

ERNESTO  
**VELARDE  
DANACHE**  
MEXICAN & INTL LAW FIRM

Dear Clients and Friends:

Please be advised that this morning, May the 13th, the Mexican Federal Government announced the strategy in order to gradually reopen the social, educational and economic activities which will be implemented in 3 stages, as follows:

Stage 1 (May 18, 2020): The reopening of activities of those cities that have no contiguous of COVID-19 cases and also have no neighboring cities with no contiguous of COVID-19 cases. According to the Federal Government there are 269 cities in 15 States. In these cities the schools, public spaces and work activities will reopen, including for those people that are considered vulnerable.

Sanitary Parameters will be implemented from May 14th through May 17th for Stage 1.

Stage 2 (May 18th through May 31st): Preparing for General Reopening.

General Application Actions:

- 1) Development of sanitary protocols for the safe restarting of activities by each company.
- 2) Training of personnel for safety in the work environment.
- 3) Re-adaptation of work spaces and productive process.

In addition with the above, please be advised that also today, the Mexican Federal Government published a decree in the Official Gazette of the Federation, whereby the construction activities, manufacturing of transportation equipment and mining activities will be considered essential activities and therefore will be able to operate as of May the 18th. Strict protective measures for their employees are to be observed.

In this stage 2 companies that carry out essential activities will continue to operate and the Federal Government included the following additional sectors as essential: construction activities, manufacturing of transportation equipment and mining activities.

Stage 3 (Beginning June the 1st): Traffic light systems by regions for the reopening of social, education and economic activities will be implemented.

The Ministry of Health will define a weekly traffic light system for each State. Each color will allow certain economic, educational and social activities with specific levels of intensity.

Red Light.- Activities: a) Public and work health measures will continue to be implemented; b) Only Essential activities will continue to operate.

Orange Light.- Activities: a) Public and work health measures will continue to be implemented; b) Essential activities will continue to operate and reduced non-essential activities will be allowed to operate in a reduced manner. c) The gathering in public open spaces will be allowed in a reduced manner. d) Maximum care for vulnerable people must be observed.

Yellow Light.- Activities: a) Public and work health measures will continue to be implemented; b) Essential activities will continue to operate and non-essential will be allowed to operate. c) The gathering in public open and closed spaces will be allowed in a reduced manner. d) Medium care for vulnerable people must be observed.

Green Light.- Activities: a) Public and work health measures will continue to be implemented; b) Essential activities will continue to operate and non-essential will continue to operate. c) The gathering in public open and closed spaces will be allowed. d) Care with control for vulnerable people must be observed. e) Schools will reopen.

Should you have any questions or comments, with respect to this matter, please do not hesitate to contact us.

Sincerely,  
Ernesto Velarde Danache, Inc.