

SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONES -ZDEEPS-

REGULATIONS FOR THE AUTHORIZATION, ENTITLEMENT AND FUNCTIONING



RESOLUTIONS J.D.
No. 05/04/2019 AND
ITS AMENDMENTS

TITLE I.

PRELIMINARY PROVISIONS

Article 1. Purpose. (Amended by Article 1 of the Resolutions of the Board of Directors No. 58/EO-03/2021). These Regulations are intended to develop the applicable provisions for the Authorization, Entitlement, and Functioning of the Special Public Economic Development Zones, and the authorization of the users who shall be installed in those areas.

Article 2. Abbreviations and definitions. (Amended by Article 2 of the Resolution of the Board of Directors No. 58/EO-03/2021). For the purposes of these Regulations, the following abbreviations and definitions shall be adopted:

EXTRA-CUSTOMS AREA: This is the physical area that will be under surveillance of “Santo Tomás de Castilla” Trade and Industry Free Zone, where it is allowed to enter goods to a delimited area of the national territory; such goods are considered as if they were not in the customs territory due to the import duties and taxes.

FINAL BENEFICIARY: This is the individual person, national or foreign, resident or non-resident in the country, who directly or indirectly exercises a substantive influence or control over a legal person, national or foreigner, resident or non-resident in the country.

The final beneficiary shall also be understood as the individual person who exercises the control through a chain of title, that is, the transfer of succession of the rights derived from the participation in one or more legal entities, trusts, bodies or assets, national or foreigners, residents or non-residents in the country, and who, through that participation becomes the final or effective beneficiary of the profits generated by such individual or legal entities, trusts, bodies or assets, or any other way of direct or indirect control, in accordance with the international rules, particularly with those established by the World Trade Organization (WTO) and the Organization for Economic Cooperation and Development (OECD).

FISCAL YEAR: It will be computed from January first to December thirty-one of each year.

The General Management of “Santo Tomás de Castilla” Trade and Industry Free Zone: It may be abbreviated GENERAL MANAGEMENT.

INTERESTED PERSON: The natural or juridical person that submits its application before ZOLIC, in order to obtain the authorization to develop a ZDEEP.

INTERESTED USER: The natural or juridical person that submits its application before ZOLIC, in order to be authorized and entitled as a ZDEEP User.

THE BOARD OF DIRECTORS OF “SANTO TOMÁS DE CASTILLA” TRADE AND INDUSTRY FREE ZONE: It may be abbreviated **THE BOARD OF DIRECTORS**.

AUTHORIZED AND ENTITLED PERSON: The natural or juridical person who has transferred real estate in lease or usufruct on behalf of ZOLIC, in order to constitute a ZDEEP, having been authorized and entitled for the effect.

ZDEEP LAND FRACTION OWNER: The natural or juridical person or, in order to attract ZDEEP users, acquires a fraction of land within the boundaries of the ZDEEP (without being a user) with the purpose of ZOLIC may grant it to a ZDEEP USER.

SUPERINTEDENCY OF TAX ADMINISTRATION: It may be abbreviated as SAT (By its initials in Spanish).

USER OF THE SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONE: These are the ones who carry out operations of production, manufacturing, transformation, assembling, trading, distribution, warehousing, conservation, division, packaging, repackaging, wrapping, rewrapping, handling, classification, cleaning, and any other operation of goods of their property, or the ones received to be imported into the national territory, or for exporting, as well as the provision of services, including the outsourcing services of business processes which are provided to companies that operate out of the Guatemalan territory; likewise, those that provide logistics services to handle third parties cargo, including: consolidation and deconsolidation, bulks separation and classification, labeling, relabeling, wrapping, rewrapping, packaging, repackaging, unpacking and any other related activity, provided that the nature of the goods is not modified or changed, may be abbreviated as the ZDEEP USER.

OWNER USER: These are the ZDEEP USERS that own a fraction of land inside the ZDEEP, and have met all the requirements of these Regulations.

“SANTO TOMÁS DE CASTILLA FREE ZONE” TRADE AND INDUSTRY FREE ZONE: May be abbreviated ZOLIC (By its initials in English).

SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONES: These are extra-customs areas enabled for the functioning of “Santo Tomás de Castilla” Trade and Industry Free Zona out of the perimeter delimited in the Regulating Plan of Santo Tomás de Castilla Port. They may be abbreviated as ZDEEP (By its initials in Spanish).

Article 3. Obligations of ZOLIC. (Amended by Article 3 of the Resolution of the Board of Directors No. 58/EO-03/2021). For the effects of these Regulations, the obligations of ZOLIC are the following:

- a) To resolve the authorization and entitlement for the functioning of the ZDEEPs or their users, including the extensions, during the terms established in these Regulations, including the extensions;
- b) To keep the updated record of the authorized ZDEEPs, including their users;
- c) To provide or request to the ZDEEP owner the software control program for inventories which ZOLIC shall hire for the effect; the information produced shall be compatible with the software program of SAT;
- d) To provide the staff needed to supervise and audit the operations and functioning of the ZDEEP; and,
- e) Further obligations established in ZOLIC Organic Law and its Regulations.

TITLE II.

AUTHORIZATION, ENTITLEMENT AND FUNCTIONING OF THE SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONES

Article 4. Authorization of a ZDEEP. (Amended by Article 4 of the Resolution of the Board of Directors No. 58/EO-03/2021) The Board of Directors shall authorize and entitle the ZDEEPs in any part of the national territory, and shall be considered the economic, social and productive impact that the operations of the ZDEEP will create in the region where it is established. For that purpose, it shall have a feasibility study submitted for its approval, either prepared by ZOLIC itself, when it is the one which develops the project, or it is submitted by the INTERESTED PARTY, if it were a project developed by an individual. The project shall warrant the industrial, commercial and services development of the country.

Article 5. Strategic Project. (Amended by Article 5 of the Resolution of the Board of Directors No. 58/EO-03/2021). The project referred will take into consideration the economic, social and productive impacts that the operations of the ZDEEP shall create, including aspects related to the development of the region in which it is authorized and entitled, the projected job creation for which the Board of Directors could require to the interested parties the additional information they may deem necessary and appropriate. The interested parties shall also submit the project supported by the technical opinion of university graduates, active members of their specific boards, or people with proven competence, knowledge and experience that allow to determine the viability, feasibility and success of the project.

Article 5. Bis. Feasibility Study. (Added by the Article 6 of the Resolution of the Board of Directors No. 58/EO-03/2021). The study shall have at least the following components: Analysis, market research, technical, administrative, legal and financial study, as well as economic evaluation.

Article 6. Term of Authorization for a ZDEEP. (Amended by the Article 7 of the Resolution of the Board of Directors No. 58/EO-03/2021). The Board of Directors shall authorize the ZDEEPs by means of the corresponding Resolution once all the requirements and conditions established in these Regulations are met. The minimum authorized term will be twelve (12) years, counted from the date of the corresponding Resolution for Authorization.

The authorized person may request the extension of the term authorized for the ZDEEP at any time, with a minimum of six (6) months, prior to the expiration date of the original period granted. In the extension request, the authorized person shall indicate the required term. The General

Management will transfer the request making the necessary annotations in order to the Board of Directors issues the corresponding Resolution.

