



# **GENERAL REGULATIONS FOR FUTURES MARKETS**

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## GENERAL REGULATIONS FOR FUTURES MARKETS

### 1 DEFINITIONS AND GENERAL RULES

#### 1.1 Introduction

The General Regulations for Futures Markets, hereinafter the Regulations, establish the general rules that will govern the operation of futures markets on the Santiago Stock Exchange, hereinafter the Exchange.

As soon as they are compatible, the rules on spot transactions shall also apply to the futures markets using the electronic trading systems Telepregon and Telerenta, as appropriate. Nevertheless, the instructions and procedures referred to in these rules that relate to the following topics are excluded:

- Correction and cancellation of transactions
- Settlement
- Information provided by the Exchange
- The rights of the Exchange

The futures markets on the Exchange consist of trading standard futures contracts on underlying assets in their systems, which will be cleared and settled by a central counterparty, as defined in their respective operational rules.

In particular, the General Regulations for Futures Markets on the Exchange will regulate all matters relating to these markets, such as the specifications for futures contracts, trading systems, the information and the means by which information will be publicized, contract definitions for transactions between participants, arbitration issues, penalties, commissions, rights and obligations of brokers and principals, various other provisions, and their main interactions with the clearing and settlement processes as performed by a central counterparty with regulated operational rules.

Brokers will be able to participate in futures markets on the Exchange trading futures contracts on their own account or on behalf of third parties, to the extent that they are authorized by the respective central counterparties to participate as Settlement Agents or Indirect Settlement Agents in the clearing and settlement of derivative instruments.

In futures markets on the Exchange, any futures transaction carried out on their trading systems will be automatically registered and accepted by a central counterparty, who is irrevocably a creditor and debtor of the rights and obligations arising from the transactions accepted, both before third parties and the parties that have originated the transaction, who from that moment forward are no longer legally bound.

Once a futures contract has been agreed on the Exchange, the respective central counterparty will apply its operational rules and will automatically register and accept on-line the clearing orders created by such transactions, their clearing, the calculation of open net contracts and daily gains and losses, the daily settlement of the net balance, and calculate and monitor the various financial safeguards required, such as guarantees required from and limits for futures markets participants.

## 1.2 Definitions

A futures Market is one in which standard contracts are traded for the purchase and sale of a previously defined underlying asset, in which the buyer and seller in the respective transaction agree the quantity, price and contract maturity. Each person is contractually committed to the central counterparty, to pay or receive from this entity any gains or losses caused by movements in price on this futures contract during the period that the contract is valid and at its maturity, according to its operational rules.

## 1.3 Glossary of Terms

- a) Underlying asset: The movable security, financial asset, reference index or physical asset, which is subject to a derivative contract.

Underlying assets subject to futures transactions must be capable of being cleared and settled by a central counterparty, as defined in its operational rules.

- b) Settlement Agent: The Participant defined in Law No. 20,345.
- c) Indirect Settlement Agent: The Client defined in General Rule No. 256 issued by the Superintendence of Securities and Insurance.
- d) Exchange: The Santiago Stock Exchange (Bolsa de Comercio de Santiago, Bolsa de Valores).
- e) Principal: An individual or legal entity that enters into derivative contracts through a broker who is authorized to participate as a Settlement Agent or Indirect Settlement Agent with the central counterparty to clear and settle these contracts. The central counterparty will only maintain a relationship with the principal through a Settlement Agent or Indirect Settlement Agent. The principal shall never be authorized to clear and settle his transactions directly with the central counterparty.
- f) Central Counterparty: The managing company that clears and settles clearing orders for derivative contracts, becoming creditor and debtor of the rights and obligations that are attached to such orders, in accordance with the provisions of Law No. 20,345.
- g) Futures contract: A derivative on futures markets, which is defined by an underlying asset, a maturity and a round lot.
- h) Open contracts: The total number of buy futures contracts and the total number of sales futures contracts registered with each central counterparty. Where:
- Open principal contracts are the total number of all futures contracts assigned to the Chilean Taxpayer ID of a principal.
  - Open owned contracts are the total number of all futures contracts assigned to the Chilean Taxpayer ID of the Settlement Agent/Indirect Settlement Agent.
  - Open Settlement Agent/Indirect Settlement Agent contracts are the total number of all their open owned contracts and all the open contracts for their principals.

- Total open contracts are the total number of all open contracts for all Settlement Agents/Indirect Settlement Agents.

Open contracts continue to be valid until their respective futures contracts mature.

- i) Net open contracts: The difference between the total number of open buy contracts and the total number of open sales contracts. This calculation is performed for every futures contract for open owned contracts, open principal contracts, open Settlement Agent/Indirect Settlement Agent contracts and in total, without netting the various calculations.

The calculation of net open contracts for the Settlement Agent/Indirect Settlement Agent includes net open owned contracts and net open principal contracts without netting the accounts. While the calculation of total net open contracts includes the net open contracts for each Settlement Agent/Indirect Settlement Agent as previously mentioned, without netting the accounts.

- j) Traded contracts: The total number of contracts traded using the trading systems of the Exchange.
- k) Broker: A securities intermediary that acts as a member of a Stock Exchange.
- l) Reference number: A unique identifier for a transaction on the Exchange.
- m) Guarantee: Cash and securities provided by a principal to ensure compliance with the obligations arising from futures contracts with their broker.
- n) Required guarantees: The total value of guarantees required by each central counterparty from brokers, as Settlement Agents/Indirect Settlement Agents, as defined by its operational rules.
- o) Derivative: The concept of "derivative" is defined in Article 2 of Law No. 20,544, which includes futures, forwards, swaps and options, etc. The definition of derivative also covers the concept of financial instrument defined in paragraph 8 of Article 1 of Law No. 20,345, on clearing and settlement systems for financial instruments.
- p) Money market instruments: Short-term debt instruments, generally less than one year, issued by private entities or by the State.
- q) Fixed income instruments: Securities that represent medium-term and long-term obligations or for an indefinite period, issued by private entities or by the State.
- r) Settlement: The process of liquidating outstanding balances with Settlement Agents/Indirect Settlement Agents by a central counterparty. This process includes receiving payments from Settlement Agents/Indirect Settlement Agents with net debtor balances, to fulfill their clearing orders, and transferring payments to the Settlement Agents/Indirect Settlement Agents with net creditor balances.
- s) Contract round lot: The number of units of the underlying asset that are referred to in a futures contract.
- t) Ticker: An identification code devised by the Exchange for a security and derivative instrument, which includes information concerning the maturity date, the underlying asset and the round lot for the futures contract. Additionally, it identifies the central counterparty that will clear and settle the respective futures contract.

