gross income for U.S. federal income tax purposes as it accrues, generally in advance of the receipt of cash attributable to that income.

In general, each U.S. holder of an Original Issue Discount Note, whether such holder uses the cash or the accrual method of tax accounting, will be required to include in ordinary gross income the sum of the "daily portions" of OID on the Note for all days during the taxable year that the U.S. holder owns the Note. The daily portions of OID on an Original Issue Discount Note are determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. Accrual periods may be any length and may vary in length over the term of an Original Issue Discount Note; *provided* that no accrual period is longer than one year and each scheduled payment of principal or interest occurs on either the final day or the first day of an accrual period. In the case of an initial holder, the amount of OID on an Original Issue Discount Note allocable to each accrual period is determined by (a) multiplying the "adjusted issue price" (as defined below) of the Original Issue Discount Note at the beginning of the accrual period by the yield to maturity of such Original Issue Discount Note (appropriately adjusted to reflect the length of the accrual period) and (b) subtracting from that product the amount (if any) of qualified stated interest (as defined below) allocable to that accrual period. The yield to maturity of a Note

is the discount rate that causes the present value of all payments on the Note as of its original issue date to equal the issue price of such Note. The “adjusted issue price” of an Original Issue Discount Note at the beginning of any accrual period will generally be the sum of its issue price (generally including accrued interest, if any) and the amount of OID allocable to all prior accrual periods, reduced by the amount of all payments other than payments of qualified stated interest (if any) made with respect to such Note in all prior accrual periods. The term “qualified stated interest” generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually during the entire term of a Note at a single fixed rate of interest or, subject to certain conditions, based on one or more interest indices. In the case of an Original Issue Discount Note that is a Floating Rate Note, both the “yield to maturity” and “qualified stated interest” will generally be determined for these purposes as though the Original Issue Discount Note will bear interest in all periods at a fixed rate generally equal to the rate that would be applicable to the interest payments on the Note on its date of issue or, in the case of certain Floating Rate Notes, the rate that reflects the yield that is reasonably expected for the Note. Additional rules may apply if interest on a Floating Rate Note is based on more than one interest index. As a result of this “constant-yield” method of including OID in income, the amounts includible in income by a U.S. holder in respect of an Original Issue Discount Note denominated in U.S. dollars generally are lesser in the early years and greater in the later years than the amounts that would be includible on a straight-line basis. All payments on an Original Issue Discount Note (other than payments of qualified stated interest) will generally be viewed first as payments of previously-accrued OID (to the extent thereof), with payments attributed first to the earliest-accrued OID, and then as payments of principal.

A U.S. holder generally may make an irrevocable election to include in its income its entire return on a Note (*i.e.*, the excess of all remaining payments to be received on the Note, including payments of qualified stated interest, over the amount paid by such U.S. holder for such Note) under the constant-yield method described above. For Notes purchased at a premium or bearing market discount in the hands of the U.S. holder, a U.S. holder making such election will also be deemed to have made the election (discussed below in “—Premium and Market Discount”) to amortize premium or to accrue market discount in income currently on a constant-yield basis.

In the case of an Original Issue Discount Note that is also a Foreign Currency Note, a U.S. holder should determine the U.S. dollar amount includible in income as OID for each accrual period by (a) calculating the amount of OID allocable to each accrual period in the Specified Currency using the constant-yield method described above and (b) translating the amount of the Specified Currency so derived at the average exchange rate in effect during that accrual period (or portion thereof within a U.S. holder’s taxable year) or, at the U.S. holder’s election (as described above under “—Taxation of Interest and Additional Amounts”), at the spot rate of exchange on the last day of the accrual period (or the last day of the U.S. holder’s taxable year within such accrual period if the accrual period spans more than one taxable year), or at the spot rate of exchange on the date of receipt, if such date is within five business days of the last day of the accrual period. Because exchange rates may fluctuate, a U.S. holder of an Original Issue Discount Note that is also a Foreign Currency Note may recognize a different amount of OID income in each accrual period than would the holder of an otherwise similar Original Issue Discount Note denominated in U.S. dollars. Upon the receipt of an amount attributable to OID (whether in connection with a payment of an amount that is not qualified stated interest or the sale or retirement of the Original Issue Discount Note), a U.S. holder will recognize ordinary income or loss measured by the difference between the amount received (translated into U.S. dollars at the exchange rate in effect on the date of receipt or on the date of disposition of the Original Issue Discount Note, as the case may be) and the amount accrued (using the exchange rate applicable to such previous accrual).

A subsequent U.S. holder of an Original Issue Discount Note that purchases the Note at a cost less than its remaining redemption amount (as defined below), or an initial U.S. holder that purchases an Original Issue Discount Note at a price other than the Note’s issue price, also generally will be required to include in gross income the daily portions of OID, calculated as described above. However, if the U.S. holder acquires the Original Issue Discount Note at a price greater than its adjusted issue price, such holder may reduce its periodic inclusions of OID income to reflect the premium paid over the adjusted

issue price. The “remaining redemption amount” for a Note is the total of all future payments to be made on the Note other than payments of qualified stated interest.

Floating Rate Notes generally will be treated as “variable rate debt instruments” under the OID Regulations. Accordingly, the stated interest on a Floating Rate Note generally will be treated as “qualified stated interest” and such a Note will not have OID solely as a result of the fact that it provides for interest at a variable rate. If a Floating Rate Note does not qualify as a “variable rate debt instrument”, such Note will be subject to special rules (the “Contingent Payment Regulations”) that govern the tax treatment of debt obligations that provide for contingent payments (“Contingent Debt Obligations”). A detailed description of the tax considerations relevant to U.S. holders of any such Notes will be provided in the applicable Final Terms.

Certain of the Notes may be subject to special redemption, repayment or interest rate reset features, as indicated in the applicable Final Terms. Notes containing such features may be subject to special rules that differ from the general rules discussed above. Purchasers of Notes with such features should carefully examine the applicable Final Terms and should consult their own tax advisors with respect to such Notes since the tax consequences with respect to such features, and especially with respect to OID, will depend, in part, on the particular terms of the purchased Notes.

Premium and Market Discount. A U.S. holder of a Note that purchases the Note at a cost greater than its remaining redemption amount (as defined in the third preceding paragraph) will be considered to have purchased the Note at a premium, and may elect to amortize such premium (as an offset to interest income), using a constant-yield method, over the remaining term of the Note. Such election, once made, generally applies to all bonds held or subsequently acquired by the U.S. holder on or after the first taxable year to which the election applies and may not be revoked without the consent of the IRS. A U.S. holder that elects to amortize such premium must reduce its tax basis in a Note by the amount of the premium amortized during its holding period. Original Issue Discount Notes purchased at a premium will not be subject to the OID rules described above. In the case of premium in respect of a Foreign Currency Note, a U.S. holder should calculate the amortization of such premium in the Specified Currency. Amortization deductions attributable to a period reduce interest payments in respect of that period and therefore are translated into U.S. dollars at the exchange rate used by the U.S. holder for such interest payments. Exchange gain or loss will be realized with respect to amortized bond premium on such a Note based on the difference between the exchange rate on the date or dates such premium is recovered through interest payments on the Note and the exchange rate on the date on which the U.S. holder acquired the Note. With respect to a U.S. holder that does not elect to amortize bond premium, the amount of bond premium will be included in the U.S. holder’s tax basis when the Note matures or is disposed of by the U.S. holder. Therefore, a U.S. holder that does not elect to amortize such premium and that holds the Note to maturity generally will be required to treat the premium as capital loss when the Note matures.

