

**BANCO DE CHILE' AML QUESTIONNAIRE
2009**

1. IS MONEY LAUNDERING AND TERRORISM FINANCING CONSIDERED A CRIME IN YOUR COUNTRY?
 Yes No

2. HAS YOUR GOVERNMENT INSTITUTED ANTI-MONEY LAUNDERING / ANTI-TERRORISM FINANCING LAWS / REGULATIONS?
 Yes No

3. IS YOUR INSTITUTION SUBJECT TO SUCH LAWS / REGULATIONS? PLEASE NAME THE REGULATORY ENTITIES THAT SUPERVISE YOUR OPERATIONS
 Yes No

Regulatory supervisors: Superintendencia de Bancos e Instituciones Financieras (SBIF)

4. DOES YOUR INSTITUTION HAVE WRITTEN INTERNAL POLICIES AND PROCEDURES TO ESTABLISH ANTI-MONEY LAUNDERING / ANTI-TERRORIST FINANCING POLICIES?
 Yes No

5. IN CASE YOUR INSTITUTION DOES NOT HAVE ANY WRITTEN POLICIES AND PROCEDURES ON ANTI-MONEY LAUNDERING, ARE THEY SCHEDULED TO BE IMPLEMENTED? WHEN?
 Yes No N/A

6. ARE YOUR ANTI-MONEY LAUNDERING POLICIES APPLICABLE TO YOUR HEAD OFFICE, BRANCHES, FOREIGN BRANCHES, AFFILIATES AND SUBSIDIARIES?
 Yes No

7. HAS YOUR INSTITUTION ESTABLISHED PROGRAMS TO TRAIN EMPLOYEES ON IDENTIFICATION AND DETECTION OF SUSPICIOUS ACTIVITIES?
 Yes No

8. DO YOUR INTERNAL AML PROCEDURES REQUIRE VERIFICATION OF TRUE IDENTITY OF CUSTOMERS AND SOURCE OF THEIR FUNDS?
 Yes No

9. DOES YOUR INSTITUTION MONITOR CUSTOMER'S TRANSACTIONS TO DETECT SUSPICIOUS OR UNUSUAL ACTIVITIES?

10. IS YOUR INSTITUTION SUBJECT TO REGULATORY REQUIREMENTS ON REPORTING OF SUSPICIOUS ACTIVITIES? WHICH AUTHORITY IS IN CHARGE OF RECEIVING SUSPICIOUS ACTIVITY REPORTS?

Yes No

Name of Authority: Unidad de Análisis Financiero (UAF)

11. IS YOUR INSTITUTION SUBJECT TO REGULATORY RECORD RETENTION OF SUCH REPORTS? IF SO, FOR HOW LONG?

Yes No

Retention Period: At least 6 years

12. DO YOUR INTERNAL POLICIES ALLOW YOUR INSTITUTION TO CONDUCT BUSINESS WITH BANKS WITH NO PHYSICAL PRESENCE IN ANY COUNTRY (SHELL BANKS)?

Yes No

13. IF YOUR INSTITUTION ALLOWS MAINTAINING BUSINESS WITH SHELL-BANKS, DOES YOUR INSTITUTION CURRENTLY MAINTAIN ACCOUNTS FOR ANY SHELL-BANK?

Yes No N/A

14. DOES YOUR INSTITUTION HAVE AN ESTABLISHED INTERNAL AUDIT FUNCTION TO TEST THE ADEQUACY OF ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES?

Yes No

15. DOES YOUR INSTITUTION HAVE ANTI-MONEY LAUNDERING OFFICER? PLEASE, PROVIDE CONTACT DETAILS

Yes No

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16. AS IT RELATES TO US CURRENCY TRANSACTIONS, HAS YOUR INSTITUTION ESTABLISHED SYSTEMS TO DETECT CUSTOMERS OR POTENTIAL CUSTOMERS INCLUDED IN OFAC LIST?

Yes No

17. HAS YOUR INSTITUTION EVER BEEN INVESTIGATED OR PROSECUTED OR FINED FOR FAILURE TO COMPLY WITH ANTI-MONEY LAUNDERING REGULATIONS AND LEGISLATIONS?

Yes

No

There are not AML issues raised by regulatory authorities against Banco de Chile in Chile.

Former Banco de Chile Miami and New York branches, currently owned by CitiGroup, were involved on the following issue:

On February 2005 a Consent Order and Cease and Desist Order was issued by OCC and USFRB respectively to address deficiencies on the BSA/ AML Compliance Program of New York and Miami branches. The Bank, by consenting to the issuance of these Orders, was committed to take the necessary steps to address deficiencies and enhance due diligence policies and procedures. On October 2005 OCC imposed a civil money penalty of US \$3.000.000 and Banco de Chile signed a consent agreement, without admitting or denying either the findings or determinations, and agreed to pay the penalty within 5 days. In order to solve the issues detected by regulatory authorities, Miami and New York Branches established an action plan considering specific duties such as: customers files redocumentation, customer information translation, implementation of an internal control program, etc.

On August 6 2007, the OCC informed to the New York branch that attending the announced sale of Banco de Chile USA Branches, it would stop performing inspective visits to the above mentioned branch and would lift the Consent Order at the time the mentioned transaction is completed.