- u) Price: The value at which a transaction is agreed on the market.
- v) Closing price: The price of a futures contract calculated daily by a central counterparty as a daily settlement price, as defined in its operational rules and in the terms and conditions of each futures contract. This value will be published daily by the Exchange after the market closes.
- w) Bid or ask price: The price at which a buy or sell order is recorded in the trading systems of the Exchange.
- x) Spot market price: The price or value of the underlying asset for a futures contract on the spot market.
- y) Volatility auction: The auction of an instrument during trading hours, where buy and sell orders are submitted and matched at the period close at a unique price that maximizes the number of futures contracts traded. The volatility auction determines the market price for an instrument that has been suspended, prior to returning it to the trading floor.
- z) Telepregon: An electronic trading system used by the Exchange that receives buy and sell orders for equities and derivatives, which are matched automatically using the criterion of best price and in chronological order.
- aa) Telerenta: An electronic trading system used by the Exchange that receives buy and sell orders for fixed-income instruments, money market instruments and derivatives, which are matched automatically using the criterion of best price and in chronological order.
- bb) Maturity: The expiry date of the rights and obligations arising from a futures contract.

### 1.4 General Rules

- a) Future contracts can be traded on underlying assets relating to:
  - i) Share indices, fixed income instruments and money market instruments.
  - ii) Interest rates or interest rate indices (pesos, nominal, UF, dollar).
  - iii) Foreign currencies, in accordance with No. 2, Chapter III.D.1 of the Compendium of Financial Regulations issued by the Chilean Central Bank.
  - iv) Consumer Price Index (CPI).
  - v) Unidad de Fomento (UF).
  - vi) Fixed income instruments issued by the Chilean Central Bank and the Chilean Treasury.
  - vii) Shares and Investment Fund Units

Futures contracts on these underlying assets must be capable of being cleared and settled by a central counterparty, as defined in its operational rules. Therefore, the Exchange will define futures contracts to allow the exchange brokers that participate in futures market to clear and settle the futures contracts in each central

counterparty that provide specific clearing and settlement systems for those contracts.

- b) The Exchange can create standard futures contracts for each of the authorized underlying assets, which must contain at least the following specifications:
- i) Underlying asset.
  - ii) Maturity dates.
  - iii) Hours and trading systems where it can be traded.
  - iv) Ticker.
  - v) Central Counterparty: the specific central counterparty where each future contract will be cleared and settled.
  - vi) Futures contract round lot.
  - vii) Daily settlement price: the calculation method shall be defined from those described in the operational rules of the corresponding central counterparty.
  - viii) Settlement price at maturity: the specific terms and conditions of the underlying asset value at the futures contract maturity date shall be defined.
  - ix) Settlement type at maturity: this must only be financial settlement.
  - x) Daily price variation limits: the range of acceptable prices for buy and sell orders on futures contracts authorized in the trading system.

Except for the specifications of the underlying asset mentioned in letter i) above, all remaining specifications may be amended by the Exchange. The specifications of the underlying asset mentioned above should be consistent with the operational rules of the corresponding central counterparty.

The specifications of the underlying asset mentioned above and the particular operational characteristics of a futures contract will be reported by Internal Communication at least 10 days prior to its term beginning.

- c) Futures contracts will have standard maturity dates, as defined for the authorized underlying assets.

The maturity dates of current futures contracts may be amended by creating new maturity periods or by removing some of the existing ones, but only where futures contracts have not yet been opened. The new maturity periods will be reported through Internal Communication at least 10 days prior to the term of the respective futures contracts beginning.

- d) The Exchange may amend the specifications and maturity periods of futures contracts referred to in letters (b) and (c) above, when the following special market conditions exist: suspension of market trading of the underlying asset for the contract; illiquidity in the futures market or the market of the underlying asset; the absence of or changes in the definition of the underlying asset or its price; or severe disruption in normal market operations, either due to governmental measures or other causes that impact the development or disclosure of prices, or the continuity of the underlying assets involved.

## 2 TRADING SYSTEMS

### 2.1 General Background Information

- a) Futures transactions shall be traded on all stock market business days, using the hours and trading systems Telepregon or Telerenta, as defined for each futures contract.

Futures transactions shall be traded under the same rules as spot transactions when compatible, in particular those traded in the electronic trading systems Telepregon and Telerenta, as appropriate. However, instructions and procedures associated with those trading systems that concern transaction settlement and settlement conditions are excluded.

This is due to the fact that settlement of balances arising from gains or losses on futures contracts is carried out on a daily basis on the following business day, which applies for the duration of a contract and until its maturity date, as indicated in paragraph 2.8 of these Regulations.

Therefore, the settlement condition in trading systems for each futures contract order shall be payable the following day by default.

- b) A specific futures contract can be traded between the date its term begins and matures, both dates inclusive, unless a different trading period is indicated in the contract specifications.
- c) The maximum limit allowed in a futures contract transaction is subject to the provisions contained in the spot transaction rules of the Telepregon and Telerenta trading systems. The value of each transaction is based on the quantity, price, and round lot for the futures contract involved.
- d) Any order received by a broker should only be executed using authorized trading systems, in accordance with the procedures for such systems.
- e) Brokers may perform direct transactions, namely, where the same broker acts as buyer and seller of futures contracts. In which case, the spot transaction rules for the respective trading systems shall apply.
- f) The Exchange may suspend trading on the futures market for a particular underlying asset in the following situations: the suspension of trading on the spot market for the corresponding underlying asset; illiquidity in any of these markets that may cause severe distortions in the price of futures contracts and, therefore, in the value of open contracts on the futures market; the absence of or change in definition of the underlying asset or its price; or severe disruption in normal market operations, either due to governmental measures or other causes that impact the development or disclosure of prices, or the continuity of the underlying assets involved.

Once the trading of futures contracts over one or more underlying assets has been suspended, the Exchange shall report to the Superintendency of Securities and Insurance on the same day whether the suspension affects the futures market, the spot market for the underlying asset, or both. However, the suspension of a futures contract does not necessarily imply the suspension of the spot market for the respective underlying asset.



If the suspension period for a futures contract exceeds its term, the settlement at maturity shall be carried out at the settlement price at maturity defined in the specifications of the respective futures contract.

Every transaction on the futures market shall comply with the daily price variation limits, defined by the price fluctuation limits established in the operational rules of the central counterparties. Therefore, if the transaction price experiences an excessive increase in volatility, surpassing the limits defined by the corresponding central counterparty, the Exchange may suspend trading of futures contracts for a specific underlying asset when requested by that entity.

Additionally, the Exchange may suspend a broker from trading futures contracts when requested by a central counterparty, if breaches in its commitment as a Settlement Agent/Indirect Settlement Agent are detected. The grounds for suspension may originate from breaches in broker's requirements to act as a Settlement Agent, such as minimum equity, operating capital and liquidity levels, etc.; from breaches as a Settlement Agent/Indirect Settlement Agent in applying the required guarantees, limits and guarantee fund contributions or other financial safeguards established by the operational rules; or from breaches in their obligations to settle balances. If a broker has been suspended, he will remain so until such central counterparty report that the broker has resolved all the issues that caused the suspension.

