



PRESS RELEASE

CMF abolishes 35bis requirement due to new Basel III standards

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December 22, 2022 — The Financial Market Commission (CMF) issued today **Circular Letter No 2.328**. Said regulation abolishes additional effective equity requirements contained in Article 35 of the General Banking Act, keeping in line with the adoption of new Basel III standards pursuant to Law No. 21,130 of 2019. The 35bis guidelines, in force since 2000, stated that following inorganic growth (e.g., mergers and acquisitions), if the resulting institutions had loans comprising above 15 percent of the banking system, they would be subjected to higher requirements.

Accordingly, the former Superintendence of Banks and Financial Institutions established additional effective equity requirements for some banks in 2002, 2004, 2007 and 2015.

After determining this additional requirement is covered by other legal effective equity requirements related to the Basel III framework, the Commission resolved to abolish the 35bis requirement as of December 2022. This simplifies the different effective equity requirements for banks, maintaining only the recently implemented Basel standard for said purposes. Banks are expected to maintain their high solvency levels, as well as adequate compliance and risk management.

Interested parties can access the [Rules and Norms section](#) of the CMF website to check the new regulation in detail. In addition, the Commission makes available a [Regulatory Report](#) with its core elements.

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