

DECLARATION OF POLICIES ADOPTED BY BANCO BICE AND ITS AFFILIATES FOR THE PREVENTION OF ASSET LAUNDERING AND THE FINANCING OF TERRORISM

BANCO BICE is a financial institution founded in 1979 by an important group of Chilean investors linked to one of the country's principal export firms, the Compañía Manufacturera de Papeles y Cartones S.A., known today as CMPC S.A. The current corporate structure of BANCO BICE is that of a global banking organization comprising the bank and its affiliates, which occupy an undisputed leadership role in the area of corporate banking.

BANCO BICE and its affiliates comply with the Chilean Law 19.913, which establishes the Financial Analysis Unit as a dependency of the Ministry of Finance.

BANCO BICE and its affiliates have their legal domicile in Santiago, Chile and operate under the purview of the Superintendency of Banks and Financial Institutions and of the Superintendency of Securities and Insurance.

BANCO BICE's management complies with the best practices advocated by the international community such as, the Financial Action Task Force on Money Laundering (FATF), the Basel Committee on Banking Supervision to prevent the laundering of assets and the financing of terrorism., the Wolfsberg Principles, OFAC Sanctions and also an AML risk based program to adequately address operations with Politically Exposed Persons (PEP).

BANCO BICE and its affiliates ("BICE") have developed and implemented a Program for the Prevention of Asset Laundering and the Financing of Terrorism that mitigates the possibility of monies deriving from illicit activities and could be transformed into legal monies using BICE as a vehicle for this purpose.

The program is set forth in the "Manual of Policies for the Prevention of Asset Laundering and the Financing of Terrorism", which all personnel working in the Bank and its affiliates are required to know.

The following components are considered in the Program:

Knowledge of the Client: BICE relies on standards and procedures for the identification and knowledge of its clientele through preventive controls for approving trustworthy clients, requesting the purpose and origin of funds, updating background information, and generating risk profiles for all clients.

Manual of Policies and Procedures: BICE maintains a manual setting forth current policies and procedures that all employees must follow to avoid asset-laundering operations.

Compliance Officer: BANCO BICE designated Mr. Guillermo Havliczek as Corporate Compliance Officer; his appointment was ratified by the bank's affiliates.

Committee for the Prevention of Asset Laundering and the Financing of Terrorism: BANCO BICE established this committee, whose members are drawn from upper management and administration, to provide unified oversight for the Bank and its affiliates.

Tools for detecting, monitoring, and reporting unusual operations: The Committee relies on a monitoring tool to generate and manage alerts,

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follow-up and analysis, reports, integration, security, privacy, as well as to provide profiles and asses risk levels.

Under our monitoring tools, Banco BICE includes screening against sanctioned countries, persons and entities, these tools can be described as follow:

- **Compliance Tracker:** Detection system based on sanctioned list, screen all customers at the moment of affiliation and daily screen all the current stock.

This tool includes more than 200 lists among which include:

- ✓ OFAC
 - ✓ O.N.U
 - ✓ Bank of England
 - ✓ FATF (GAFI)
 - ✓ Nationals (Chileans) with sanctions
 - ✓ National and International PEP's
- **Safewatch:** Detection System based on sanctioned list, screen incoming and outgoing SWIFT transactions.

This tool includes among others the following lists:

- ✓ OFAC Blocked Countries
- ✓ Specially Designated National(SDN)
- ✓ Weapon of Mass Destruction
- ✓ O.N.U
- ✓ List of Foreign Financial Institutions Subject to Part 561
- ✓ FATF (Only for Due Diligence purposes on High Risk Countries)
- ✓ PEP(Only for Due Diligence purposes)
- ✓ Offshore Countries (Only for Due Diligence purposes)

Selection of personnel, training programs, and internal code of conduct: BICE has developed and put into effect policies for personnel selection, training programs, and codes of conduct designed to prevent the occurrence of asset laundering.

Internal Auditing: The "System for the Prevention of Asset Laundering and the Financing of Terrorism" is evaluated periodically by the Bank's internal auditing.

Monitoring by the Board of Directors: The management and administration of BANCO BICE and its affiliates participates directly in establishing policies and procedures aimed at preventing asset laundering. The Board of Directors is apprised periodically regarding the results of those efforts.

February 9, 2018



Guillermo Havliczek
Compliance Officer