The aforesaid extension cannot be processed if there are conflicts or claims due to unfulfillments of the applicant at the time the application is submitted.

The term of the lease and sublease agreements granted to the ZDEEP USERS cannot exceed the usufruct or lease term granted to ZOLIC, and it is understood that at the end of the aforesaid lease term or once the usufruct is extinguished, and they have not been subject to extension, every lease or sublease agreement, whichever is the case, will be automatically terminated, without the need of any judicial statement, nor liability to ZOLIC.

Article 7. Real estate on which a ZDEEP may be authorized. (Amended by Article 8 of the Resolution of the Board of Directors No. 58/EO-03/2021). The real estate on which a ZDEEP is authorized shall be:

- a) Property of ZOLIC; or,
- b) Property of third parties, whether private individual or legal entities, which have been transferred in lease or usufruct on behalf of ZOLIC.
- c) Property of the Estate, municipalities, autonomous or semiautonomous, or decentralized entities which have been granted in lease or usufruct on behalf of ZOLIC, in which case, a favorable opinion shall be previously obtained from the Directorate of State Assets of the Ministry of Public Finance.

Article 8. Real estate property of the State. (Repealed by the Article 9 of the Resolution of the Board of Directors No. 58/EO-03/2021).

Article 9. Proceedings for a ZDEEP Authorization in real estate property of ZOLIC. (Repealed by Article 10 of the Resolution of the Board of Directors No. 58/EO-03/2021).

Article 10. Proceedings for a ZDEEP Authorization. (Amended by Article 11 of the Resolution of the Board of Directors No. 58/EO-03/2021). In order to authorize a ZDEEP, the following procedure shall be carried out:

10.1 Application Form: The natural or juridical person who are interested in transfer in lease or usufruct real estate of their property on behalf of ZOLIC, in order to obtain the authorization for a ZDEEP, shall submit their application before the General Management in the form approved by the Board of Directors.

The following documents shall be attached to the application form:

- a) Official application that contains the proposed lease or usufruct conditions, as well as the corresponding cost and term.
- b) A legalized copy of the interested party's Identification Document; in case of foreigners, they shall attach legalized copy of their passport. In both cases, a legalized copy of the registry and/or amendment of the Unified Tax Registry of the interested party duly updated shall be attached.
- c) In case of juridical persons, it shall be attached a legalized copy of the document that supports their legal representation, as well as the testimony of their company's Articles of Incorporation and its amendments, duly registered in the General Mercantile Registry of

the Republic, or the Registry that corresponds, according to the type of entity. In case of foreign juridical persons, it shall be required a legalized copy of the legal testimony of the Judicial and General Administrative Power of Attorney with Representation, duly registered in Guatemala, with sufficient powers for this type of activities.

- d) Every juridical person shall attach the certificate of registration and/or amendment to the Unified Tax Registry duly updated.
- e) Tax Solvency issued by the Superintendency of Tax Administration (SAT, by its initials in Spanish) corresponding both to the Legal Representative and to the juridical person it represents, dated a maximum of (30) days before submitting the same.
- f) Certificate issued by the corresponding General Property Registry, which states the complete history of the property that shall be transferred to ZOLIC for the authorization of the ZDEEP; such certificate shall be issued at least one month prior to the application and the documents pending of registry shall not be consigned.
- g) If more than one natural or juridical persons own the real estate or areas object of the application, all the co-owners shall submit the application jointly and meet all the aforesaid requirements; besides, they shall appoint a common representative for the file proceedings on behalf of the co-owners.
- h) Georeferenced map of the real estate in which shall be stated the area, measures, adjacencies, azimuths and other technical data that describe and make possible the identification, location, and dimensions of the real estate, as well as the complete set of plans of the design and planning of the ZDEEP, all duly signed by a professional specialist of the field.
- i) If the property or any of the properties where it is intended to enable an area for a ZDEEP supports easements, it also shall be attached: a) A plan indicating the corresponding location, which shall be duly signed by the corresponding professional and applicant; b) Notarial act of the interested parties sworn statement which indicates that the easement or easements that weight over the property do not affect the operations of the ZDEEP, or that such easements are found out of the area intended for the ZDEEP.
- j) If the area intended to enable a ZDEEP has previous construction or infrastructure, the corresponding Environmental License in force shall be submitted on behalf the interested party.
- k) The ZDEEP projects established in the Articles 4, 5 and 5 *Bis* of these Regulations.
- l) Affidavits referred in Article 19, item 10), Articles 26 and 80 of the Law of the State Procurement and Acquisitions; the aforesaid affidavits shall be submitted in notarial act (It applies to natural and juridical persons).
- m) In case of a juridical person, notarial act in which the power of the Legal Representative is certified to enter into lease or usufruct agreement and other documents between the interested party and ZOLIC for the requested term and conditions.
- n) Affidavit which details the final beneficiaries of the juridical person that intends to transfer the real estate.
- o) The file shall be submitted duly labeled with general index and electronic storage device that contains a complete and true digital copy of the entire file and the attached documents.

10.2 Once the file has been received at the ZOLIC offices, during the following five (5) days, the General Management shall appoint the Technical Commission which shall review if the application submitted meet the requirements of these Regulations. The aforesaid commission will be composed by the professionals of the different areas that provide services to ZOLIC.

10.3 During a period no longer than ten (10) days, the Technical Commission shall meet and analyze that the application and the attached file meet the requirements established in Article 10. The commission may request additional information, as well as the correction of the documentation submitted where there were errors to be corrected.

If the errors were corrected, the Technical Commission shall proceed to inform to the General Management so that they can schedule the technical visit to the corresponding real estate. The General Management will coordinate the aforesaid visit with the interested party during the following five (5) days.

10.4 Once the technical visit has been carried out, the Commission shall forward its opinion to the General Management during a term no longer than five (5) days.

10.5 The General Management shall inform of the file to the Board of Directors during a term no longer than three (3) days; otherwise, it shall be scheduled to transmit this information for the following meeting of the Board of Directors for its consideration, analysis and approval.

10.6 The Board of Directors shall issue the Resolution for Approval in a term no longer than fifteen (15) days counted from the date the application was submitted in the corresponding meeting.

10.7 Notification of the Resolution. Once the Resolution for the Authorization is issued, the General Management shall notify to the interested party and the Customs Office of SAT in a term no longer than five (5) days for the corresponding legal proceedings. In case the Resolution is a denial, only the interested party will be notified.

10.8 This procedure shall also be applied in case of an extension request of the project term, as well as for the expansion or modification of the area intended for the ZDEEP.

Article 10 Bis. (Added by Article 2 of the Resolution of the Board of Directors No. 63/32/2019). The INTERESTED PARTY shall be registered as Auxiliary of the Customs Public Function before the Superintendency of Tax Administration, having to exhaust the corresponding proceedings in accordance with the established in the Central American Unified Customs Code and its Regulations, for which it shall submit his/her application in the fifteen-days (15) term following the date of the notification of the Resolution issued by the Board of Directors of ZOLIC, detailed in the previous article.

