

FINANCIAL MARKET COMMISSION PUBLISHES REGULATIONS GOVERNING REGISTRATION IN THE FINANCIAL SERVICE PROVIDERS REGISTRY

The Financial Market Commission ("CMF"), as part of the implementation process of Law No. 21,521 ("Fintech Law"), on February 3, 2023 published General Rule No. 493 ("NCG 493"), which establishes the procedure and requirements to apply for registration in the Registry of Financial Service Providers (Registro de Prestadores de Servicios Financieros, the "Registry"), created by the Fintech Law.

This new regulation establishes that in order to apply for registration in the Registry, an application must be submitted to the CMF by the legal representative, accompanied by the following information:

1. Identification of the entity: corporate name and Tax Payer Number;
2. Commercial or fantasy name of the entity;
3. Address, telephone number and e-mail;
4. URL of the web site, if applicable;
5. Identification of the legal representative;
6. Identification of the principal partners, directors or administrators, being considered as principal partners those persons who own 10% or more of the capital or have the capacity to elect at least one member of the board of directors or management;
7. In the case of entities registered in the Registry of Companies and Corporations of the Ministry of Economy, Development and Tourism, a copy of the articles of incorporation and corporate amendments of the last 10 years, registrations and publications of the excerpts, together with the certificate of good standing of the company must be attached;
8. Affidavits, under the terms established in NCG 493, including an affidavit stating that the entity is not a debtor in a bankruptcy liquidation proceeding;
9. Identify the services regulated in the Fintech Law that it intends to develop; and
10. Require the user's authorization to send the information through the System for Sending Information on Line (Sistema de Envío de Información en Línea, "SEIL").

NCG 493 establishes that in order to request cancellation from the Registry, a request for cancellation must be submitted to the CMF, signed by the legal representative, accompanied by the legal background of the amendment of the bylaws that modifies the corporate purpose to services that are not regulated or subject to a registration requirement in the Registry. Notwithstanding the above, NCG 493 establishes certain cases in which the CMF may proceed to the cancellation of the entities in the Registry (for example, for having the status of debtor in a bankruptcy liquidation proceeding).



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On the other hand, NCG 493 does not require individuals dedicated professionally to the provision of financial advisory services from the requirement to be incorporated as a legal entity with an exclusive corporate purpose, as long as they comply with the following requirements:

1. That they are not in the circumstances referred to in the second paragraph of Article 6 of the Fintech Law,
2. That they only provide investment advisory services to specific individuals or entities, and
3. That the number of specific individuals or entities to have received investment advisory through social media channels used for this purpose, does not exceed 100,000 in the last twelve months.

In order for individuals to apply for registration, they must submit an application under the same terms as legal entities, together with the following information:

1. Identification details of the person: name and identity card;
2. Address, telephone and e-mail;
3. Affidavits, under the terms established in NCG 493; and
4. Require user authorization to send the information through SEIL.

Finally, individuals or legal entities that are registered in the Investment Advisors Registry (Registro de Asesores de Inversión), pursuant to General Rule No. 472, will be deemed to be registered in the Registry as from the date of issuance of NCG 493, notwithstanding the fact that they must submit to the CMF before February 3, 2024 the information required to maintain such registration in force. In the event of failure to submit such information, the CMF will proceed to cancel the respective registration.

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