- g) All the issues not specifically covered by these Regulations shall be subject to the general rules and procedures issued by the Exchange that may be applicable to futures contract trading systems.

### 2.2 Order Types

There are three types of orders to buy or sell futures contracts in trading systems:

- a) Day order: An order that will be canceled if not filled by the end of the same trading day.
- b) Good 'til canceled order (GTC): An order that will remain valid unless filled, cancelled or the contract expires.
- c) Good 'til date order (GTD): (MM,DD,AA): An order that will remain valid to a specific trading date unless filled or canceled.

### 2.3 Entering Orders

- a) The information that the broker must provide when entering an order is the following:
  - Type of order: buy, sell.
  - Instrument: the ticker for the futures contract.
  - Quantity: the number of futures contracts to buy or sell.
  - Price (\$): the bid and ask price.

- Validity: Day, GTC or GTD.
- b) Where appropriate, the rules and instructions regarding buy and sell orders included in the spot transaction rules of the respective trading systems apply.

#### **2.4 Order Cancellation and Amendment**

Buy and sell orders may be cancelled or amended at any time in the trading system, provided they have not been filled. Brokers are exclusively responsible for cancellations or amendments, according to the amended hours established in the respective systems.

#### **2.5 Order Publication**

Firm orders will be publicized by the respective trading system and the monitoring terminals at the Exchange, which will display all current buy and sell orders at that moment.

#### **2.6 Filling Orders**

Orders may be filled within the trading hours established in the specifications of each futures contract and according to the hours and matching criteria of the respective trading systems.

#### **2.7 Daily Price Variation Limits**

- a) The Exchange Board shall publicize through Internal Communication the maximum daily price variation limit for contracts in the trading systems within the specifications of futures contracts. The purpose is to prevent the entry of orders that create an excessive increase in price volatility, unless this volatility is included within the calculation of the respective guarantees required by the central counterparty. This limit will be calculated on the basis of the futures contract closing price on the previous stock market business day, so that no buy and sell order exceeding this limit may be recorded by the trading system.
- b) Meanwhile, the Exchange will define daily volatility limits within the maximum daily variation allowed for each futures contract. The purpose being to prevent an increase in volatility outside that range of prices with a probability of 1% during any one day, and this calculation should be based on at least the last 250 business days. If a futures contract is filled at a price which exceeds the daily volatility limit, the day's trades for that contract shall be suspended for a minimum period of 15 minutes, which may be extended by the Exchange Director after analyzing the circumstances relating to the instrument, the respective central counterparty and the market. After that period, trading will resume following a volatility auction, with a new volatility limit based on the limit price at the moment trading was suspended.
- c) The daily price variation limits and the daily volatility limits will be defined in accordance with the price fluctuation limits, or whatever replaces them, established by the respective central counterparties in their operational rules.

## 2.8 Daily and At Maturity Settlement

- a) The settlement of net balances from the gains or losses on futures contracts recorded in the name of the broker and his principals will be executed every day by the respective central counterparty, according to its operational rules.
- b) The daily settlement process begins after trading has closed. The central counterparty will calculate the net balances with brokers as Settlement Agents/Indirect Settlement Agents. The net balance for each Settlement Agent/Indirect Settlement Agent shall consist of the total gains and losses from open futures contracts recorded on his own account and on behalf of his principals.
- c) The central counterparty will calculate the price differential between each futures contract price and the corresponding daily settlement price, in order to calculate the daily gains or losses on a futures contract during its term.
- d) The daily settlement price shall be fixed by the respective central counterparty and published by the Exchange for each futures contract after trading has closed. The daily settlement price shall be defined using the calculation method in the specifications for each contract.
- e) The settlement at maturity process begins by central counterparties calculating the gain or loss on a futures contract at the due date as the price differential between each contract price and the settlement price at maturity defined in its specifications.
- f) Each open futures contract will generate obligations for each broker and for the principal due to gains or losses arising during the contract term through to maturity, inclusive. However, open contracts may be closed to extinguish the obligations in advance, either voluntarily or compulsorily, in accordance with the operational rules defined by the central counterparties.

## 2.9 Direct Operators

The Exchange may authorize Direct Operators to participate in futures markets. The provisions established in number 8 of section B of the Instructions and Procedures for Manual Share Transactions apply in this case. Specifically where it refers to the persons who can be authorized as Direct Operators, the requirements that must be fulfilled and the requirements under which they can execute transactions in the trading system.

### 3 MARKET INFORMATION

- a) The information that the Exchange provides through bulletins shall be detailed in accordance with Board instructions. The particular information requirements requested will be certificated by the Exchange Manager or his designee.
- b) A transaction log called the Board Listing shall be issued through the consultation and trading terminals at the Exchange, after trading hours have ended and the corresponding corrections or cancellations completed. It shall contain:
- Reference number for the transaction
  - Number of contracts traded
  - Instrument (maturity)
  - Price
  - Total traded (\$)
  - Brokers involved in the transaction
- c) During trading hours and at the end of each day the Exchange will provide a summary of the futures markets containing both historical and daily information, through its information terminals and displaying at least the following:
- Board listing
  - Historical transactions
  - Summary of prices, amounts and contracts traded
  - Closing prices
- d) The Exchange shall publish on its terminals, on its web site and in its daily news summary, information regarding futures markets:
- Transaction summary
  - Summary of prices, amounts and contracts traded
  - Closing prices
  - Total open net futures contracts, provided by the respective central counterparties.
- e) The Exchange shall make available to the general public through its website at least the following information for each current futures contract:
- The contract specifications
  - The highest, lowest, average and closing prices
  - Total traded (\$)
  - Contracts traded
  - Total open net futures contracts, provided by the respective central counterparties.

#### 4 TRANSACTION CORRECTION AND/OR CANCELLATION

- a) It is the duty of every broker to review the transactions he has carried out, in order to make any necessary corrections or cancellations.
- b) Any claim regarding a transaction, the number of contracts, the price, the quality of the match, shall be presented to the Exchange Director when the transaction is complete during trading hours or within the time limits for corrections or cancellations, who shall immediately issue his decision, which is final.
- c) Corrections or cancellations should be reported to the Exchange, and when appropriate to the Exchange Director during the transaction day up to a time limit after the close of trading for each type of futures contract, which must be consistent with the hours established by central counterparties in their operational rules. The time limit to request corrections or cancellations shall be defined by the Board and published by Internal Communication at least 10 days before it comes into effect.
- d) The request to correct or cancel a transaction must be completed through the Automated Transaction Amendment and Cancellation System, and the broker is responsible for registering the corresponding data regarding the correction or cancellation. Such a request may be made directly using the transaction inquiry facilities at the terminals provided by the Exchange.