Article 11. Requirements of the real estate or areas. (Amended by Article 12 of the Resolution of the Board of Directors No. 58/EO-03/2021). The real estate granted in lease or usufruct on behalf of ZOLIC in which a ZDEEP will operate, shall meet the following requirements:

- a) Registration in the corresponding Property Registry according to the its geographic location.
- b) Not having annotations, embargoes, limitations, encumbrances, suspensive or settlement status of any kind which could affect the rights acquired by ZOLIC, as well as the development and functioning of the ZDEEP, with the exception of easements constituted on behalf of them, provided that they do not affect the use and exploitation of the real estate. The aforesaid shall be declared under oath by the owner of the real estate on which the ZDEEP will be enabled, both within the file and in the legal instrument that contains the lease or usufruct agreement, granting evidence that, in the event of such statement were not genuine, the aforesaid person will be liable of the crime of perjury and will be enforced by law to pay all the liabilities or restore the same; moreover, it faculties ZOLIC to terminate the agreement unilaterally, without any responsibility on its behalf.
- c) The area shall be according to the type and quantity of users established inside the ZDEEP, but shall not be less than 10,000 square meters.
- d) Notwithstanding, in the event of they do not comply with the required area, the Board of Directors may authorize the use of real estate with smaller dimensions than the described above, in those cases in which the investment and the perspective of job creation justify such decision.
- e) Any other status that the Board of Directors may deem convenient for the kind of activities that are intended to carry out.

Prior to the issuance of the corresponding Resolution, the Board of Directors will evaluate whether the area of the real estate meets all the established requirements or it is in accordance with the activities that are intended to carry out, whichever is the case.

Article 12. A ZDEEP authorized in several real estate that constitute a single body and/or co-ownership. (Amended by the Article 13 of the Resolution of the Board of Directors No. 58/EO-03/2021). A ZDEEP may be authorized in several properties that constitute a single body, property of third parties or in real estate subject to co-ownership

For the cases mentioned above, the application for authorization and entitlement shall be submitted jointly by all the owners and co-owners, who shall appoint a representative and severally will assume their obligations derived from their application, authorization, entitlement and functioning. In this case, all owners and co-owners shall meet the requirements and submit all the documents referred in Article 10 of these Regulations, as well as all the required by ZOLIC. For the purposes of subscribing the agreements, as well as to acquire obligations for each one of the owners, they shall appoint a common representative before ZOLIC by means of Power of Attorney with special powers.

Article 12. Bis. A ZDEEP authorized in a real estate submitted to the Horizontal Property Regime. (Added by Article 14 of the Resolution of the Board of Directors No. 58/EO-03/2021). A ZDEEP may be authorized in a real estate submitted to the Horizontal Property Regime. The authorization

may be total or partial; for the effect, the compliance of the security requirements demanded by the Customs Authority shall be warranted, the requirements imposed by means of these Regulations for the authorization of the ZDEEPs, and those imposed by ZOLIC Board of Directors in each particular case.

Article 13. Division or dismemberment of a real estate in which a ZDEEP is authorized or enabled. (Amended by Article 15 of the Resolution of the Board of Directors No. 58/EO-03/2021). The real estate granted in leasing or usufruct to ZOLIC where a ZDEEP is authorized and enabled may be divided or dismembered in order the fractions may be transferred, provided that it has been requested by the owner and approved by the Board of Directors, subrogating the new owners in all rights, actions and liabilities of the seller; ZOLIC shall always authorize this kind of sale for the exclusive purposes of the development and attraction of more users inside the corresponding ZDEEP. In these cases, the resulting fractions of the division or dismemberment shall be transcribed in their corresponding record of ownership rights in the Property Registry that corresponds the record of leasing or usufruct which weighs on the main property, whichever is the case, and may only be used by the authorized users inside the ZDEEP. The owners shall give notice to ZOLIC during the (5) days term after the real estate have been dismembered, divided or transferred.

In any case, the users authorized to operate inside a ZDEEP, with the authorization and approval of the Board of Directors shall sell, exchange, transfer, or dispose their rights to natural or juridical persons in any of the ways allowed by law, provided that the purchasers are authorized as ZDEEP Users, or transfer the fraction of the real estate to ZOLIC, so that it shall grant them to the ZDEEP users.

The authorization that the Board of Directors grants in the cases considered in this article shall imply the amendment of the authorization and entitlement of the ZDEEP; therefore, the owners shall submit the application and the corresponding resolution shall be issued, as well as the public deeds shall be granted.

The existence of several owners as a result of the dismemberment, division and the corresponding sale, shall enable that all of them become mutually liable and appoint a common representative before ZOLIC, with sufficient Powers to assume commitments.

The dismemberments, divisions or sales shall always be notified to ZOLIC, which at the same time shall make know the same to the Superintendency of Tax Administration; the information shall comply with the provisions of the tax administration.

Article 14. Agreements. (Amended by Article 16 of the Resolution of the Board of Directors No. 58/EO-03/2021). For the effect of the Authorization, Entitlement, and Functioning of the ZDEEPs, as well as the authorization and operations of the Users, whichever is the case, the following agreements shall be granted:

a) Lease Agreement

This agreement shall be entered into between the owner of the real estate over which a ZDEEP is authorized, and ZOLIC; likewise, between ZOLIC and the User, as

owner or usufructuary of the real estate in which a ZDEEP is enabled and the ZDEEP Users.

b) Usufruct Agreement

This agreement shall be entered into between the owner of the real estate in which a ZDEEP is enabled and ZOLIC.

c) Sublease Agreement

This agreement shall be entered into between ZOLIC, as the lessee of a real estate in which a ZDEEP is established and the ZDEEP User.

d) Entitlement Agreement of a ZDEEP

This agreement shall be entered into between ZOLIC and the entity owner of the real estate on which a ZDEEP has been entitled; the same shall establish the way to rule the ZDEEP Management and the obligations indicated in Article 17 of these Regulations. After the authorization has been issued, and the area is operating, the User shall begin to pay tariffs according to the Tariffs Regulations for the Special Public Economic Development Zones.

e) Any other agreement that may be necessary to establish the meeting of the minds by which the obligations pursuant to these Resolutions are created, amended, or extinguished.

All the agreements entered into in reliance of these Regulations shall contain the rights, liabilities and further stipulations that the authorizations imply.

The corresponding Resolution issued by the Board of Directors shall be transcribed comprehensively in all the aforesaid agreements.

The agreements detailed in this article shall be stated in public deed, the corresponding minutes shall be provided by ZOLIC.

ZOLIC shall not assume charges for the notarial services and/or registry duties related to the agreements mentioned above.

The term to formalize the agreements for ZDEEPS referred in this article shall not exceed sixty (60) days, counted from the notice date of the corresponding Resolution for Authorization as Auxiliary of the Customs Public Operations issued by the Superintendency of Tax Administration; inasmuch

as the agreements are not formalized within that term, the resolution shall not be valid nor have legal effect, unless the owner requests an extension of the term to enter into the agreement.

The term to formalize the ZDEEP Users agreements referred in this article, shall not exceed of thirty (30) days counted from the notice date of the corresponding resolution, unless the user requests an extension of the term to enter into the agreement.

ZOLIC Board of Directors could vary the term to formalize the agreements as they may deem necessary, according to each particular case, for which the corresponding resolution shall be issued.

Article 15. Registration. (Amended by Article 17 of the Resolution of the Board of Directors No. 58/EO-03/2021). The agreements shall be submitted to be recorded in the Property Registry that corresponds to the real estate location, during the fifteen-days term (15) counted from the agreement authorization date; the interested party is obligated to record the agreement in the corresponding Registry.