If a U.S. holder of a Note purchases the Note at a price that is lower than its remaining redemption amount, or in the case of an Original Issue Discount Note, its adjusted issue price, by at least 0.25% of its remaining redemption amount multiplied by the number of remaining whole years to maturity, the Note will be considered to have “market discount” in the hands of such U.S. holder. In such case, gain realized by the U.S. holder on the disposition of the Note generally will be treated as ordinary income to the extent of the market discount that accrued on the Note while held by such U.S. holder. In addition, the U.S. holder could be required to defer the deduction of a portion of the interest paid on any indebtedness incurred or maintained to purchase or carry the Note. In general terms, market discount on a Note will be treated as accruing ratably over the term of such Note, or, at the election of the holder, under a constant - yield method. Market discount on a Foreign Currency Note will be accrued by a U.S. holder in the Specified Currency. The amount includible in income by a U.S. holder in respect of such accrued market discount will be the U.S. dollar value of the amount accrued, generally calculated at the exchange rate in effect on the date that the Note is disposed of by the U.S. holder.

Legislation has been proposed that would require a U.S. holder to accrue market discount on a Note. Under the proposed legislation, a U.S. holder would be required to include in gross income the sum of the “daily portions” of market discount, subject to a maximum inclusion amount, for all days during the taxable

year that the U.S. holder owns such Note, in a manner similar to the inclusion of OID described above. No assurance can be given as to whether the proposed legislation will be enacted, or if so in what form. Prospective investors should consult their own tax advisors concerning the potential application of these rules to their investment in Notes.

A U.S. holder may elect to include market discount in income on a current basis as it accrues (on either a ratable or constant-yield basis), in lieu of treating a portion of any gain realized on a sale of a Note as ordinary income. If a U.S. holder elects to include market discount on a current basis, the interest deduction deferral rule described above will not apply. Any accrued market discount on a Foreign Currency Note that is currently includible in income will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. holder's taxable year). Any such election, if made, applies to all market discount bonds acquired by the taxpayer on or after the first day of the first taxable year to which such election applies and is revocable only with the consent of the IRS.

Short-Term Notes. The rules set forth above will also generally apply to Notes having maturities of not more than one year ("Short-Term Notes"), but with certain modifications.

First, the OID Regulations treat *none* of the interest on a Short-Term Note as qualified stated interest (but instead treat such interest payments as part of the Short-Term Note's stated redemption price at maturity, thereby giving rise to OID). Thus, all Short-Term Notes will be Original Issue Discount Notes. OID will be treated as accruing on a Short-Term Note ratably, or at the election of a U.S. holder, under a constant-yield method.

Second, a U.S. holder of a Short-Term Note that uses the cash method of tax accounting and is not a bank, securities dealer, regulated investment company or common trust fund, and does not identify the Short-Term Note as part of a hedging transaction, will generally not be required to include OID in income on a current basis. Such a U.S. holder may not be allowed to deduct all of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry such Note until the Stated Maturity of the Note or its earlier disposition in a taxable transaction. In addition, such a U.S. holder will be required to treat any gain realized on a sale, exchange or retirement of the Note as ordinary income to the extent such gain does not exceed the OID accrued with respect to the Note during the period the U.S. holder held the Note. Notwithstanding the foregoing, a cash-basis U.S. holder of a Short-Term Note may elect to accrue OID in income on a current basis or to accrue the "acquisition discount" on the Note under the rules described below. If the U.S. holder elects to accrue OID or acquisition discount, the limitation on the deductibility of interest described above will not apply.

A U.S. holder using the accrual method of tax accounting and certain cash-basis U.S. holders (including banks, securities dealers, regulated investment companies and common trust funds) generally will be required to include OID on a Short-Term Note in income on a current basis. Alternatively, a U.S. holder of a Short-Term Note can elect to accrue the "acquisition discount," if any, with respect to the Note on a current basis. If such an election is made, the OID rules will not apply to the Note. Acquisition discount is the excess of the Short-Term Note's stated redemption price at maturity (i.e., all amounts payable on the Short-Term Note) over the purchase price. Acquisition discount will be treated as accruing ratably or, at the election of the U.S. holder, under a constant-yield method based on daily compounding. Under proposed legislation, U.S. holders described in this paragraph would be required to accrue acquisition discount on Short-Term Notes rather than OID. No assurance can be given as to whether the proposed legislation will be enacted, or if so in what form. Prospective investors should consult their own tax advisors concerning the application of this proposed legislation to their investment in such Notes.

Finally, the market discount rules will not apply to a Short-Term Note. If the proposed legislation described in the prior paragraph is enacted, however, U.S. holders subject to those rules will be required to accrue acquisition discount.

Indexed Notes and Other Notes Providing for Contingent Payments. Special rules govern the tax treatment of Contingent Debt Obligations. These rules generally require accrual of interest income on a

constant-yield basis in respect of a Contingent Debt Obligation at a yield determined at the time of issuance of the obligation, and may require adjustments to such accruals when any contingent payments are made. A detailed description of the tax considerations relevant to U.S. holders of any Contingent Debt Obligations will be provided in the applicable Final Terms.

Non-U.S. Holders. The following summary applies to holders who are not U.S. holders for U.S. federal income tax purposes.

For non-U.S. holders, the interest income derived from the Notes generally will be exempt from U.S. federal income taxes, including withholding tax. However, to receive this exemption non-U.S. holders may be required to satisfy certification requirements, which are described below under the heading “—Information Reporting and Backup Withholding,” to establish that one is not a U.S. holder.

Even if the holder is not a U.S. holder, U.S. federal income taxation may still apply to any interest income derived in respect of the Notes if (i) the holder is an insurance company carrying on a U.S. insurance business, within the meaning of the Code, or (ii) the holder has an office or other fixed place of business in the United States that receives the interest and the holder earns the interest in the course of operating (1) a banking, financing or similar business in the United States or (2) a corporation the principal business of which is trading in stock or securities for its own account, and certain other conditions exist.

If a holder is not a U.S. holder, any gain realized on a sale or exchange of Notes generally will be exempt from U.S. federal income tax, including withholding tax, unless (i) such income is effectively connected with the holder's conduct of a trade or business in the United States; or (ii) the holder is an individual holder and is present in the United States for 183 days or more in the taxable year of the sale, and either (1) the holder's gain is attributable to an office or other fixed place of business that the holder maintains in the United States or (2) the holder has a tax home in the United States.

