

**Press
RELEASE**



The Financial Market Commission kicks off and the SVS ceases to exist after 86 years of history

January 15th, 2018.- This morning the Financial Market Commission (CMF) was launched along with the disclosure of the new image, a time when after 86 years of history, the Superintendence of Securities and Insurance ceases to exist and paves the way for the new Chilean regulatory institution.

The CMF Council was present at the ceremony, which includes Carlos Pavez (President), Rosario Celedón (vice-president), Christian Larraín, Kevin Cowan, and Mauricio Larraín.

Furthermore, the Deputy Minister of Finance, Macarena Lobos, authorities from the Banco Central, the Superintendence of Banks and Financial Institutions, the National Consumer Protection Service (SERNAC), the Superintendence of Pensions, former SVS superintendents, trade association representatives, consumers and market participants were at the event.

The CMF was created by Law N°21,000 and aims to ensure the proper operation, development and stability of the financial market, easing the participation of market agents and promoting the care of public faith. For this purpose, it shall maintain a general and systematic view of the market, considering the investors' and policyholders' interests.

“With the approval of Law N° 21,000, we took a very relevant step (...), since we accept that the financial market in a wide sense requires coordinated and consistent solutions with each other, which ease the correct exercise of the regulation and supervision duties”, explained the Deputy Minister of Finance during the ceremony.

She also claimed “the result of the process is the reason for our celebration today, which is nothing more than the arrival at a starting point. From now on, the challenge is greater: To place the CMF as a regulator of excellence at the international level and to position Chile as the financial center of the region, a dream that we have shared for decades and that today, in light of this new entity has solid foundations to take shape.”

In his first speech as president of the CMF, Carlos Pavez pointed that "this is an advance that as country should fill us with pride because it will allow us to face in a better way increasing, sophisticated and interconnected markets."

The vice-president of the CMF, Rosario Celedón, stressed the objectives of the first CMF council, adding that "our main objective will be to achieve a successful installation of this new institutionalism, so that it is structured on solid foundations, with focus on the technical and independent performance, counting on powerful tools supporting the design of high quality regulation and supervision policies, and to promote an effective fulfillment of the regulatory framework, under standards of transparency and accountability that contribute to its institutional credibility."

The Commissioner Mauricio Larraín was emphatic when he explained that "the new corporate governance of the collegiate body of the CMF will give greater legal certainty to the market and more clarity regarding the rules of the game. This is further enhanced by the escalating duration of the commissioner's offices, which gives greater continuity and stability in the policy-making process."

Furthermore, the Commissioner Kevin Cowan indicated that "the CMF will proactively promote a regulatory agenda that contributes to the development and stability of the capital market, so that it can fulfill with its central role of delivering financial products that improve the life quality and productivity of a large group of households and businesses."

Regarding the approval of the General Law of Banks in the Chamber of Deputies and the future supervision of this market by the CMF, the commissioner Christian Larraín, said that "as Council we value the advances regarding this matter, and we consider very important to continue in this way, in order to count in the future with an increasingly stronger banking system, in accordance with the best international practices, and integrated under the oversight of the CMF, which will allow the reduction of the spaces for regulatory arbitration and to have a better risks assessment of conglomerates, while acknowledging the specific problems of each sector."