Article 15 Bis. Encumbrance of the real estate previous to begin operations of the ZDEEP. (Added by Article 18 of the Resolution of the Board of Directors No. 58/EO-03/2021). The person authorized shall constitute a mortgage, partial or total, of the real estate where the ZDEEP shall be established due to the project financing reasons, and could apply for the same before a bank or a domestic financial entity, having to notify this procedure in advance to ZOLIC.

Article 16. Beginning of Operations. (Amended by Article 3 of the Resolution of the Board of Directors No. 63/32/2019). Once the Resolution for Authorization is notified and the lease or usufruct is recorded in the Property Registry that corresponds, signed and recorded all the agreements, the ZDEEP may begin operations, having to count for the effect with the Customs Delegation.

SAT shall grant the Resolution for the beginning of operations once the Customs Delegation is established.

Article 17. Other obligations of the Authorized and Entitled Person. (Amended by Article 19 of the Resolution of the Board of Directors No. 58/EO-03/2021). Besides the obligations foreseen in ZOLIC Organic Law, its Regulations, the lease agreement or usufruct, and the provisions arisen from ZOLIC Board of Directors, the obligations of the Authorized and Entitled Person are the following:

- a) To manage the Special Public Economic Development Zone;
- b) To promote jointly with ZOLIC the establishment of new users in order to operate the development of industrial and commercial activities, as well as provision of services, including logistics services, inside the ZDEEP;
- c) To submit before the General Management the applications for the authorization and entitlement of users of the ZDEEP, in order to be considered for authorization by the Board of Directors;
- d) To make the payment to ZOLIC for the services of analysis and resolution of authorization applications for the installation and operation of the ZDEEP Users, and any other service provided by ZOLIC;

- e) To build the infrastructure necessary for the development of the purposes of the ZDEEP and its users, meeting the safety standards according to their needs;
- f) To provide the right facilities to ZOLIC for the operations of its delegation, pursuant to the provisions established for its effect;
- g) To comply with the safety measures in order to protect the goods which are required by SAT, as well as the obligations and responsibilities established in the resolutions issued by SAT for the functioning and operation of the ZDEEP;
- h) To hire the private security services for the protection of the physical spaces provided inside the ZDEEP; for that effect, it shall be hired any of the companies duly registered and accredited before the Ministry of the Interior;
- i) To set the operations schedule for its different users, according to the needs that arise, and report them to the General Management and the Customs Delegation established in the ZDEEP, in order to cover the specific shifts, in case it shall be necessary. If there is any change in the operations schedule, it shall be reported in advance to the two aforesaid authorities; otherwise, to assume the corresponding charges or costs that correspond;
- j) To allow access into the ZDEEP facilities only to officers and employees of ZOLIC, SAT, General Comptrollership, Public Ministry and other State Entities, who, in compliance with their functions, shall carry out any official duty inside the ZDEEP facilities, and they shall accredit themselves submitting the corresponding documents, orders or instructions, and being duly identified. Likewise, this provision shall be applicable to the owners or representatives of the ZDEEP Users and their staff, who shall be duly registered and accredited before the ZDEEP in order to allow their access. Private persons who enter into the ZDEEP to provide services of waste collection, gardening, equipment maintenance, cleaning, food delivery, or any other kind of service, shall submit an entry pass issued by the ZDEEP, previous application of the interested party in order to be identified and allowed to enter.
- k) At the requirement of the different users established inside the ZDEEP, to accredit their representatives and staff, carrying out for the effect a detailed data registry of each person, issuing the corresponding credential which shall contain at least the minimum information, such as order number, first and last names, photograph, citizenship, Sole Identification Code of their Identification Document, or passport number, if the person is a foreigner, and the user name for whom the individual works;
- l) To use and update the inventories control software program, which the owner shall hired for the effect or ZOLIC shall provide; each one of the operations carried out by the ZDEEP Users shall be recorded in this program;
- m) To carry out the physical inventory referred in these Regulations along with the ZDEEP Users;
- n) To submit before the General Management the performance indicators of the ZDEEP operations on a quarterly basis, including the number and type of users who are operating, as well as the number of the jobs created;
- o) Pursuant to the provisions of Decree number 90-97 of the Congress of the Republic of Guatemala, Health Code and Governmental Agreement No. 229-2014 and its amendments, the Regulations for Health and Occupational Safety, and/or the regulatory bodies that substitute or amend them, to issue the labor, perimetral, and industrial safety

provisions necessary to prevent accidents, fires, humidity, theft or deterioration of goods, which shall be complied, as well as to enforce the users to comply, or, in any case, the corresponding laws and regulations in force.

- p) To have a closed-circuit TV system and security devices to monitor the ZDEEP facilities, granting access of the images to ZOLIC and the Customs Authority;
- q) The Authorized and Entitled Person shall grant computer equipment with the corresponding licenses to ZOLIC, which shall grant the maintenance of the same. The owner shall renew the corresponding equipment every five (5) years;
- r) To inform the General Management regarding any change of user during a term which does not exceed twenty (20) days, counted from the date of record in the General Mercantile Registry of the Republic, and/or any other Registry;
- s) To make know the General Management of any judicial or administrative action that has been promoted against them, or, if there are decreed precautionary measures against them, during a term that does not exceed ten (10) days, counted from the notification date; and,
- t) The Authorized and Entitled Person shall protect the authorized ZDEEP facilities by hiring insurance policies against damages and disasters, and demand the ZDEEP Users to hire Civil Liability Insurance to cover damages that may cause their operations and activities within the same to third parties, other users and the same Zone.

The aforesaid insurance policies shall be hired for at least one fiscal year, and the original documents shall be provided to the General Management on December of each year, just before the coverage period ends; these policies shall be renewed annually, so that they are always in force. In the event of a ZDEEP that is just beginning operations, the policies shall be provided immediately, covering the remaining term to conclude the corresponding year.

Article 18. Prohibitions to the Authorized and Entitled Person. (Amended by Article 20 of the Resolution of the Board of Directors No. 58/EO-03/2021). Inside the ZDEEP facilities the following activities are forbidden:

- a) To establish particular residences.
- b) To commit actions or missions against the Law;
- c) To grant privileges that favor a specific person or sector; and,
- d) To sell retail goods within the ZDEEP facilities, unless it refers the case given in Article 42 of the Regulations of ZOLIC Organic Law and Article 32 of these Regulations.

TITLE III.

THE USERS

Article 19. Type of Users. (Amended by Article 21 of the Resolution of the Board of Directors No. 58/EO-03/2021). The authorization, installation, and operations of the ZDEEP Users shall be ruled pursuant to these Regulations and further applicable rules. According to their activities, the ZDEEP Users may be:

- a) Industrial Users;
- b) Commercial Users; and
- c) Service Users.

The users may be qualified with one or more activities indicated in the previous items.

The logistic users of specific and complementary services shall be considered as Service Users.

Article 20. Operations at the expense of the Users. (Amended by Article 22 of the Resolution of the Board of Directors No. 58/EO-03/2021). The Users authorized to establish and operate a ZDEEP, who own load and locomotion equipment, may use them for handling and transferring their goods.