U.S. federal estate tax will not apply to a Note held by an individual holder who at the time of death is a non-resident alien.

Information Reporting and Backup Withholding. The Paying Agent will be required to file information returns with the IRS with respect to payments made to certain U.S. holders of Notes. In addition, certain U.S. holders may be subject to backup withholding tax in respect of such payments if they do not provide their taxpayer identification numbers to the Paying Agent. Persons holding Notes who are not U.S. holders may be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding tax. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against the holder's U.S. federal income tax liability; *provided* that the required information is timely furnished to the IRS.

European Union Savings Directive

Under the Savings Directive, each Member State of the European Union is required to provide to the tax or other relevant authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, that other Member State. However, for a transitional period, Austria has (unless during such period it elects otherwise) instead opted to operate a withholding system in relation to such payments. The rate of withholding is 35%. However, the beneficial owner of the interest (or similar income) payment may elect that certain provision of information procedures should be applied instead of withholding, provided that certain conditions are met. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-European Union countries to exchange of information procedures relating to interest and other similar income.

A number of non-European Union countries and certain dependent or associated territories of certain Member States have adopted similar measures to the Savings Directive.

On March 24, 2014, the Council of the European Union adopted a Directive amending the Savings Directive (the “Amending Directive”) which, when implemented, will broaden the Savings Directive’s scope. The Member States will have until January 1, 2016 to adopt national legislation necessary to comply with the Amending Directive, which legislation must apply from January 1, 2017. The changes made under the Amending Directive include extending the scope of the Savings Directive to payments made to, or secured for, certain other entities and legal arrangements (including certain trusts and partnerships), where certain conditions are satisfied. They also broaden the definition of “interest payment” to cover certain additional types of income. Investors who are in any doubt as to their position should consult their professional advisers.

OFFERING AND SALE

The following is subject to change in the applicable Final Terms. Further, the Agents who have agreed to purchase Notes from the Issuer will be specified in the applicable Final Terms.

Subject to the terms and conditions set forth in the distribution agreement, dated as of January 27, 2009, as amended on January 31, 2014 (the "Distribution Agreement"), the Notes are being offered on a continuing basis by the Issuer through Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc., Credit Suisse Securities (USA) LLC, HSBC Securities (USA) Inc. and Santander Investment Securities Inc. (each, an "Agent" and, collectively the "Agents"), who have agreed to use reasonable efforts to solicit purchases of the Notes. The Issuer will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes as a whole or in part. The Agents shall have the right, in their discretion reasonably exercised, to reject any offer to purchase Notes, as a whole or in part. The Issuer will pay the Agents a commission in the amount agreed between the Agents and the Issuer for sales made through them as Agents.

The Issuer may also sell Notes to the Agents as principals for their own accounts at a discount to be agreed upon at the time of sale. Such Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the Agents. The Issuer reserves the right to sell Notes directly on its own behalf or, subject to certain conditions set forth in the Distribution Agreement, through or to brokers or dealers (acting as principal or agent) other than the Agents. No commission will be payable to the Agents on any Notes sold directly by the Issuer. The commission arrangements for agency sales through, or principal sales to, such other brokers or dealers will be agreed between the Issuer and such other brokers or dealers at the time of sale.

Notes may also be sold by the Agents to or through dealers who may resell to investors. The Agents may pay all or part of their discount or commission to such dealers.

United States

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder.

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act.

In connection with an offering of Notes, the Agents may purchase and sell the Notes in the open market. These transactions may include over-allotment and stabilizing transactions and purchases to cover short positions created by the Agents in connection with the offering. Stabilizing transactions consist of certain bids or purchases for the purpose of preventing or retarding a decline in the market price of the Notes; and short positions created by the Agents involve the sale by the Agents of a greater number of Notes than they are required to purchase from the Issuer in the offering. The Agents also may impose a penalty bid, whereby selling concessions allowed to broker-dealers in respect of the securities sold in the offering may be reclaimed by the Agents if such Notes are repurchased by the Agents in stabilizing or covering transactions. These activities may stabilize, maintain or otherwise affect the market price of the Notes, which may be higher than the price that might otherwise prevail in the open market; and these activities, if commenced, may be discontinued at any time. These transactions may be effected in the over-the-counter market or otherwise.

The Issuer has been advised by each of the Agents that any offering or sale of Notes by such Agent will be (a) if such Notes are to be offered in the United States or to U.S. persons, only to institutions which

such Agent reasonably believes are Qualified Institutional Buyers in reliance on Rule 144A, and (b) if such Notes are to be offered outside of the United States, only to certain persons in offshore transactions in reliance on Regulation S and in accordance with applicable law. Any offer or sale of Notes in reliance on Rule 144A will be made by broker-dealers who are registered as such under the Exchange Act.

With respect to Notes offered to non-U.S. persons in offshore transactions in reliance on Regulation S, each Agent has acknowledged and agreed that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver any Notes (whether as principal or agent) (i) as part of their distribution at any time or (ii) otherwise, until 40 days after the completion of the distribution (as certified to the Trustee by the relevant Agent) of the identifiable tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until the expiration of the 40-day period referred to above, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Terms used in the four preceding paragraphs have the meanings given them by Regulation S and Rule 144A.

The Issuer has agreed to restrictions similar to those described above with regard to sales made by it.

European Economic Area

In relation to each member state of the European Economic Area (Iceland, Norway and Liechtenstein in addition to the member states of the European Union) which has implemented the Prospectus Directive (as defined below) (each, a “Relevant Member State”), each Agent has represented and agreed, and each further Agent appointed under the program will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of the Notes of any tranche to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to such Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “Non-exempt Offer”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Agents; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer, any Guarantor or any Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to the Notes of any tranche in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for such Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State, and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

The above selling restriction is in addition to any other selling restrictions set out below.

The Kingdom of the Netherlands

In *addition* and without prejudice to the provisions identified in the foregoing section “European Economic Area,” the following provisions shall apply in respect of the Kingdom of the Netherlands:

In the Kingdom of the Netherlands, the Notes may not be offered or sold, directly or indirectly, other than to qualified investors (*gekwalficeerde beleggers*) within the meaning of Article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

Zero coupon notes in bearer form on which interest does not become due and payable during their term but only at maturity and other Notes in bearer form that qualify as savings certificates (*spaarbewijzen*) within the meaning of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) may be transferred or *accepted* only through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. and with due observance of the Dutch Savings Certificates Act and its implementing regulations; *provided* that no such mediation is required in respect of (i) the initial issue of such Notes to the first holders thereof, (ii) any transfer and delivery by natural persons who do not act in the conduct of a profession or trade and (iii) the issue and trading of such Notes, if such Notes are physically issued outside the Netherlands and not distributed in the Netherlands in the course of primary trading or immediately thereafter. In addition (a) certain identification requirements in relation to the issue and transfer of, and payment on, such Notes have to be complied with, (b) any reference in publications concerning such Notes to the words “to bearer” is prohibited, (c) so long as such Notes are not listed at Euronext Amsterdam N.V., each transaction involving a transfer of such Notes must be recorded in a transaction note containing, at least, the name and address of the counterparty to the transaction, the nature of the transaction and a description of the amount, registration number(s) and type of the Notes concerned and (d) the requirement described under (c) must be printed on such Notes.