The justification for the transaction correction or cancellation must be recorded in the Automated System, and the Exchange Director, or whoever replaces him, or the Exchange may require evidence to support the reason given for requesting the correction or cancellation.

- e) The Exchange may authorize and process a transaction amendment, but only for the following reasons:
  - To amend the operator code for a direct broker
  - To decrease the number of contracts traded

No amendments will be accepted involving changes in futures contracts, changes in the brokers involved, increases in the number of contracts traded, amendments to the price or dividing the transaction to create more than one reference number.

- f) The Exchange may authorize and process a transaction cancellation for one of the following reasons:
  - Error in the ticker
  - Error in the number of contracts traded
  - Significant price error

No cancellations will be accepted when a broker or operator fills an order by mistake, except when this error is evident in the opinion of the Exchange Director, or whoever replaces him.

Notwithstanding the foregoing, the Exchange may cancel a transaction when its price is significantly different from the last price prevailing in the market at the time of the transaction, due to the erroneous submission of a buy or sell order to the

system by a particular broker, and that this error is evident in the opinion of the Exchange Director, or whoever replaces him. The foregoing applies, even if not all the brokers involved in the transaction are in agreement.

A significantly different price is one that has a probability of occurring of less than 1% during a trading day, taking as a basis for this calculation, at least the last 250 days.

- g) The Exchange will authorize and process the amendment or cancellation of a transaction only when it conforms to current regulations, the parties agree, and it has been authorized by the Exchange Director or whoever replaces him, as appropriate.
- h) The Exchange Director will resolve the qualified and exceptional cases of requests for transaction cancellation or amendment that comply with the grounds outlined in subparagraphs (e) and (f) above, and, for those situations not covered by the current regulations, whose authorization involves any of the following situations:
- Amendments that involve a significant reduction in the number of futures contracts traded.
  - Cancellations of transactions for significant amounts.
  - Cancellations of transactions whose matches can alter significantly the current prices prevailing in the market and/or the closing price of the respective futures contract.
  - Cancellations of transactions whose prices can be reference values for the current prices in the market and/or closing prices.

In the situations above, the Exchange Director may reject requests for transaction cancellation or amendment, and his decision is final.

Therefore, in situations that do not require the authorization of the Exchange Director, the Exchange may resolve the issue in accordance with its mandate.

Nevertheless, in each situation the right to appeal to the Exchange Director will always be available.

- i) The Exchange Director may order the removal of information from the ticker board, or the registry, where appropriate, for any transaction that does not exist or whose authenticity is doubted, or that in his opinion is suspect or simulated or that has not been carried out in accordance with current regulations. He has the power to do so even if the parties concerned do not agree, without prejudice to any justification that the interested parties may subsequently present to the Exchange Director.
- j) In every case described in the previous paragraphs, the respective central counterparty must accept these changes, prior to authorizing and processing a transaction amendment or cancellation. Their role is to verify that the brokers involved in the transaction have sufficient guarantees to meet the requirements arising from their respective open contracts, in their capacity as Settlement Agent/Indirect Settlement Agent.
- k) Cancellations and amendments made before the time limit to request amendments or cancellations on the same day the transaction is performed will be subject to a fine of 0.20 UF per transaction.

- l) Cancelled transactions will be published on the terminals of the Exchange and in the daily bulletin for the day in which the cancellation has been authorized and processed by the Exchange, expressly mentioning that the cancellation was in accordance with current regulations.

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## 5 TRANSACTION CONTRACTS

- a) Brokers who wish to trade in the futures markets must sign in advance a membership contract to participate as a Settlement Agent or Indirect Settlement Agent with one or more central counterparties, who clear and settle futures contracts traded on the Exchange, committing themselves through this contract to fulfill the obligations required by these institutions.

This contract must be signed by the broker and the respective central counterparty, at least one business day prior to the commencement of trading by the broker of the first futures contract that is cleared and settled by that central counterparty.

- b) Principals must sign the "General Conditions to Trade on Futures Markets at the Santiago Stock Exchange" with their brokers, using the format attached as Annex No. 1. This regulates the relationship between the principal and the broker when participating in the futures markets at the Exchange and, in turn, the relationship between the principal and the broker, as a Settlement Agent/Indirect Settlement Agent for the purposes of clearing and settling futures contracts with a central counterparty. This document establishes the minimum rights and obligations of the principal to the broker, the Settlement Agent/Indirect Settlement Agent and the Exchange.

A copy of the document must be submitted to the Exchange and those central counterparties where the broker is a Settlement Agent/Indirect Settlement Agent before placing the first buy or sell order on the futures markets in the name of the principal.

- c) The Exchange will authorize the broker constituted as a Settlement Agent/Indirect Settlement Agent to trade the corresponding futures contracts after having received a copy certified by a Public Notary of the membership contract with the central counterparty specified in subparagraph (a).
- d) Trading a futures contract on the Exchange will result in the registration and acceptance of the respective transaction by the central counterparty, generating an obligation for the Settlement Agent/Indirect Settlement Agent to that institution in its role as central counterparty, either for transactions on his own account or on behalf of his principal, as stipulated in the membership contract of the Settlement Agent/Indirect Settlement Agent with the central counterparty.
- e) The General Conditions document signed by a broker and a principal and sent to the Exchange will be archived in the corresponding manner.



**6 COMMISSIONS AND RIGHTS OF THE EXCHANGE**

- a) The rights and fees of the Exchange for futures transactions shall be defined by the Board for the futures contracts to be traded.
- b) The commissions that brokers charge their principals will be without restriction and will be agreed by the parties.

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## 7 BROKER RIGHTS AND OBLIGATIONS

Brokers shall have the following obligations and rights:

- a) They must request from the principal all information established by these regulations or required by the Exchange's Board and the corresponding central counterparties.
- b) They must ensure the timely signing of the General Conditions with their principals, and, in general, strict compliance with current regulations for futures market and the operational rules of the corresponding central counterparties.
- c) They must provide their principals with all information requested by them that, in their opinion, is necessary for correct futures transactions.
- d) They must comply, before the Exchange and the central counterparties, with all operational rules, requirements, formalities and other conditions in the terms and timing set forth.
- e) They must receive the orders for futures contracts by physical or electronic means or other mechanisms that enable them to control and verify that they were executed in the terms instructed by the principal.
- f) They must have authorization from the respective central counterparty to clear and settle clearing orders for futures contracts, both for trading on their own account and on behalf of third parties.
- g) They may trade on their own account when authorized to do so in accordance with Section III: Trading on Own Account or on Behalf of Third Parties in the Broker's Rights and Obligations Manual. Trading on their own account shall be subject to the same rules and procedures as trading on behalf of third parties, assuming that the broker is acting as yet another principal. The broker shall not be considered to be acting on its own account when acting under a mandate in his own name.
- h) They must provide their principals with daily information, either through physical means and/or verifiable electronic means, regarding the orders placed by the principal, regarding those that were effectively executed on the market and a list of the respective transactions detailing at least the time, instrument, number of contracts, price, amount and reference number for each transaction. The broker must maintain this information available for the principal for at least the last 30 days.
- i) In his role as Settlement Agent/Indirect Settlement Agent, he must provide the principal with daily information either through physical means and/or verifiable electronic means, regarding his open contracts, guarantees and corresponding gains or losses resulting from his transactions carried out on futures markets for at least the last 30 days.
- j) The information indicated in letters h) and i) above must be provided by the broker in a language and format that facilitates the principal's understanding. It must also make available to the principal an illustrative example that facilitates understanding of the format used.