The Users who own equipment for loading and locomotion shall be able to provide their handling services to load and unload goods, including the services of stowing and unstowing to other users who are operating in the same ZDEEP.

Article 21. ZDEEP Users Previously Authorized. The Users who have been authorized in ZOLIC or a ZDEEP in the past, or currently are installed in any of both entities, and require their authorization to operate in other ZDEEP, they shall be authorized, in which case the term for the tax benefits established by the Law, without any exception, shall be counted from the beginning of operations date of the first authorization.

Article 22. Procedure for the authorization of Users in the ZDEEP. (Amended by Article 23 of the Resolution of the Board of Directors No. 58/EO-03/2021). The individual persons or legal entities interested in becoming ZDEEP Users shall follow the next procedure:

22.1 Application Form: The natural or juridical persons who are interested in becoming ZDEEP Users, shall submit their application before the General Management on the form approved by the Board of Directors of ZOLIC.

The interested User shall attach to the application form the following documents:

- a) The official application that includes a proposal of lease or sale conditions, which shall contain the area object of the application and the authorization term requested, among others;
- b) Legalized copy of the applicant's Personal Identification Document, if he/she were a foreigner, legalized copy of his/her passport; in both cases, a legalized copy of the Unified Tax Registry Form duly updated shall be attached;
- c) In case of juridical persons, they shall attach a legalized copy of the document that accredits the legal capacity of their Legal Representative and the testimony of the Company's Articles of Incorporation, duly registered in the General Mercantile Registry of the Republic, or the Registry that corresponds, according to the kind of entity. In case of foreign juridical persons, they shall attach legalized copy of the Testimony of their Judicial

and Administrative Power of Attorney with representation, duly registered in the Republic of Guatemala, with sufficient Powers for this kind of activities. Every juridical person shall attach the certificate of registry and/or amendment to the Unified Tax Registry duly updated;

- d) Tax Solvency of the person interested in becoming a User, which shall be issued by the Superintendency of Tax Administration, corresponding to the current month in which the application is submitted;
- e) Affidavit referred to in Articles 19, item 10, and Articles 26 and 80 of the Law of State Procurement and Acquisitions, which shall be submitted in Notarial Act (It applies to juridical persons and individual companies);
- f) Notarial Act which states the authorization granted by the superior body of the applicant entity to the Legal Representative in order to enter into the lease agreement, as well as other documents needed to formalize the same between the interested party and ZOLIC, for the period and conditions requested;
- g) Affidavit in notarial act which states whether the person interested in being qualified as ZDEEP User has enjoyed of tax benefits in the past, or under which regime he/she has operated;
- h) In case of the ZDEEP Users who will provide load consolidation or deconsolidation services to third parties, legalized copy of the Resolution for Authorization as Auxiliary of the Customs Public Function issued by SAT, in the category of Loads Consolidation and Deconsolidation Company;
- i) The natural or juridical persons interested in becoming ZDEEP Users, who previously have enjoyed or are currently enjoying of the benefits granted by Decrees No. 29-89 or 65-89 and their amendments, both Decrees from the Congress of the Republic of Guatemala, or whoever that has operated under another tax regime, shall state about the same in their application; and,
- j) The application shall state the economic impact and the job creation the project will generate during the 3 years following the beginning of its operations, both for the applicant entity and for the community where it is installed;
- k) Others that the interested party may deem appropriate to indicate or include;
- l) The file shall be submitted duly labeled, with a general index and electronic storage device that contains a complete and true digital copy of the entire file and the attached documents;
- m) Affidavit that makes know the detail of the final beneficiaries of the juridical person who is going to apply, and shall be subject to observe and comply with the provisions contained in Chapter VI, Special Valuation Rules between the related parties of Decree number 10-2012 of the Congress of the Republic, Tax Update Law, when applicable;

22.2 Once the file has been received at ZOLIC offices, in the following three (3) days the General Management will appoint the Technical Commission that shall review the compliance of the requirements of this article. Such commission shall be made up of professionals of different areas that provide their services to ZOLIC.

- 22.3** The Technical Commission shall meet and analyze that the application and the attached file meet the established requirements in this article in a term that does not exceed five (5) days. The commission may request additional information, as well as the correction of the documents submitted where there are mistakes to be corrected.
- 22.4** If the errors were corrected, the Technical Commission will proceed to inform to the General Management by means of an opinion during a period that does not exceed five (5) days established in paragraph 22.3 of this article.
- 22.5** The General Management shall inform the Board of Directors about the file in a term that does not exceed three (3) days; otherwise, it shall be scheduled for the next meeting of the Board of Directors for its consideration, analysis, and approval, if it proceeds.
- 22.6** The Board of Directors shall issue the Resolution in a term that does not exceed eight (8) days. The resolution shall be issued considering the compliance of the requirements, the economic impact indicated by the applicant, and the technical opinion referred in the preceding item. If it proceeds with the approval of the General Management, the Board of Directors shall issue the Resolution for the Authorization of Operation and Installation, stating in the same the general conditions, liabilities and the term for the functioning approval.
- 22.7 Notice of Resolution.** Once the Resolution for Authorization has been issued, the General Management shall notify it to the interested party in a term that does not exceed five (5) days, for the corresponding legal effects.
- 22.8** These proceedings shall also be applicable in case of application for an extension of the project term, as well as application for extension or modification of the area granted for the user's operations.

Article 23. Obligations of the ZDEEP Users. (Amended by Article 24 of the Resolution of the Board of Directors No. 58/EO-03/2021). Besides the obligations stated in ZOLIC Organic Law, its Regulations, the agreement, and the provisions of the Board of Directors, the following are the obligations of the ZDEEP Users:

- a) To pay in a timely manner the fees for tariffs, accepting immediately any change made on them once the corresponding notification has been received;
- b) To pay in a timely manner the ordinary fees and other management costs established in the agreements entered into;
- c) To submit a quarterly report of its operations to the ZDEEP owner and include any additional information that is required;
- d) To comply with the applicable laws and rules according to the course of their activities;
- e) To use the areas designated by the ZDEEP exclusively to carry out the authorized operations designated to the User;
- f) To accredit their representative staff before the ZDEEP and ZOLIC, as well as their employees;
- g) To demand their staff, representatives, and employees to use the credential issued by the ZDEEP, which they shall return when the work relationship ends;

- h) In case of juridical persons, to report to the General Management any change made on their registration, either before the General Mercantile Registry of the Republic or any other registry that corresponds, in a term that does not exceed twenty (20) days counted from the registration of the amendment date;
- i) To inform to the General Management of any judicial or administrative action promoted against them, as well as any precautionary measure against them, in a term of ten (10) days counted from the date of having been legally notified or having knowledge thereof;
- j) To allow access to the administrative staff of the ZDEEP and ZOLIC, as well as the staff of the Customs Authority to their facilities when is required, providing them the necessary industrial protection equipment;
- k) To keep a detailed record of their inventories, shrinkage, damaged material and goods transferred to other users of the ZDEEP;
- l) To provide the data required by the General Management or the Customs Authority for control purposes;
- m) In case of loss, missing, or destruction of goods that were within the ZDEEP facilities, the corresponding taxes before SAT shall be paid;

Article 24. Prohibitions to the ZDEEP Users. The following actions are forbidden to the ZDEEP Users through their representatives, workers, suppliers or guests:

- a) To carry out actions or omissions against the law, including the storage of any kind of precursor chemicals without the corresponding authorization, its entrance, import, export, and maintenance; as well as the production of drugs, substances or narcotics inside the facilities which are forbidden by Law;
- b) To carry out actions against moral and good manners; and,
- c) To sell retail goods in the ZDEEP facilities, unless it refers the case given in Article 31 of these Regulations and Article 42 of the Regulations of ZOLIC Organic Law.