France

Each Agent has represented and agreed that (i) no prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the Notes that has been approved by the *Autorité des marchés financiers* or by the competent authority of another State that is a contracting party to the Agreement on the European Economic Area (Iceland, Norway and Lichtenstein in addition to the member states of the European Union) and notified to the *Autorité des marchés financiers*, and (ii) it has not offered or sold and will not offer or sell, directly or indirectly, the Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Offering Circular or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall only be made in France to persons licensed to provide the investment service of portfolio management for the account of third parties, qualified investors (*investisseurs qualifiés*) and/or a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in Articles L. 411-2, D. 411-1, D. 411-2, D. 411-4, D. 734-1, D.744-1, D. 754-1 and D. 764-1 of the *Code monétaire et financier*. The direct or indirect distribution to the public in France of any so acquired Notes may be made only as provided by Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the *Code monétaire et financier* and applicable regulations thereunder.

Italy

Each Agent has acknowledged and agreed that no prospectus has been nor will be published in Italy in connection with the offering of the Notes and that such offering has not been cleared by the *Commissione Nazionale per le Società e la Borsa* (Italian Securities Exchange Commission, or the “CONSOB”) pursuant to Italian securities legislation and, accordingly, has represented and agreed that the Notes may not and will not be offered, sold or delivered, nor may nor will copies of this Offering Circular or any other documents relating to the Notes or the program be distributed in Italy, in an offer to the public of financial products under the meaning of Article 1, paragraph 1, letter t) of the Italian Legislative Decree No. 58 of February 24, 1998 as amended (the “Consolidated Financial Act”) unless an exception applies. Therefore, each Agent has acknowledged and agreed that the Notes may only be offered, transferred or delivered within the territory of Italy: (a) to qualified investors (*investitori qualificati*), as defined in Article 26, paragraph 1, letter d) of CONSOB Regulation No. 16190 of October 29, 2007, as amended (the “Intermediaries Regulation”), pursuant to Article 100, paragraph 2, letter a) of the Consolidated Financial Act and Article 34-ter, paragraph 1, letter b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended (the “Issuers Regulation”); or (b) in any other circumstances where an

express exemption from compliance with the restrictions on offers to the public applies, including, without limitation, as provided under Article 100 of the Consolidated Financial Act and Article 34-*ter* of the Issuers Regulation.

Each Agent has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Offering Circular or any other document relating to the Notes or the program in Italy may and will be effected in accordance with all Italian securities, tax, exchange control and other applicable laws and regulations, and, in particular, will be: (i) made by an investment firm, bank or financial intermediary authorized to carry out such activities in Italy in accordance with the Consolidated Financial Act, the Issuers Regulation, the Intermediaries Regulation and Italian Legislative Decree No. 385 of September 1, 1993 (the “Consolidated Banking Act”), all as amended; (ii) in compliance with Article 129 of the Consolidated Banking Act and the implementing guidelines of the Bank of Italy, as amended, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and (iii) in compliance with any other applicable laws and regulations, including any conditions, limitations or requirements that may be, from time to time, imposed by the relevant Italian authorities concerning securities, tax matters and exchange controls.

Any investor purchasing the Notes under the program is solely responsible for ensuring that any offer or resale of the Notes it purchases under the program occurs in compliance with applicable Italian laws and regulations.

This Offering Circular and the information contained therein are intended only for the use of the recipient and, unless in circumstances which are exempted from the rules governing offers of securities to the public pursuant to Article 100 of the Consolidated Finance Act and Article 34-*ter* of the Issuers Regulation is not to be distributed, for any reason, to any third party resident or located in Italy. No person resident or located in Italy other than the original recipients of this Offering Circular may rely on it or its content.

Article 100-*bis* of the Consolidated Financial Act affects the transferability of the Notes in Italy to the extent that any placement of Notes is made solely with qualified investors and such Notes are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placement. Should this occur without the publication of a prospectus, and outside of the scope of one of the exemptions referred to above, retail purchasers of Notes may have their purchase declared null and void and claim damages from any intermediary which sold them the Notes.

Switzerland

This Offering Circular and any Final Terms, as well as any other material relating to the Notes which are the subject of an offering contemplated by this Offering Circular and any Final Terms, do not constitute a prospectus as such term is understood pursuant to Art. 652a or 1,156 of the Swiss Code of Obligations. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. The Notes will be offered in Switzerland on the basis of a private placement, not as a public offering. This Offering Circular, as well as any other material relating to the Notes, is not intended to constitute an offer or solicitation to purchase or invest in the Notes. Neither this Offering Circular nor any other material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

United Kingdom

Each Agent has represented, warranted and agreed, and each Agent appointed under the program will be required to represent, warrant and agree that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the

meaning of section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Mexico

The Notes have not been and will not be registered with the National Securities Registry maintained by the CNBV, and therefore may not be offered or sold publicly in Mexico. The Notes may be offered and sold to qualified and institutional investors in Mexico, pursuant to the private placement exemption set forth under Article 8 of the Securities Market Law. As required under the Securities Market Law, the Issuer will give notice to the CNBV of the offering of the Notes under the terms set forth herein for informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not certify the solvency of the Issuer or the Guarantors, the investment quality of the Notes, or that the information contained in this Offering Circular or any Final Terms is accurate or complete. The CNBV has not reviewed or authorized the content of this Offering Circular.

Hong Kong

The Notes have not been and will not be offered or sold, in Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”), by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the “SFO”) other than (a) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32), Laws of Hong Kong) (the “CO”), or (b) to “professional investors” within the meaning of the SFO (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (c) in other circumstances which do not result in the document being a “prospectus” within the meaning of the CO (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Notes may be issued, or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended; the “FIEA”), and each Agent has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to a Japanese Person, except (i) pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and (ii) in compliance with any other applicable laws, regulations and ministerial guidelines of Japan. For the purpose of this paragraph, “Japanese Person” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Singapore

This Offering Circular and any Final Terms have not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). Accordingly, each Agent has represented, warranted and agreed that it has not circulated or distributed nor will it circulate or distribute this Offering Circular, any Final Terms or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes nor

has it offered or sold or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor or other person specified in Section 274 of the SFA, (b) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except: (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; (4) as specified in Section 276(7) of the SFA; or (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Notes, or the possession, circulation or distribution of this Offering Circular, any Final Terms or any other material relating to the Issuer or the Notes, in any jurisdiction where action for such purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, nor may this Offering Circular, any Final Terms or any other offering material or advertisements in connection with the Notes be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Purchasers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the offering price and accrued interest, if any, set forth in the Final Terms with respect to such Notes.

