

Banorte Generali pension fund lowers fees

09 May 2006

Mexico City, D.F., May 10, 2006.- In its continuous effort to be the best high-earnings low-cost option for its affiliates, Banorte Generali decided to lower its balance fees from 3.27 to 3.00 percent annual.

This 8 percent reduction, approved by the National Commission for Retirement Savings Funds [Comisión Nacional del Sistema de Ahorro para el Retiro (CONSAR)] pushes Banorte's Pension Funds Afore up from 16th to 10th place on the market.

"At Banorte Generali, besides offering quality service, we understand how important it is for our affiliates to get the highest pension at the time of their retirement. That's why we continuously strive to be the best, high-earning, low-cost option," said Romeo Gutiérrez de la Garza, Banorte Generali's CEO.

Banorte Generali Pension Fund Afore will continue its process of continual improvement to offer the best earnings for the 3.06 million workers (with a total of 40 billion pesos in accumulated savings) in its portfolio, added Gutiérrez de la Garza.

After authorizing the reduction in the Banorte Pension Fund Afore fees as of last May 2, the CONSAR stated that given the fierce competition in Pension Fund transfers, this trend will most likely persist in the future.

The CONSAR also points out that from June 2003 to May 2006 several legal and regulatory measures were adopted to promote stronger competition in this industry. Banorte Generali has taken advantage of such measures, which include: freeing the transfer process; the possibility of changing pension fund afores more than once a year (providing a less expensive one is chosen); various actions to offer more and better information to the workers about their personal account, as well as the arrival of new participants to the market.