TITLE IV.

FUNCTIONING OF THE ZDEEPs – TREATMENT REGIMEN FOR GOODS.

FUNCTIONING OF THE ZDEEPs – CHAPTER I

Article 25. Functioning. (Amended by Article 25 of the Resolution of the Board of Directors No. 58/EO-03/2021). The ZDEEPs and the different type of users shall be subject to the control and surveillance of ZOLIC, through the General Management and the Customs Authority, who shall comply and enforce the compliance of the provisions established in these Regulations.

Article 26. Operations. (Amended by Article 26 of the Board of Directors No. 58/EO-03/2021). All goods, services, articles or trade objects which are submitted to the regime provided in Decree number 22-73 of the Congress of the Republic, Organic Law of “Santo Tomás de Castilla” Trade and Industry Free Zone are exempt, both for their entry and permanence inside the ZDEEP, from the payments of customs rights, duties, contributions, fees and other federal and municipal taxes, and shall be destined for;

- a) Export or re-export;

- b) Import;
- c) To provide to other ZDEEP and ZOLIC users, ports or duty-free stores in the rural area of the country; and,
- d) Free Zones or General Stores of Bonded Warehouse legally established, or any other enclosure of special tax treatment.

Article 27. Entry and exit of goods into the Special Public Economic Development Zones. The entry and exit of the ZDEEP goods shall be subject of the Customs Control and only in the sites enabled for the effect, provided that the goods are supported by the corresponding Goods Declaration, according to the corresponding Customs Regime. The Customs Delegation and the staff appointed by ZOLIC for this purpose shall monitor the entry and exit points to control all kind of goods, articles, and the effects corresponding to the different users of the ZDEEP and the means of transportation.

Article 28. Controls by electronic means. (Amended by Article 27 of the Resolution of the Board of Directors No. 58/EO-03/2021). The ZDEEP is obligated to provide, install, and maintain its own proper computer and software equipment, making available to ZOLIC and the Customs Authorities, the computer links to access to the registry and transmission of their operations without any restriction.

Likewise, they shall carry out a detailed control of their user's inventories, as well as of the entry and exit of goods, based on the information provided by the cargo manifests, transportation documents, and customs declarations, information that shall be shared in a single format or form giving one copy for the Customs Authorities and other to ZOLIC, granting privileges to the exchange mechanisms of electronic information, based on the international model of information exchange.

Article 29. Shrinkage, damaged material and transfers. (Amended by Article 4 of the Resolution of the Board of Directors No. 16/06/2020). The ZDEEP User shall submit a report to the Customs Delegation established in the same, which shall include everything regarding the control of shrinkage, damaged material and transfer of goods among users of the same ZDEEP, pursuant to the detailed record of their inventories.

Article 30. Forbidden or Restricted Goods. The Customs Delegation established in the ZDEEP shall allow the entry of goods destined to the users of the same, provided that the corresponding goods are not forbidden by ZOLIC Organic Law or other laws in force, or the goods need special permission which have not been complied.

Article 31. Congresses, exhibitions, fairs, conventions and other events. (Amended by Article 28 of the Resolution of the Board of Directors No. 58/EO-03/2021). The owners of the ZDEEP authorized and entitled by the Board of Directors, may hold congresses, exhibitions, fairs, seminars or any other kind of events, national or international, in order to promote the products or services generated therein, or to promote the industry, trade or tourism. For this purpose, the corresponding authorization shall be requested at least two (2) months before the date of the event, which shall be addressed to the General Management, stating and complying with the following:

- a) To provide the identification data of the ZDEEP;

- b) To provide detailed information of the event to be held, including at least the dates, duration and the identification of the ZDEEP Users who will participate;
- c) To indicate the area where the event will take place, including the boundaries and the precise delimitation of the same; it shall also indicate if the area where the event will be held is out of the ZDEEP facilities;
- d) To indicate the place where the Customs Authority that shall exercise the control over the goods will be installed; the area shall have a minimum of twenty square meters (20 mts²); and,
- e) To attach a legalized copy of the lease agreement entered into between the real estates' owner and the person who legally represents the ZDEEP.

The owners of the ZDEEP shall be able to enter, under their consignment, the corresponding customs controls and procedures, the goods needed for the development of the event, which are not property of the users who will participate therein, including samples without commercial value intended for the participants, as well as goods property of third parties who are interested in promoting their products or services in the event.

The General Management, after considering the information and documentation submitted by the interested party, shall request a technical opinion to the Customs Authority; if it is favorable, the request shall be submitted to the Board of Directors, who shall issue the Resolution for the authorization of the event, stating, among other points, the conditions, term, and the area enabled for the development of the event. The maximum term for the development of the event will be (1) month.

If the dates, term, place or any other condition of the event shall be modified for reasons beyond the control of the organizers, the interested party shall make known those circumstances and request the amendment of the Resolution issued, provided that it is done prior to the beginning of the event. The Board of Directors, considering the reasons stated by the interested party, shall carry out the amendments to the Resolution for Authorization of the event which was previously granted.

Goods that entry and exit from the facilities authorized for the development of the event, including samples without commercial value and goods property of third parties, shall be subject to the Customs Control according to the Customs Regime to which they shall be subject to. Such control shall be exercised by the Customs Delegation established at the event, in which case, the organizer shall facilitate the conditions needed for the proper installation of the Customs Delegation. If the Customs Authority prefers that the Customs Delegation already installed in the ZDEEP carries out the control, this entity shall be responsible of the control duties under the conditions established by the Customs Authority.

The goods that are found inside the authorized area for the event, shall be submitted to the definite import regime.

CHAPTER II.

OPERATIONS OF USERS THAT PROVIDE LOGISTICS SERVICES

Article 32. Logistics Services. (Amended by Article 5 of the Resolution of the Board of Directors No. 16/06/2020). The users authorized by the Board of Directors to be installed and carry out operations of logistics services to third-parties cargo, may provide the services for which they were authorized to natural or juridical persons, either to national or foreigners who require the services, including other users already installed in the same ZDEEP.

Article 33. Entry of goods into a ZDEEP. (Amended by Article 29 of the Resolution of the Board of Directors No. 58/EO-03/2021). The load consolidators and deconsolidators are users whose commercial activities are dedicated mainly to hire, on their behalf and name, international transportation services of goods that they group themselves, which are destined for one or more consignees or users and non-users of the ZDEEP.

For the purposes of the provisions of this article, the goods destined to a user who provides logistics services shall entry to the ZDEEP supported by a Goods Declaration and the transportation document shall come consigned to the consolidator user; the goods shall be deconsolidated in the Special Public Economic Development Zone of their destination. The owner of the goods shall submit the same to the corresponding customs regime.

Regarding the transferences among users in the same ZDEEP, ZOLIC shall develop the electronic form that allows the debit of the current account, the control and the traceability of the operation.