- k) They must perform a risk assessment of each principal in order to define operating limits for the principal based on the related risk and must continuously inform the principal of any potential movements in those limits.
- l) They must maintain a mechanism to record all buy or sell orders for futures contracts placed by the principal, committing to act in its name in conformity with the contents of the orders. Each order must contain at least the following specifications, regardless of the specifications determined by the SVS:
  - Time
  - Date
  - Principal's Chilean taxpayer ID number
  - Instrument
  - Type of order
  - Number of contracts
  - Price
  - Relationship with the broker

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## 8 ARBITRATION

Any difficulties arising among brokers, Settlement Agents/Indirect Settlement Agents or between these parties and the Exchange and/or central counterparties shall be resolved in accordance with the general arbitration rules established by the Exchange's Bylaws or the operational rules of the central counterparties, as appropriate.

Any difficulties arising among brokers and their principals may be subject to internal arbitration proceedings or, alternatively, to another system agreed directly by the principal and its broker at the time the order is received.

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## 9 PENALTIES

Failure to comply with the rules contained in these General Regulations shall be penalized by the Board of Directors and/or the Exchange's Good Practice Committee, in accordance with the institution's Bylaws.

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## 10 MISCELLANEOUS PROVISIONS

Brokers may agree with their principals that they must provide funds or establish guarantees to secure compliance with the obligations arising from their futures transactions.

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## APPENDIX 1

### GENERAL CONDITIONS FOR OPERATING ON FUTURES MARKETS ON THE SANTIAGO STOCK EXCHANGE

In Santiago, Chile, on ..... between ".....", hereinafter "the Broker", and ".....", hereinafter "the Principal", as identified at the end of this document. They declare that they have come to agree on the following "GENERAL CONDITIONS" to which the parties shall be subject in all trading and futures transactions on the Santiago Stock Exchange, hereinafter "the Exchange", and whose clearing orders are accepted for clearing and settlement by a central counterparty.

#### 1 GENERAL INFORMATION

These General Conditions shall apply to all futures contracts entered into by the Principal, defined and regulated in the "General Regulations for Futures Markets of the Santiago Stock Exchange" hereinafter "the Regulations", and the operational rules of the central counterparties where the corresponding clearing orders are cleared and settled. They shall also apply to all accessory operations, actions and contracts performed, executed or entered into as a result of the Principal's participation in the futures markets.

The Regulations establish the general rules that will govern the operation of futures markets. Where compatible, the rules on spot transactions using the electronic trading systems Telepregon and Telerenta, as appropriate, shall also apply to the futures markets. Nevertheless, the instructions and procedures referred to in these rules that relate to the following topics are excluded:

- Correction and cancellation of transactions
- Settlement
- Information provided by the Exchange
- The rights of the Exchange

The futures markets on the Exchange consist of trading standard futures contracts on underlying assets in the systems, which will be cleared and settled by a central counterparty, as defined in their respective operational rules.

In particular, the General Regulations for futures markets on the Exchange will regulate all matters relating to these markets, such as the specifications for futures contracts, trading systems, the information and the means by which information will be publicized, contract definitions for transactions between participants, arbitration issues, penalties, commissions, rights and obligations of Brokers and Principals, various other provisions, and their main interactions with the clearing and settlement processes as performed by a central counterparty regulated by its operational rules.

Brokers will be able to participate in futures markets on the Exchange trading futures contracts on their own account or on behalf of third parties, to the extent that they are authorized by the respective central counterparties to participate as Settlement Agents or

Indirect Settlement Agents in the clearing and settlement of clearing orders for derivative instruments.

The Principal participates in futures markets through a Broker who provides Brokerage services and access to the futures market on the Exchange, and who acts as a Settlement Agent/Indirect Settlement Agent to clear and settle futures transactions with a central counterparty.

In futures markets on the Exchange, any futures transaction carried out on their trading systems will be automatically registered and accepted by a central counterparty, who is irrevocably a creditor and debtor of the rights and obligations arising from the transaction accepted, both before third parties and the parties that have originated the transaction, who from that moment forward are no longer legally bound.

Once a futures contract has been entered into on the Exchange, the central counterparty will apply its operational rules and will automatically register and accept on-line the clearing orders created by such transactions, their clearing, the calculation of open net contracts and daily gains and losses, the daily settlement of the net balance, and calculate and monitor the various financial safeguards required, such as guarantees required from and limits to futures markets participants.

## **2 RULES APPLICABLE TO FUTURES MARKETS**

The behavior of the Principal and the Broker, their rights and responsibilities, their relationships with each other and with the Exchange shall be governed by the following rules:

- a) Law No. 18,045, the Stock Market Act.
- b) The "General Regulations for Futures Markets" issued by the Santiago Stock Exchange.
- c) Any supplementary general rules, regulations, circulars and instructions issued by the Exchange.
- d) The future rules that will complement, amend or repeal the rules detailed in the preceding letters.
- e) The Bylaws and Regulations of the Exchange.

In addition, the conduct of the Principal and the Broker as Settlement Agent/Indirect Settlement Agent, their rights and obligations, their relationships with each other, and the relationship with central counterparties shall be governed by the following laws and rules:

- a) Law No. 20,345 on Clearing and Settlement Systems for Financial Instruments.
- b) The operational rules issued by the central counterparties.
- c) Any supplementary general rules, regulations, circulars and directions issued by the central counterparties.
- d) The future rules that will complement, amend or repeal the rules detailed in the preceding letters.
- e) The Bylaws and Regulations of central counterparties.



The Principal and the Broker cannot avoid complying with all current or future obligations on the pretext that the regulations applicable to futures markets have changed.