Application has been made to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF Market.

Each of the Agents may from time to time perform various investments and/or commercial banking services for the Issuer or the Guarantors in the ordinary course of their business and receive separate fees for the provision of such services.

The Issuer and the Guarantors have agreed to indemnify the Agents against certain liabilities in connection with the offering of the Notes, including liabilities under the Securities Act.

NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of the Notes in Canada is being made only on a private placement basis exempt from the requirement that the Issuer prepare and file a prospectus with the securities regulatory authorities in each province where trades of the Notes are made. Any resale of the Notes in Canada must be made under applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Notes.

Representations of Purchasers

By purchasing Notes in Canada and accepting a purchase confirmation a purchaser is representing to the Issuer and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the Notes without the benefit of a prospectus qualified under those securities laws;
- where required by law, that the purchaser is purchasing as principal and not as agent; and
- the purchaser has reviewed the text above under “—Resale Restrictions.”

Rights of Action—Ontario Purchasers Only

Under Ontario securities legislation, a purchaser who purchases a security offered by this Offering Circular during the period of distribution will have a statutory right of action for damages, or while still the owner of the Notes, for rescission against the Issuer in the event that this Offering Circular contains a misrepresentation. A purchaser will be deemed to have relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the Notes. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the Notes. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Issuer. In no case will the amount recoverable in any action exceed the price at which the Notes were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the Issuer will have no liability. In the case of an action for damages, the Issuer will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the Notes as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of the Issuer's and the Guarantors' respective directors and officers as well as some or all of the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Issuer or those persons. All or a substantial portion of the Issuer's assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Issuer or those persons in Canada or to enforce a judgment obtained in Canadian courts against the Issuer or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of Notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Notes in their particular circumstances and about the eligibility of the Notes for investment by the purchaser under relevant Canadian legislation.

VALIDITY OF THE NOTES

The validity under New York law of the Notes, the Guaranties and the Guaranty Agreement will be passed upon by Cleary Gottlieb Steen & Hamilton LLP, New York counsel for the Issuer and the Guarantors, and by Shearman & Sterling LLP or such other counsel as is specified in the applicable Final Terms as New York counsel for the Agents. Certain legal matters governed by Mexican law will be passed upon by the General Counsel of the Issuer, and by Ritch, Mueller, Heather y Nicolau, S.C., special Mexican counsel for the Agents.

PUBLIC OFFICIAL DOCUMENTS AND STATEMENTS

The information included under the heading “Item 3—Key Information—Exchange Rates” and “Item 4—Information on the Company—United Mexican States” in the Form 20-F has been extracted or derived from a publication of or sourced from Mexico or one of its agencies or instrumentalities. Other information included herein has been extracted, derived or sourced from official publications of PEMEX, which is a governmental agency of Mexico, and is included herein on the authority of such publication or source as a public official document of Mexico. The Issuer takes responsibility for having accurately reproduced any such information from the respective public official document of Mexico. All other information herein is included as a public official statement made on the authority of the Director General of the Issuer, Mr. Emilio Ricardo Lozoya Austin.

GENERAL INFORMATION

1. The Notes have been accepted for clearance and settlement in DTC's book-entry settlement system. The Notes have been accepted for clearance through Clearstream, Luxembourg and Euroclear. The appropriate CUSIP, Common Code(s) (if available at the time) and International Securities Identification Number(s), as applicable, with respect to each issue of Notes will be set forth in the Final Terms relating thereto. All payments of principal and interest with respect to DTC Global Notes denominated in a currency other than U.S. dollars and registered in the name of DTC's nominee, will be converted to U.S. dollars unless the relevant Participants in DTC elect to receive such payment of principal or interest in that other currency.

2. So long as the Notes are listed under the program on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market, they will be freely transferable and negotiable in accordance with the rules of the Luxembourg Stock Exchange, subject, however, to the limitations set forth under "Notice to Investors," "Limitations on the Issuance of Bearer Notes" and "Offering and Sale."

3. On December 19, 2014 the board of directors of the Issuer authorized the incurrence during 2015 of public indebtedness of the Issuer, including the Notes. The Issuer has obtained all necessary consents, approvals and authorizations in Mexico in connection with the issue of, and performance of its rights and obligations under, the Notes, including the registration of the Indenture, the forms of Notes attached to the Indenture and the Guaranty Agreement; *provided* that in connection with each issue of Notes under the program, the Issuer will register the Notes, Guaranties and other necessary documentation with the Ministry of Finance and Public Credit. The Issuer is obliged and has undertaken to file a notice in respect of the offering of the Notes with the CNBV. The boards of directors of each of Pemex-Refining, Pemex-Gas and Basic Petrochemicals and Pemex-Exploration and Production authorized the signing of the Guaranty Agreement on June 19, 1996, June 25, 1996, November 26, 2013 and November 27, 2013.

4. Except as disclosed herein, there has been no material adverse change in the financial position of the Issuer or the Guarantors since the date of the latest audited financial statements incorporated by reference herein.

5. Except as disclosed under "Item 8—Financial Information—Legal Proceedings" in the Form 20-F and under "Note 15—Contingencies" in the Interim Results Form 6-K, none of the Issuer or any of the Guarantors is involved in any litigation or arbitration proceedings relating to claims or amounts which are material in the context of the issue of the Notes. None of the Issuer or any of the Guarantors is aware of any such litigation or arbitration proceedings pending or threatened.

6. For a discussion of significant trends in PEMEX's net sales, costs, and net losses for the most recent fiscal year, see "Item 5—Operating and Financial Review and Prospects—Overview" (pages 125-127) and "Item 5—Operating and Financial Review and Prospects—Results of Operations of Petróleos Mexicanos, the Subsidiary Entities and the Subsidiary Companies—For the Year Ended December 31, 2013 Compared to the Year Ended December 31, 2012" (pages 134-136) in the Form 20-F, and for a discussion of significant trends in PEMEX's reserves and production for the most recent fiscal year, see "Item 4—Information on the Company—Business Overview—Overview by Business Segment" (pages 26-28) and "Item 4—Information on the Company—Business Overview—Exploration and Production—Reserves" (pages 30-36) of the Form 20-F.

7. For a discussion of PEMEX's recent trends for the nine months ended September 30, 2014 see "Recent Developments—Operating and Financial Review and Prospects" (pages 8-15) in the Interim Results Form 6-K and "Recent Developments—Business Overview" (pages 16-19) in the Interim Results Form 6-K.

