

CORPORATE CRIMINAL LIABILITY ACT (LAW NO. 20,393) AMENDMENTS: WILLFUL RECEIVING OF STOLEN GOODS AS AN UNDERLYING CRIME

On July 5, 2016 the Chilean Congress enacted **Law No. 20,931** ("**Anti-crime Agenda**"), strengthening the prosecution of robbery, burglary, theft and willfully or negligently receiving or possessing stolen goods.

The Chilean Criminal Code sanctions any individual who knowingly or negligently possesses, transports, buys, converts or trades goods proceeding from theft, robbery, embezzlement and/or cattle theft. Negligent behavior can also be prosecuted.

The Anti-crime Agenda imposes new record keeping and traceability requirements regarding ownership of goods or possession e.g. repairing or second-hand goods. Local law enforcement is allowed to compel exhibition of all records and report to the Prosecutor upon failure or refusal to comply.

Furthermore, the Anti-crime Agenda amended the Corporate Criminal Liability Act (Law. No. 20,393 or "CCLA"), **listing the willful or negligent receiving of stolen goods as an underlying crime**, entailing criminal liability for corporations in Chile.

Sanctions under the CCLA violations include:

1. Temporary or perpetual prohibition to enter into contracts with governmental entities;
2. Partial loss of, or absolute prohibition during two to three years, to opt for governmental benefits;
3. Fines ranging from approximately USD 15,000 to USD 1.5 million;
4. Dissolution if convicted of the same crime within a 5 year time period.

As a result, **all corporations should update their compliance programs** to include adequate internal controls to prevent such offenses. Failure to comply can result in a corporation being found

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ineligible for a safe-harbor provision.

The full text of Law 20,931, which in section 16 amends section 1 and 15 of the CCLA, can be downloaded from the following link:

<https://www.minjusticia.gob.cl/media/2016/07/Ley20931.pdf>