

Press Release



SUPERINTENDENCIA
VALORES Y SEGUROS

SVS publishes four regulatory changes for market comment

- *Regulatory modifications seek to facilitate the registration of foreign securities in Chile and to redefine qualified investors.*
- *Some of the proposals presented by the SVS are based on legal modifications introduced by the second capital market reform (MK2).*

On Friday, March 28th, the Superintendencia de Valores y Seguros (SVS) published four rules for public comment on its website, www.svs.cl, whose objective will be to facilitate the registration of foreign securities in Chile and to increase transactions of this type of title.

The proposals presented by the SVS are based on legal modifications introduced by the second capital market reform (MK2) and would complement the legal framework that corresponds to Public Offerings of foreign securities in Chile. The regulatory proposals will be available for comment until April 18th.

The first regulatory change is aimed at replacing the current General Rule (NCG) N°119, which establishes the requirements and conditions to be met by investors in order to be considered “Qualified Investors” and, therefore, determine their possibility of participating in special markets established by the SVS or in offers or underwritings directed by this type of entity.

The new rule aims at making it easier to distinguish between those investors who are able to understand sophisticated financial information or who require less information for making investment decisions and, therefore, are better able to understand the risks and assert their rights and those less protected parties. For this reason they are considered “Qualified Investors” and may participate in special markets or in offers or underwritings directed towards this type of investor.

The second regulatory change presented for public comment would replace the current N.C.G. N°82, which establishes the requirements, procedures, information and records that must be met and provided in order to make a public offering in Chile on shares and certificates that represent these, issued abroad.

In addition to considering the current requirements of N.C.G. N°82, the rule incorporates those related to corporations that sponsor registration in the Foreign Securities Registry and establishes conditions under which the securities may be offered to the general market or to Qualified Investors, depending on whether the market of origin of the securities is recognized by the SVS. Even so, the information requirements will be basically the same as in the market of origin.

The third regulatory project presented for public comment will modify the current N.C.G. N°83, which establishes the requirements and conditions that must be met in the stock market negotiation of securities listed in said Registry and authorizes share transactions outside of the stock market negotiation system, under the conditions indicated. This last modification is subject to approval by the Central Bank of Chile.

Lastly, the fourth regulatory change presented for public comment by the SVS establishes the requirements that must be met by corporations that sponsor the registration of securities in the Foreign Securities Registry. At first, only securities intermediaries and stock exchanges will be allowed to register securities in this way, and for this reason they must meet the information and longevity requirements listed, as well as those established by the exchanges for their stockbroker members to act as sponsors.

Santiago, March 31, 2008