8. The Issuer is a productive state-owned company and the Guarantors are decentralized public entities of the Mexican Government, and are not Mexican corporations. Therefore, neither the Issuer nor any of the Guarantors has the power to issue shares of equity securities evidencing ownership interests

and none of them is required, unlike Mexican corporations, to have multiple shareholders. For more information see “Item 5—Operating and Financial Review and Prospects—Relation to the Mexican Government” (page 133) in the Form 20-F. In December 1990, the Mexican Government and Petróleos Mexicanos agreed to capitalize the indebtedness incurred in March 1990 into Petróleos Mexicanos’ equity as Certificates of Contribution “A”, which are owned by the Mexican Government. PEMEX’s total equity as of December 31, 2013 was negative Ps. 185.2 billion and its total capitalization (long-term debt plus equity) amounted to Ps. 565.3 billion. Neither the Issuer nor the Guarantors has any convertible debt securities, exchangeable debt securities or debt securities with warrants attached outstanding. For more information regarding the Issuer’s issued capital stock and the number and classes of securities of which it is composed with details of their principal characteristics see “Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources—Equity Structure and Certificates of Contribution ‘A’” (page 139) in the Form 20-F.

9. For more information about PEMEX’s corporate structure see “Consolidated Structure of PEMEX” (page 4) in the Form 20-F.

10. Copies of the latest annual report and consolidated accounts of PEMEX, including each of the Guarantors (which are consolidated with those of the Issuer) may be obtained, and copies of the Petróleos Mexicanos Law constituting the Issuer, the Regulations to the Petróleos Mexicanos Law, which are the equivalent of the by-laws of the Issuer and the Guarantors, the Indenture, incorporating the form of Notes, and the Guaranty Agreement will be available, free of charge during usual business hours on any day (except Saturday and Sunday and legal holidays) at the specified offices of each of the Paying Agents, so long as any of the Notes are outstanding. The Issuer is not required to, and does not, publish non-consolidated financial statements. The Guarantors do not publish their own accounts and none of them plans to publish interim annual financial statements. The Issuer publishes unaudited condensed consolidated interim financial statements in Spanish on a regular basis, and summaries of these consolidated interim financial statements in English are available, free of charge, at the office of the Paying and Transfer Agent in Luxembourg. The September Interim Financial Statements are incorporated by reference herein, as furnished to the SEC in the Interim Results Form 6-K.

11. The principal offices of KPMG Cárdenas Dosal, S.C., an independent registered public accounting firm and auditors of PEMEX for the fiscal years ended December 31, 2007, 2008, 2009, 2010, 2011 and 2012, are located at Blvd. Manuel A. Camacho 176, First Floor, Col. Reforma Social, Mexico, D.F. 11650.

12. The principal offices of Castillo Miranda y Compañía, S.C. (BDO Mexico), an independent registered public accounting firm and auditors of PEMEX for the fiscal year ended December 31, 2013, are located at Paseo de Reforma 505-31, Colonia Cuauhtémoc, Mexico, D.F. 06500.

13. The Mexican Government is not legally or otherwise liable for obligations incurred by PEMEX.

14. Under Mexican law, all hydrocarbon reserves located in the subsoil of Mexico are permanently and inalienably vested in Mexico. Following the adoption of the Energy Reform Decree, Article 27 of the Political Constitution of the United Mexican States provides that the Mexican Government will carry out exploration and extraction activities through agreements with third parties and through assignments to and agreements with Petróleos Mexicanos.

15. Pursuant to Article 3 of the Federal Code of Civil Procedure of Mexico, and any other applicable laws of Mexico, neither the Issuer nor any Guarantor is entitled to any immunity, whether on grounds of sovereign immunity or otherwise, from any legal proceedings (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) to enforce or collect upon this Offering Circular, the Indenture or the Guaranty Agreement, or any other liability or obligation of the Issuer and/or each of the Guarantors related to or arising from the transactions contemplated hereby or thereby in respect of itself or its property, subject to certain restrictions pursuant to applicable law, including (i) the adoption of the Petróleos Mexicanos Law, the Hydrocarbons Law and any other new law or regulation or (ii) any amendment to, or change in the interpretation or administration of, any existing

law or regulation, in each case, pursuant to or in connection with the Energy Reform Decree, by any governmental authority in Mexico with oversight or authority over the Issuer or the Guarantors.

16. In the event that proceedings are brought in Mexico seeking performance of the obligations of the Issuer or the Guarantors in Mexico, pursuant to the Monetary Law of Mexico, the Issuer or any of the Guarantors may discharge its obligations by paying any sum due in a currency other than Mexican currency, in Mexican currency at the rate of exchange prevailing in Mexico on the date when payment is made. Banco de México currently determines such rate every Business Day and publishes it in the Official Gazette of the Federation on the following Business Day in Mexico.

17. All Bearer Notes and coupons will bear the following legend:

Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the United States Internal Revenue Code of 1986, as amended.

FORM OF FINAL TERMS
(to be completed by the Issuer and the relevant Agent(s))

Final Terms No. ___
To Offering Circular dated [DATE]



Petróleos Mexicanos
(A Productive State-Owned Company of the Federal Government of the United Mexican States)

[Currency and Amount] [Description of Notes] [due •]

Issued Under U.S. \$52,000,000,000
Medium-Term Notes Program, Series C

jointly and severally guaranteed by

Pemex-Exploración y Producción, Pemex-Refinación and
Pemex-Gas y Petroquímica Básica

The payment of principal of and interest on the [TITLE OF NOTES] (the “Notes”) will be unconditionally and irrevocably guaranteed jointly and severally by Pemex-Exploración y Producción, Pemex-Refinación and Pemex-Gas y Petroquímica Básica (each a “Guarantor” and, collectively, the “Guarantors”), each of which is a decentralized public entity of the Federal Government (the “Mexican Government”) of the United Mexican States (“Mexico”). The payment obligations of the Issuer (as defined below) under the Notes, and the payment obligations of the Guarantors under their respective guaranties of the Notes, will at all times rank equally with each other and with all other present and future unsecured and unsubordinated public external indebtedness of the Issuer or such Guarantor. Neither the Notes nor the obligations of the Guarantors constitute obligations of, or are guaranteed by, the Mexican Government or Mexico.

Petróleos Mexicanos (the “Issuer” and, together with the Guarantors and their consolidated subsidiaries, “PEMEX”), a productive state-owned company of the Mexican Government, will pay interest on the Notes on [•] and [•] of each year, commencing on [•]. Unless previously redeemed or purchased and cancelled, the Notes will mature at their principal amount on [•]. The Notes are subject to redemption in whole, at par, at the option of the Issuer, at any time, in the event of certain changes affecting Mexican taxes as described under “Description of Notes—Redemption—Tax Redemption” in the accompanying Offering Circular dated [•] (the “Offering Circular”). [Mention any additional redemption provisions.] The Issuer has applied to list the Notes on the Luxembourg Stock Exchange and to have the Notes trade on the Euro MTF Market of the Luxembourg Stock Exchange.

The Notes will contain provisions regarding acceleration and future modifications to their terms that differ from those applicable to certain of the Issuer’s and the Guarantors’ other outstanding public external indebtedness issued prior to October 2004. Under these provisions, which are commonly referred to as “collective action clauses” and are described under “Description of Notes—Modification and Waiver” in the Offering Circular, in certain circumstances, the Issuer may amend the payment and certain other provisions of the Notes with the consent of the holders of 75% of the aggregate principal amount of the Notes.