### **3 PRINCIPAL'S MAIN OBLIGATIONS**

The Principal has the following obligations:

- a) Fully comply with the obligations arising from futures contracts that are entered into in accordance with the applicable standards, in terms of maintaining the guarantees required by the Broker to underwrite compliance, and to cover any loss generated from unfavorable price movements that affect their futures contracts. Therefore, the Principal must provide the Broker with funds in cash in a timely manner to pay for his losses, and sufficient cash or securities to meet the guarantee requirements to comply with these obligations. The procedures and Broker's authority when the Principal does not comply with the obligations established herein are referred to in Clause 9 of this document.
- b) Advise the Broker, by any means, of any fact that might affect the performance of his obligations, on the same day it occurred.
- c) Give written notice to the Broker of any change of address within three working days of the change. Failure to comply with this requirement will authorize the Broker to send notices, communications, and perform any other actions or proceedings to the last registered address of the Principal, which will be considered the current address for all legal and contractual purposes.
- d) Advise the Broker, by any physical means and/or by verifiable e-mail, of all futures transactions performed through the Broker in the name of other persons or related companies, within two working days. Risk control and the limits applied to futures markets are based on the Principal's open contracts and those of his related persons.

### **4 PRINCIPAL'S MAIN RIGHTS**

The Principal has the following rights:

- a) Those referred to in the General Regulation for Futures Markets on the Santiago Stock Exchange and in the operational rules of central counterparties.
- b) Give orders to buy or sell futures contracts to other Brokers.
- c) Appeal to the Exchange's Good Practices Committee if he believes that the Broker has behaved incorrectly or in a manner that appears detrimental to his interests, notwithstanding any other appeal available under existing legislation for such events.
- d) Request all public information that is available from the Broker and/or the Exchange regarding transactions on futures markets.
- e) Request all information on his transactions on futures markets from the Broker. Additionally, he can request from the Broker, as Settlement Agent/Indirect

Settlement Agent, all historical information regarding his open contracts, guarantees and gains or losses recorded by a central counterparty in his name.

- f) Advise the Broker of the means by which he will provide information regarding the futures contract orders to be traded on the Exchange, which may be physical media, electronic and other mechanisms that enable verification that those orders were given by the Principal. The means agreed to provide information regarding orders shall be established in an appendix to the General Conditions or in the respective customer record for the Principal held by his Broker.

Each futures contract order provided to the Broker shall contain at least the specifications listed in letter l) of section 7 RIGHTS AND OBLIGATIONS OF THE BROKER of the Regulations of the Exchange.

- g) Give buy or sell orders to his Broker in order to close open contracts at any time, in accordance with the applicable rules.
- h) Request the Broker to withdraw funds in cash from the daily settlement balances reported by the respective central counterparty, which are the balances generated during the term and at the maturity date of the Principal's open futures contracts.

## **5 BROKER'S MAIN OBLIGATIONS**

The Broker has the following obligations to the Principal:

- a) Those referred to in the General Regulations for Futures Markets on the Santiago Stock Exchange and in the operational rules of central counterparties.
- b) Advise the Principal, within five working days, of any amendment to the regulations governing transactions in futures markets on the Exchange and the operational rules applicable to the clearing and settlement of clearing orders for futures contracts by the respective central counterparty.
- c) Possess a mechanism to provide daily information either through physical means and/or verifiable electronic means, on the orders requested by the Principal, with those that were actually executed in the market and the detail of the respective transactions, including at least the time, instrument, number of contracts, price, value and reference number of each transaction. The Broker should keep this information available for the Principal for at least 30 days.
- d) As Settlement Agent/Indirect Settlement Agent he must have a mechanism to report to the Principal either through physical means and/or verifiable electronic means, daily information regarding his open contracts, guarantees and gains or losses arising from his transactions on futures markets for at least 30 days.
- e) The information identified in subparagraphs (c) and (d) above shall be provided by the Broker in a language and format that facilitates understanding by the Principal. In addition, he must make available to the Principal an illustrative example that will facilitate understanding of the format used for providing such information.
- f) He shall provide the Principal with information regarding his transactions on futures markets. As Settlement Agent/Indirect Settlement Agent he shall provide all historical information regarding open contracts, guarantees and gains or losses recorded by a central counterparty in his name.

## **6 TRANSACTION REGISTER**

The Principal accepts the official information regarding futures market transactions certified by the Exchange and clearing orders arising from futures transactions certified by a central counterparty, which carries the same value as the background information kept in the records of each respective institution.

## **7 SETTLEMENT OF OBLIGATIONS**

Obligations arising on clearing orders for futures contracts accepted by a central counterparty will be settled in accordance with its operational rules, and as Settlement Agent/Indirect Settlement Agent the Broker shall settle his daily net balance with central counterparties on the following working day.

During the life of a futures contract, central counterparties shall calculate daily the net balance for each Broker as Settlement Agent/Indirect Settlement Agent consisting of all gains or losses generated by open futures contracts. These shall be recorded in his own accounts and in his Principal's accounts, accepted and valued according to contract prices that follow the closing price published by the Exchange, which is the daily settlement price for the respective central counterparty.

On the date a futures contract expires, central counterparties shall calculate the net balance for each Broker as Settlement Agent/Indirect Settlement Agent consisting of all the gains or losses generated by open futures contracts. These shall be recorded in his own accounts and in his Principal's accounts, accepted and valued at the settlement price at maturity defined in the specification for each futures contract.

Obligations between the Broker and his Principal will be settled on the basis of the gains or losses calculated by the respective central counterparty. The frequency, terms, conditions and means shall be defined by common agreement between the parties. This agreement shall be explicitly declared in an appendix to this document and signed by both parties.

The obligations on futures contracts will remain valid throughout their duration until maturity. However, open contracts may be closed to extinguish these obligations in advance, either voluntarily or compulsorily, in accordance with the operational rules defined by the central counterparties.

## **8 BROKER'S AUTHORITY**

The relationship between the Principal and the Exchange for futures transactions carried out through a Broker, are exclusively through the latter. The Exchange will only communicate directly with the Broker. Furthermore, the relationship between the Principal and a central counterparty for clearing orders on derivative instruments carried out through a Broker as Settlement Agent/Indirect Settlement Agent are through the latter. The central counterparty will communicate directly with the Broker. Nevertheless, the Principal may directly pay and withdraw guarantees with a central counterparty, provided he has agreed to do so with his Broker who has reported this to the respective central counterparty, which has authorized it in accordance with its operational rules. The Broker must inform the Principal that the central counterparty has authorized it within three working days following receipt.

Therefore, the Principal will provide the Broker with an irrevocable mandate committing himself to the interests of the Exchange, central counterparties, the other Brokers and Settlement Agents/Indirect Settlement Agents of the respective central counterparty, in order to represent him with the broadest possible powers before the Exchange and the respective central counterparties, to comply with all the obligations and exercise all the rights that the Regulations of the Exchange and the operational rules of the central counterparties impose on or grant to the Broker with respect to the Principal.