Article 34. Allowed Operations (Amended by Article 7 of the Resolution of the Board of Directors No. 16/06/2020). The goods destined to the users that provide logistics services to handle third-parties cargo which are inside the facilities, shall be object of the following operations or customs regimes under the corresponding customs control

- a) Consolidation or deconsolidation;
- b) Bulks separation and classification;
- c) Labeling, relabeling, marking, re-mark, wrapping, rewrapping, packaging, repackaging, unpacking, or any other related activity, provided that the nature of the goods is not modified or altered;
- d) Storage of containerized or non-containerized cargo;

CHAPTER III.

Operations of Entry of Goods to the SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONES

Article 35. Entry of Goods. (Amended by Article 30 of the Resolution of the Board of Directors No. 58/EO-03/2021). The entry of goods to the ZDEEP facilities shall be understood as every operation under Customs Control in which any of their users introduces goods from abroad or from the national territory to the facilities.

In case of material, furniture, and office equipment, tools, goods and any other type of input necessary for the operations of the users in the ZDEEP, for the authorization of their entry it will be sufficient to submit before the Customs Authority the entry form with the approval of ZOLIC, whichever is the case. The form referred in this article shall be developed by ZOLIC.

Article 36. Documentation. (Amended by Article 9 of the Resolution of the Board of Directors No. 16/06/2020). The goods that enter into the ZDEEP facilities, either they come from abroad or from the national territory, must have the Goods Declaration by they were submitted to a Customs Regime in which the ZDEEP is assigned. The Customs Delegation and the staff appointed by ZOLIC shall carry out the corresponding records at the moment the goods enter into the ZDEEP facilities.

CHAPTER IV.

PERMANENCE OF GOODS IN THE SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONES

Article 37. Storage. The goods that enter into a ZDEEP destined to one of its users and may be stored in its warehouses or factories, shall be stowed in a way that allows its easy location and verification. The storing system shall preserve the original characteristics of the stored products, for which, the mixture of the goods shall be avoided unless their nature allows that. In that case, the user shall make know the aforesaid to the Customs Delegation established in the ZDEEP and to the General Management.

Article 38. Verification. (Amended by Article 31 of the Resolution of the Board of Directors No. 58/EO-03/2021). Where the user has any doubt about the content of a package, and needs to verify it, the corresponding authorization before the Customs Delegation established in the ZDEEP shall be requested and notify the situation to ZOLIC staff. Once the Customs Delegation authorizes the operation, unless the nature of the goods does not allow it, the inspection shall take place inside the warehouses or factories, before the goods owner or his/her legal representative, the authorized and qualified person or ZOLIC, whichever is the case, who must be present on the date and time established in order to report the results of the inspection to the Customs Delegation and the General Management.

This provision shall also be applicable where there is one or more packages which show signs of having been vandalized or damaged.

If there are missing goods and the user representative whom entered the same to the ZDEEP cannot prove that such loss is the result of fortuitous case or force majeure, defect of the goods, spills or atmospheric influence, he/she must declare immediately the goods entry into the country and pay the corresponding customs duties and taxes, for which, the Customs Delegation must define the proceeding that follows.

Article 39. Physical Inventories. (Amended by Article 32 of the Resolution of the Board of Directors No. 58/EO-03/2021). The ZDEEP Users, except those who are dedicated exclusively to the provision of services, have to carry out physical inventories of the goods at least once a year during January, notifying to ZOLIC and the ZDEEP of the date of the inventory, and ZOLIC staff shall be present. The results of the inventory must be notified to the Customs Authority within a term that does not exceed thirty (30) days following the conclusion date of the same.

Article 40. Differences. (Amended by Article 10 of the Resolution of the Board of Directors No. 16/06/2020). In case there are differences between the records and the stored physical amounts of goods, duly verified through inventory, and those differences are derived from variation in weight, volume, losses or shrinkage, it shall be necessary that the User carries out the following actions through his/her representative:

- a) In case of surplus inventory, the ZDEEP User must request to SAT the correction of the corresponding Goods Declaration which explains such difference, in a term of ten (10) working days counted from the verification date.

Once the correction of the Goods Declaration has been approved by SAT, the entry and inventory records shall be adjusted.

- b) In the event of shortage of goods, the ZDEEP User shall submit before the Customs Delegation, during a term that does not exceed ten (10) days, the corresponding justifications, besides the volume or weight, provided that it does not exceed the 5% of the quantities declared at the beginning; no administrative action shall be applied, and for that effect, the proceedings shall be developed pursuant to the Customs Law.

The aforesaid correction or justification will not apply in cases considered in a specific rule that would be issued by SAT.

Article 41. Quarterly Report. All the ZDEEP Users must submit before the General Management a quarterly report in January, April, July and October, which shall include:

- a) Description of the goods that enter or exit the ZDEEP;
- b) Amount of goods subject of any commercial transaction among the companies established in the ZDEEP;
- c) Transaction amount, stating the value per measured unit;
- d) Weight, amounts or volume of losses, shrinkage, or spills the products have undergone;
- e) State the percentage of added value and domestic raw material included in the products that exit the ZDEEP;
- f) Weight or volume of each product that is subject of transactions, or has entered or left the ZDEEP; and,
- g) Record of representatives, workers or guests who have entered the ZDEEP during the corresponding quarter.

CAPÍTULO V.

EXIT OPERATIONS OF GOODS FROM THE SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONES

Article 42. Exit of goods. The exit of goods of the ZDEEP facilities shall be understood as any operations under Customs Control whereby any of its users withdraws goods destined to the national territory or abroad, under the corresponding regime or customs operation.

In order to withdraw abandoned goods from the ZDEEP, the persons authorized and entitled shall submit the same to SAT so those goods may be sold through public auction or proceed according to SAT criteria, making known ZOLIC the corresponding proceedings by means of official document.

Article 43. Backup. Pursuant to the Customs Regime the goods are submitted at the moment they are withdrawn from the ZDEEP facilities, the User who will carry out the operation shall previously

comply with the corresponding proceedings and requirements of the Customs Authority, including the electronic transmission of the respective Declaration of Goods, by means of which the Customs Delegation and the staff appointed by ZOLIC shall carry out the pertaining records at the moment the goods exit the ZDEEP facilities.

Article 44. Goods exit abroad. The goods manufactured inside the ZDEEP with foreign raw materials shall be able to leave the country without paying the taxes referred by law; but its exit from the ZDEEP facilities and the national territory shall be subject to the control and surveillance of the Customs Authority.

Article 45. Import into the national territory. The goods that leave the ZDEEP for its final consumption in the national territory, shall be imported by a natural or juridical person, in accordance with the proceedings established by SAT for the duly compliance of the corresponding tax liabilities, as well as the compliance of non-taxing customs liabilities.

The goods produced with foreign raw material will be subject to the total payment of the customs duties and taxes that correspond; meanwhile, the goods produced with foreign and domestic or nationalized raw material shall depend upon the process of SAT.

Article 46. Goods exit toward ports or airports. (Amended by Article 11 of the Resolution of the Board of Directors No. 16/06/2020). Goods that enter the ZDEEP that are destined to ports and airports in the countryside, will be subject to the requirements and formalities established for goods exit abroad in these Regulations.

TITLE V.