Investing in the Notes involves risks. See “Risk Factors” beginning on page [•] of the Offering Circular.

The Notes have not been registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or any state securities laws and are being offered and sold only [(a) to “Qualified Institutional Buyers” (as defined in Rule 144A (“Rule 144A”) under the Securities Act) in compliance with Rule 144A and (b)] outside the United States of America (the “United States”) in accordance with Regulation S (“Regulation S”) under the Securities Act. [The Notes are in bearer form and are subject to United States tax law requirements.] For a description of certain restrictions on resale and transfer of the Notes, see “Plan of Distribution” in this Final Terms and “Notice to Investors,” [“Limitations on Issuance of Bearer Notes”] and “Offering and Sale” in the Offering Circular.

The Notes have not been and will not be registered with the National Securities Registry maintained by the *Comisión Nacional Bancaria y de Valores* (National Banking and Securities Commission of Mexico, or “CNBV”), and therefore may not be offered or sold publicly in Mexico. The Notes may be offered and sold to qualified and institutional investors in Mexico, pursuant to the private placement exemption set forth under Article 8 of the *Ley del Mercado de Valores* (Securities Market Law). As required under the Securities Market Law, the Issuer will give notice to the CNBV of the offering of the Notes under the terms set forth herein for informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not certify the solvency of the Issuer or the Guarantors, the investment quality of the Notes, or that the information contained in the Offering Circular and this Final Terms is accurate or complete. The Issuer and the Guarantors have prepared the Offering Circular and this Final Terms and are solely responsible for their content, and the CNBV has not reviewed or authorized such content.

ANY OFFER OR SALE OF NOTES IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (AS DEFINED BELOW) MUST BE ADDRESSED TO QUALIFIED INVESTORS (AS DEFINED IN THE PROSPECTUS DIRECTIVE).

Issue price: [•]% plus accrued interest, if any, from [•].

[AGENT NAME(S)]

The date of this Final Terms is [•].

This Final Terms is supplemental to the Offering Circular. This document should be read in conjunction with the Offering Circular and all information incorporated therein by reference. Information contained in this Final Terms updates and/or revises comparable information contained in the Offering Circular. Terms defined in the Offering Circular have the same meaning when used in this Final Terms.

You should rely only on the information contained in this Final Terms and the Offering Circular. None of the Issuer or the Guarantors has authorized anyone to provide you with different information. None of the Issuer, the Guarantors or the Managers (as defined below in “Plan of Distribution”) is making an offer of these Notes in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this Final Terms and the Offering Circular is accurate as of any date other than the dates on the front of this Final Terms and the Offering Circular.

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Validity of the Notes	[●]
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This Final Terms and the Offering Circular have been prepared by the Issuer solely for use in connection with the proposed offering of the Notes.

The Managers make no representation or warranty, express or implied, as to the accuracy or the completeness of the information contained in this Final Terms and the Offering Circular. Nothing in this Final Terms or the Offering Circular is, or shall be relied upon as, a promise or representation by the Managers as to the past or future. The Issuer has furnished the information contained in this Final Terms and in the Offering Circular.

Neither the United States Securities and Exchange Commission (the "Commission"), any state securities commission, nor any other U.S. regulatory authority, has approved or disapproved the Notes nor have any of the foregoing authorities passed upon or endorsed the merits of this Final Terms or the Offering Circular. Any representation to the contrary is a criminal offense.

No representation or warranty is made or implied by the Managers or any of their respective affiliates, and neither the Managers nor any of their respective affiliates makes any representation or warranty, or accepts any responsibility, as to the accuracy or completeness of the information contained in the Offering Circular, as supplemented by this Final Terms. Neither the delivery of the Offering Circular, this Final Terms nor any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in the Offering Circular, as supplemented by this Final Terms, is true subsequent to the date hereof or that there has been no adverse change in the financial situation of the Issuer or the Guarantors since the date hereof or that any other information supplied in connection with the U.S. \$52,000,000,000 Medium-Term Notes Program, Series C, is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In making an investment decision, prospective investors must rely on their own examination of the Issuer, the Guarantors and the terms of the offering, including the merits and risks involved. Prospective investors should not construe anything in this Final Terms or the Offering Circular as legal, business or tax advice. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the Notes under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Final Terms and the Offering Circular contain summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such references. Copies of documents referred to herein will be made available to prospective investors upon request to the Issuer or the Managers.

Neither this Final Terms nor the Offering Circular constitutes an offer of, or an invitation by or on behalf of the Issuer or the Guarantors to subscribe for or purchase any of the Notes. The distribution of this Final Terms and the Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Final Terms and the Offering Circular come are required by the Issuer, the Guarantors and the Managers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Final Terms and the Offering Circular, see "Plan of Distribution" in this Final Terms and "Offering and Sale" in the Offering Circular.

All references in this Final Terms to "U.S. dollars," "USD" or "U.S. \$" are to the lawful currency of the United States; all references to "pesos" or "Ps." are to the lawful currency of Mexico; [and all references to "euros", "EUR" or "€" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended].

[In connection with the issue of the Notes, [●] (the “Stabilizing Manager(s)”) (or any person acting on behalf of the Stabilizing Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or any person acting on behalf of the Stabilizing Manager(s)) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be discontinued at any time. Stabilization activities in the United Kingdom, if any, must be brought to an end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilization action or over-allotment must be conducted by the Stabilizing Manager(s) (or any person acting on behalf of the Stabilizing Manager(s)) in accordance with all applicable laws and rules.]

[NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.]

[NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Final Terms has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of the offering contemplated in this Final Terms may only do so in circumstances in which no obligation arises for the Issuer, the Guarantors or any of the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive, in relation to such offer. Neither the Issuer, the Guarantors, nor the Managers have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer, the Guarantors or the Managers to publish a prospectus for such offer. Neither the Issuer, the Guarantors nor the Managers have authorized, nor do they authorize, the making of any offer of Notes through any financial intermediary, other than offers made by the Managers, which constitute the final placement of the Notes contemplated in this Final Terms. The expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.]

[NOTICE TO INVESTORS IN THE UNITED KINGDOM

This communication is only being distributed to and is only directed at persons who (i) are outside the United Kingdom or (ii) have professional experience in matters relating to investments

falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) are persons falling within Article 49(2)(a) to (e) (high net worth companies, unincorporated associations etc.) of the Order or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.]

Description of Notes

The following items under this heading "Description of Notes" are the particular terms which relate to the tranche of the Notes that is the subject of this Final Terms.