The Broker is specifically authorized to do the following, including but not limited to: carry out buy or sell orders provided by the Principal; register the respective transaction and complete the corresponding futures contracts; pay the commissions, the service charges for the Exchange and all other expenses; and fulfill all the obligations and exercise all the rights that the regulations of the futures markets impose or grant to the Principal, and he may submit all the documents, receipts and settlements as he deems appropriate. Moreover, the Broker as Settlement Agent/Indirect Settlement Agent, is specifically authorized to communicate details of transactions to the respective central counterparties; to identify his net balance and open contracts; to transfer funds or securities to central counterparties to keep the guarantees at their required level and cover any net debit balance; to collect the profits, surplus guarantees and anything that central counterparties owe to the Broker under the rights granted to the Principal; to accept updates and daily valuations of open futures contracts and their obligations; to close open contracts; and to fulfill all the obligations and exercise all the rights that the operational rules of central counterparties impose or grant to the Broker with respect to the Principal, and he may submit all the documents, receipts and settlements as he deems appropriate.

However, the Principal may exclude one or more of the powers indicated above, in the buy or sell order provided by the Principal to the Broker, or in a separate instrument. Nevertheless, the exclusions that disqualify the Broker from complying with the contracts concluded on behalf of the Principal and to comply with the regulations applicable to these contracts will not be valid.

Notwithstanding the authority conferred in this mandate, if the Principal breaches any of the obligations arising from his clearing orders for futures contracts, the Broker as Settlement Agent/Indirect Settlement Agent can always close all or part of the open contracts, without prior notification to the Principal, in accordance with the operational rules of the corresponding central counterparty. However, the Broker must notify the Principal on the same day as the respective closure, at least reporting the reason, the instruments, the number of contracts and the closing value.

### **9 AUTHORITY AND PROCEDURES WHEN THE OBLIGATIONS OF THE PRINCIPAL ARE BREACHED**

The Principal authorizes and accepts that, in the event of a breach in the obligations described in subparagraph (a) of clause 3, the Broker shall be authorized to take the following measures, which will be applied in order of priority:

- a) Use in a Chilean stock exchange cash and execute financial instruments that have been provided in guarantee by the Principal to underwrite the fulfilment of obligations arising on his futures contracts. Those guarantees in cash and securities provided by the Broker in the name of the Principal at a central counterparty that guarantees the open contracts registered in his name are excluded, and

- b) The open futures contracts of the Principal are forcibly closed.

The Broker shall notify the Principal on the same day if any of the measures described in subparagraphs a) and b) are adopted.

These measures may be applied only up to a value equivalent to the breach and the fines associated with it. Any cost incurred when applying any of these measures will be the responsibility of the corresponding Principal.

Notwithstanding the foregoing, if prices move against him on his open futures contracts that result in losses and trigger a breach in his obligations, while he has net balances available from previous transactions generated from open futures contracts registered in his name that have still not been withdrawn, the Broker may retain such balances and apply them to meet such unfulfilled obligations. This must be expressly agreed and stated in an appendix to this document, and signed by both parties.

The execution of guarantees provided in publicly traded securities, currencies, gold, silver or other securities or debt securities, shall be in accordance with the provisions of Chapter XXII of Law No. 18,045, and if the execution is to be performed on the Exchange, the Broker must include the following documentation with the request to execute the guarantees:

- 1) The documents that record the constitution of the guarantees whose execution is being sought. Without limiting the foregoing, for guarantees on shares, bonds or nominative securities containing the clause "not endorsable", the documents that indicate which of the two mechanisms referred to in Article 173 (c) of Law No. 18,045 was used by the Broker to constitute the guarantee;
- 2) The documents that describe the obligations guaranteed by the Principal and that these obligations have become enforceable; and
- 3) All other background information required by the Exchange to ensure the origin and legitimacy of the execution of the guarantees.

The deadline for the Broker to request the execution of guarantees on the Exchange is ten business days from the day that the Principal's breach of obligations is declared.

Finally, if the Broker confirms a serious circumstance, such as those mentioned in Clause 10 of these General Regulations, which may affect the ability of the Principal to meet his present or future obligations arising from futures contracts, he could fully or partially close the Principal's open futures contracts, as he deems appropriate, and report these measures to the Principal on the same day.

## **10 INSOLVENCY, BANKRUPTCY PROCEEDINGS, DEATH OR PERMANENT DISABILITY OF THE PRINCIPAL**

If the Principal becomes insolvent, bankrupt, dies or becomes permanently disabled, the Broker as Settlement Agent/Indirect Settlement Agent, or the respective central counterparty, are hereby authorized to close the Principal's open futures contracts, at any time, without prior notification to his heirs, family members, trustees or agents. However, he must notify the heirs, family members, trustees or agents on the same day as the respective closure, at least reporting the reason, the instruments, the number of contracts and the closing value.

Moreover, the foregoing applies to those Principals that are banks or other institutional investors, referred to in article 4 bis (e) of Law No. 18,045, and whose authorization of existence has been revoked or who have been declared in compulsory liquidation by the Superintendency of Securities and Insurance, the Superintendency of Banks and Financial Institutions or the corresponding supervisory agency; or who have terminated their business with the prior permission of the respective Superintendency; or who are in breach of any essential obligation arising from derivatives transactions in accordance with derivatives contracts whose clearing orders have been accepted by a central counterparty, but only in relation to the non-payment of any payable services or deliverables in accordance with those derivative transactions.

In order to forcibly close open futures contracts for a banking company acting as Principal, the provisions of Article 121 of the General Banking Law must have been previously met, and the Broker as Settlement Agent/Indirect Settlement Agent, or the central counterparty involved, must have requested that the Superintendency of Banks and Financial Institutions assess whether the banking institution remains solvent. Therefore, when such an assessment has been completed, it will be the responsibility of the Broker or the central counterparty to forcibly close the respective Principal's open contracts.

All of the above must be carried out in accordance with the provisions of Articles 240 and 242 of the Code of Commerce.

### **11 WITHHOLDING OR USE OF PROFITS**

The Principal authorizes and accepts that, if prices move against him on his open futures contracts that result in losses, or require him to finance costs, rights or commissions, while he has net balances available from previous transactions generated from open futures contracts registered in his name that have still not been withdrawn, the Broker may withhold such balances and use them to pay such costs, rights or commissions. This must be expressly agreed and stated in an appendix to this document, and signed by both parties.

### **12 BROKER'S COMMISSION**

The remuneration that a Broker may charge for his services on the futures markets will be a commission including the respective taxes, which must be agreed prior to the implementation of such services.

The commission and its calculation method shall be reported by the Broker to the Principal using physical means and/or verifiable electronic means, as agreed by the parties.

Any change to the commission shall be reported to the Principal using the same means and may only be applied once the Principal has accepted the new commission. So it only applies to transactions performed by the Principal after his acceptance.