MANAGEMENT MODALITY FOR THE SPECIAL PUBLIC ECONOMIC DEVELOPMENT ZONES

Article 47. Management Methods of the ZDEEPs. (Repealed by Article 33 of the Resolution of the Board of Directors No. 58/EO-03/2021).

Article 48. Internal Operation and Management of the Special Public Economic Development Zones. (Amended by Article 34 of the Resolution of the Board of Directors No. 58/EO-03/2021). The Authorization Agreement of the ZDEEP shall establish the management method thereof. The ZDEEP shall not be allowed to start operations if the Delegations of SAT, ZOLIC, and the staff of ZDEEP are not duly established.

Article 49. Activities that correspond to the Management. (Amended by Article 35 of the Resolution of the Board of Directors No. 58/EO-03/2021). The services that shall render the ZDEEP in favor of the users will be at least the following:

- a) Entry and exit control of the ZDEEP goods.
- b) Basic services in the common areas.
- c) Maintenance of the common areas.
- d) Delivery and reception, according to the case, of the corresponding areas in the term and conditions established in the Resolution for Authorization and Entitlement to the ZDEEP Users, leaving written record.
- e) The internal operation and management in general.

Article 50. Relationship between the Users and the Manager. (Repealed by Article 36 of the Resolution of the Board of Directors No. 58/EO-03/2021).

Article 51. Management Costs. (Repealed by Article 37 of the Resolution of the Board of Directors No. 58/EO-03/2021).

TITLE VI.

INFRACTIONS AND PENALTIES

Article 52. Infractions. (Amended by Article 38 of the Resolution of the Board of Directors No. 58/EO-03/2021). The following events constitute infractions done by the authorized person:

- a) Failure to comply with any of the obligations established in items g), h), j), k), l), m), n), o), p), r), s), and t) of Article 17 of these Regulations;
- b) To allow the installation and operation of users in the ZDEEP, without the authorization of ZOLIC;
- c) Failure to comply with the payment of the ZOLIC Delegation assigned to the ZDEEP.
- d) Failure to comply with any of the rules of ZOLIC Organic Law, these Regulations, or any other current rule issued by ZOLIC that shall be applied, as well as the obligations acquired at the time of signing the corresponding agreements.

In the event of the authorized person commits any of the infractions aforesaid, he/she shall be penalized to pay two thousand American Dollars (US\$2,000.00).

Article 53. Penalties to the Users of the ZDEEP. (Amended by Article 39 of the Resolution of the Board of Directors No. 58/EO-03/2021). The following actions constitute grounds to cancel the operations of the ZDEEP Users:

- a) Failure to comply with any of the obligations established in Article 23 of these Regulations;
- b) Failure to comply with any of the rules of the Organic Law of "Santo Tomás de Castilla" Trade and Industry Free Zone, with these Regulations or any other current regulations issued by "Santo Tomás de Castilla" Trade and Industry Free Zone that is applicable, as well as the obligations acquired at the time of signing the corresponding agreements.

In the event of the authorized person commits any of the infractions aforesaid, he/she will be penalized to pay two thousand American Dollars (US\$2,000.00).

Article 54. Administrative Proceedings. (Amended by Article 40 of the Resolution of the Board of Directors No. 58/EO-03/2021). In the event of the ZDEEP or their users incur in the grounds contained in the Articles 17 and 24 of these Regulations, as well as the unfulfillment of their obligations, or commit any of the forbidden actions established in ZOLIC Organic Law, its Regulations, agreement or any provision of the Board of Directors, shall lead to the disqualification of the ZDEEP and the cancellation of their users, having to follow the corresponding administrative procedure for the effect.

For the aforesaid purpose, the General Management will submit a disqualification request of the ZDEEP and the cancellation of their users to the Board of Directors, considering all the facts that support the unfulfillment of the obligations or forbidden actions committed by the ZDEEP or its

users, and such Board shall grant them a hearing in accordance with the proceedings established in Article 30 *Bis* of Decree 22-73 of the Organic Law of “Santo Tomás de Castilla” Trade and Industry Free Zone ZOLIC, as well as any other proceedings established in the current Regulations of ZOLIC.

The users may send the written statements or clarifications that they deem convenient, as well as to attach or offer the corresponding means of proof in order to such hearing takes place; with or without the corresponding response, the Board of Directors shall resolve in a term that does not exceed five (5) days; otherwise, there shall be scheduled for the next meeting the admissibility or inadmissibility of the disqualification and cancellation of the ZDEEP and their users.

In order to qualify or authorize a ZDEEP or their users again, they shall comply with the requirements established in the Resolution of Disqualification of the Board of Directors, which provided the grounds for their disqualification or cancellation of authorization, except in cases that due to the severity of the matter it shall not be possible.

While the stipulated measures last, the affected users may only withdraw goods of the ZDEEP if these are destined to a Customs Regime abroad, any special regime authorized in the country or they may pay the corresponding taxes for its customs clearance.

TITLE VII.

TARIFFS

Article 55. Tariffs. (Amended by Article 41 of the Resolution of the Board of Directors No. 58/EO-03/2021). The tariffs for lease, sublease, or entitlement that ZOLIC collects to the ZDEEPs shall be approved by the Board of Directors, under proposal of the General Management, by means of the corresponding proceedings before the Executive Body, through the Ministry of Public Finance.

These tariffs will be established by the Board of Directors and may be reviewed and amended periodically; the users shall be notified a month before the new tariffs are applied. This provision shall be transcribed in the corresponding agreements.

Article 56. Management Tariffs. (Repealed by Article 42 of the Resolution of the Board of Directors No. 58/EO-03/2021).

TITLE VIII.

UNFORESEEN CASES, CONTROVERSY SOLUTIONS, EPIGRAPHS AND VALIDITY

Article 57. Unforeseen Cases. The Board of Directors will resolve the unforeseen cases considered in these Regulations, in accordance with the rules in force.

Article 58. Controversy Solutions. The Board of Directors will provide an arbitration clause that obligate the parties to make a previous arrangement in the lease, sub-lease, usufruct,

authorization, management or any other agreement entered into, as a result of the entitlement of a ZDEEP and the application of these Regulations.

Article 59. Epigraphs. The epigraphs preceding the articles of these Regulations only have an expository character; therefore, there is no interpretative value on them.

Article 60. Repeal. The Resolutions No. J.D. 43/34/2010 and J.D. 34/12/2018 of the Board of Directors of “SANTO TOMÁS DE CASTILLA” Trade and Industry Free Zone, dated August thirty-one, two thousand ten, and April nine, two thousand eighteen, respectively, are repealed.

Article 61. Transitory. (Amended by Article 43 of the Resolution of the Board of Directors No. 58/EO-03/2021). The Special Public Economic Development Zones and their users, who have been authorized before these Regulations and their amendments entered into force, and they are operating, shall be ruled by the provisions under which they were entitled, being able to request their adaptation to these Regulations by means of the amendment of its entitlement, in which case, they shall keep the tax benefits and further rights acquired for the term established in the first authorization. Once the contractual term is expired and there is a request for term extension, the authorization, entitlement and functioning shall be ruled by these Regulations.

Article 62. Validity. These Regulations shall be in force the day following its publication in the Official Newspaper.

Given in the city of Guatemala, on June twenty-two, two thousand twenty-one.