[Include whichever of the following apply to the relevant Tranche of Notes]

1. Series No.: [Number]
2. Principal Amount: [Amount]
3. Issue Price: [Price]
4. Issue Date: [Date]
5. Form of Notes: [Registered Notes/Bearer Notes]
6. Authorized Denomination(s): [Currency and amount(s)]
7. Specified Currency: [Currency of denomination]
8. Specified Principal Payment Currency: [Currency]
9. Specified Interest Payment Currency: [Currency]
10. Stated Maturity Date (Fixed Interest Rate and Zero Coupon): [Dates]
11. Stated Maturity Month (Variable Interest Rate): [Month and year]
12. Interest Basis: [Fixed Rate Note/Floating Rate Note/Zero Coupon Note]
13. Interest Commencement Date (if different from the Issue Date): [Date] [N/A]
14. Fixed Rate Notes:
 - (a) Interest Rate: [●]% per annum
 - (b) Interest Payment Date(s): [Date(s)]
 - (c) Fixed Rate Day Count Fraction: [30/360] [Other]
15. Floating Rate Notes:
 - (a) Interest Rate Basis: [LIBOR] [Treasury Rate] [Other]

- (b) Primary Source for LIBOR Quotations: [Reuters Page LIBOR01]
 - (c) Indexed Maturity: [Number of months, weeks or days]
 - (d) Interest Reset Dates: [Dates]
 - (e) Interest Determination Dates: [Specify if other than as provided in Offering Circular]
 - (f) Interest Payment Dates: [Dates]
 - (g) Interest Rate Period: [Period]
 - (h) Calculation Agent: [Trustee] [Specify any Other]
- 16.** Basis of Calculation of Floating Interest Rate where Offering Circular provisions do not apply: [Give details]
- 17.** Other Floating Interest Rate Terms:
- (a) Minimum Interest Rate: [●]% per annum
 - (b) Maximum Interest Rate: [●]% per annum
 - (c) Spread: [+/-[●]% per annum]
 - (d) Spread Multiplier(s): [Specify]
 - (e) Variable Rate Day Count Fraction(s) if not actual/360: [Fraction]
 - (f) Initial Interest Rate: [Specify]
 - (g) Coupon Rate: [Specify]
- 18.** Discount Notes: Yes/No
- (a) Accrual Yield: [Yield]
 - (b) Basis: [Specify if other than as provided in Offering Circular]
- 19.** Redemption at the option of the Issuer (other than tax redemption): Yes/No
- (a) Amount: [All or less than all and, if less than all, minimum amounts]
 - (b) Redemption Commencement Date: [Date(s)]
 - (c) Redemption Price(s) for each [Specify]

Redemption Period:

- 20.** Repayment at the option of the holders: Yes/No
- (a) Deposit Period: [Specify other maximum and minimum number of days for deposit period]
- (b) Amount: [All or less than all and, if less than all, minimum amounts]
- (c) Date(s): [Date(s)]
- (d) Repayment Price: [Price and other details]
- (e) Withdrawal of Notes: [No] [Give details]
- 21.** Indexed Notes: [Specify relevant details]
- 22.** Registration Rights; Exchange Offer: [Specify]
- 23.** Principal Payment Dates and Amount of each Installment for Amortizing Notes: [Specify]
- 24.** Additional provisions relating to the Notes: [Give details]
- 25.** Option to Elect Payments in Other than Specified Currency: Yes/No
- 26.** Ranking of the Notes: [Specify]
- Other Relevant Terms**
- 27.** (i) Listing: Luxembourg Stock Exchange
- (ii) Trading: Euro MTF Market
- 28.** Syndicated: Yes/No
- 29.** If Syndicated:
- (a) Lead Manager(s): [Name]
- (b) Stabilizing Manager(s): [Name]
- 30.** Identity of Manager(s): [Names]
- 31.** Listing Agent:
- 32.** Commissions and Concessions: [Specify]
- 33.** Provisions for Bearer Notes:

- | | | |
|------------|---|--|
| (a) | Exchange Date: | [None/Date] |
| (b) | Permanent Global Note: | Yes/No |
| (c) | Definitive Bearer Notes: | Yes/No |
| (d) | TEFRA: | [D / C / Not Applicable] |
|
 | | |
| 34. | Provisions for Registered Notes: | |
| (a) | Rule 144A eligible: | [Yes/No] |
| (b) | Regulation S Global Note deposited with or on behalf of DTC: | [Yes/No] |
| (c) | Restricted Global Note deposited with or on behalf of DTC: | [Yes/No] |
| (d) | Regulation S Global Note deposited with Common Depositary: | [Yes/No] |
| (e) | Restricted Global Note deposited with Common Depositary: | [Yes/No] |
|
 | | |
| 35. | Codes: | |
| (a) | Common Code: | [Number] |
| (b) | ISIN: | [Number] |
| (c) | CUSIP: | [Number] [Restricted Global Note]
[Number] [Regulation S Global Note] |
| (d) | CINS: | [Number] [Restricted Global Note]
[Number] [Regulation S Global Note] |
| (e) | Other: | [Specify] |
|
 | | |
| 36. | Amount of Proceeds and Use of Proceeds (if different from Offering Circular): | [Specify] |
|
 | | |
| 37. | Details of any additional Risk Factors: | [•] |
|
 | | |
| 38. | Details of any additional Selling Restrictions: | [Insert the restrictions relating to the Specified Currency of the Notes or the jurisdiction(s) in which Notes are to be offered if not contained in, or if varied from, the Offering Circular.] |
|
 | | |
| 39. | [Additional Information]: | [Set out] |

[Supplemental Offering Circular Information]

[The Offering Circular is hereby supplemented by the [•] Supplement to the Offering Circular, dated [•].]

Risk Factors

[To be included only if applicable.]

Recent Developments

[To be included only if applicable.]

Plan of Distribution

[Selling arrangements and any additional selling restrictions to be included.]

General Information

1. Except as disclosed herein, there has been no material adverse change in the consolidated financial position of the Issuer or the Guarantors since [●].
2. Except as disclosed herein, none of the Issuer or any of the Guarantors is involved in any litigation or arbitration proceedings relating to claims or amounts which are material in the context of the issue of the Notes. None of the Issuer or any of the Guarantors is aware of any such litigation or arbitration proceeding pending or threatened.
3. The Issuer and the Guarantors accept responsibility for the information contained in this Final Terms. To the best of the knowledge and belief of each of the Issuer and the Guarantors (each of which has taken all reasonable care to ensure that such is the case), the information contained or incorporated by reference in the Offering Circular, as supplemented by this Final Terms, is in accordance with the facts and does not omit anything likely to affect the import of such information.
4. The Issuer has applied to list the Notes on the Luxembourg Stock Exchange and to have the Notes trade on the Euro MTF Market of the Luxembourg Stock Exchange. The Notes are being issued under the program of U.S. \$52,000,000,000 Medium-Term Notes, Series C of the Issuer, which commenced on January 27, 2009 and was most recently updated on January [●], 2015.
5. This Final Terms is supplementary to, and should be read in conjunction with, the Offering Circular dated January [●], 2015. Terms used but not defined herein have the same meanings as in the Offering Circular.

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