### **13 ASSIGNMENT OF RIGHTS**

The Principal may not transfer or assign to third persons his futures contracts or their attached rights, if these transactions had not been completed in accordance with the

Regulations of the Exchange and the operational rules of the corresponding central counterparty.

#### 14 PRINCIPAL'S DECLARATIONS

The Principal declares and/or accepts, in addition to the terms above:

- a) That transactions on the futures markets involve significant risk, mainly associated with the exposure of open futures contracts to significant price variations in the underlying assets for such contracts. Therefore, the risks associated with futures transactions require permanent administration through compliance with financial safeguards, guarantee requirements and the calculation of daily profits and losses. The Principal is aware of these risks and is in a position to assume any potential costs and losses arising on futures transactions.
- b) That in certain situations he may be unable to instruct his Broker, when that Broker has been disqualified from trading on futures markets by the Exchange, or the Superintendency of Securities and Insurance or at the request of a central counterparty, in accordance with the rules applicable to futures markets identified in clause 2 of this document. In addition, he may be unable to instruct his Broker and his open contracts may have been totally or partially closed, when that Broker has been suspended from trading on the futures markets, due to the limits established by a central counterparty in its operational rules. This particular situation could generate losses for the Principal.
- c) That futures transactions serve as a hedging tool that can help the Principal to avoid losses due to price changes on the underlying assets. But they can also produce significant gains or losses, which can never be assured or securely anticipated, and neither can the final return on a transaction.
- d) That he has unencumbered property at his disposal and is in a position to assume the responsibilities and obligations imposed by the futures market regulations and the operational rules of the respective central counterparties, in relation to the clearing and settlement of his futures transactions.
- e) That the Broker is also exposed to the risk of insolvency.
- f) That subject to the intervention of the Superintendency of Securities and Insurance, where appropriate, the Exchange and central counterparties are authorized to regulate futures markets transactions and the clearing and settlement of derivative instruments respectively; to approve the requirements or conditions for trading on futures markets; to provide the required instructions to ensure that trading and clearing and settlement services are conducted efficiently; and that he is subject to the rules, regulations, requirements and instructions that those institutions dictate, impose or provide.
- g) That the Exchange is obliged to supervise market transactions and the performance of Brokers, in accordance with current regulations. That he will provide directly, or through his Broker, all the information required by the Exchange regarding his transactions, to allow that supervision to be effective.
- h) That all the obligations assumed by the Principal to his Broker and/or the Exchange are indivisible to his heirs or successors.

- i) That futures contracts trading may be suspended due to significant price variations, in accordance with the provisions of number 2.7 of the Exchange Regulations - Daily Variation in Prices. Furthermore, that trading cannot be suspended unless authorized during the course of the trading day by the Exchange Director under extraordinary circumstances (Article 121° of the Santiago Stock Exchange Regulations) or as requested by a central counterparty.
- j) That the Broker as Settlement Agent/Indirect Settlement Agent may define limits to futures transactions, in accordance with an evaluation of risks associated with the Principal, in order to comply with the financial safeguards required by the respective central counterparty according to their operational rules. He shall continually report these limits to his Principal.
- k) That he shall agree with his Broker using Appendix A of the General Conditions, the assets over which he will conduct futures transactions on the Exchange.
- l) That he shall abide by the processes provided by the central counterparty in its operational rules for the calculation and settlement of profits and losses, calculation and valuation of open contracts and management of risks and limits for the clearing and settlement of derivative instruments.
- m) That the management of limits includes the calculation and monitoring of limits for himself and his relations.
- n) That he knows the regulations, operational rules, manuals and instructions issued by the Exchange and those issued by respective central counterparties that are applicable to these transactions, and that only after fully informing himself of these obligations has he signed these General Conditions.

## 15 DURATION

These General Conditions shall remain in force indefinitely and will apply to all contracts and transactions that the Principal completes on the futures markets through his Broker, and apply to all clearing orders on futures contracts accepted by a central counterparty registered in the name of the Principal through that Broker as Settlement Agent/Indirect Settlement Agent.

Any amendment to these General Conditions due to regulatory reasons shall be notified to the Principal by the Broker at least five working days before those amendments take effect. If the Principal does not agree with those amendments, he may close his open futures contracts that have been accepted by a central counterparty, through an instruction to the respective Broker. If the Principal keeps his open contracts on the futures markets, this implies that he has accepted those amendments.

## 16 ARBITRATION

Unless otherwise provided in the respective buy or sell order, any difficulty, difference, doubt or conflict which may arise between the Principal and the Broker, or the Exchange or one or more central counterparties, with regard to the existence, validity, compliance, enforcement, interpretation, execution, settlement or any other matter directly or indirectly related to these General Conditions or with the transactions, futures contracts and clearing



orders arising from those futures contracts, shall be submitted to arbitration, in accordance with the current Arbitration Regulations of the Santiago Arbitration and Mediation Center.

Either party under these General Conditions confers a special irrevocable authority on the Santiago Chamber of Commerce (Cámara de Comercio de Santiago A.G.), and may submit a written request to appoint an arbitrator acting *ex aequo et bono* with regard to procedure and strictly in law with regard to the award, from among the members of the Santiago Arbitration and Mediation Center.

The judgment of the arbitrator is final. The arbitrator is specially empowered to resolve any matter related to his ability and/or jurisdiction.

Four copies of these General Conditions shall be signed as of this date, one copy for each party, one for the Exchange and one for the central counterparty which clears and settles the first clearing order for futures contracts. The other central counterparties that clear and settle clearing orders on behalf of the Principal will receive a copy of these General Conditions.

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**17 IDENTIFICATION OF THE PARTIES**

1.- Identification of the Principal:

Personal/Company Name : .....

RUT (Chilean Taxpayer ID) : .....

Telephone : .....

Address : .....

Country : .....

Economic Sector : .....

Relationship to the Broker : .....

Representative : .....

RUT (Chilean Taxpayer ID) : .....

2.- Identification of the Broker:

Personal/Company Name : .....

RUT (Chilean Taxpayer ID) : .....

Telephone : .....

Address : .....

Country : .....

Representative : .....

RUT (Chilean Taxpayer ID) : .....

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Personal/Company Name of Principal

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Personal/Company Name of Broker

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Personal/Company Name of Principal

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Personal/Company Name of Broker

**APPENDIX A**

**UNDERLYING ASSETS AUTHORIZED BY THE PRINCIPAL TO TRADE**

**FUTURES CONTRACTS ON THE SANTIAGO STOCK EXCHANGE**

a) The Principal declares that he will exclusively trade futures contracts on the futures markets at the Santiago Stock Exchange, Stock Market, for the following underlying assets:

1. ....
2. ....
3. ....
4. ....
5. ....
6. ....
7. ....
8. ....

b) The Principal declares that he fully understands the definition of each underlying asset, the specifications of the respective futures contracts and the risks associated with trading futures contracts on the underlying assets detailed above.