

CMF sanctions 13 professional sports organizations through a simplified sanctioning procedure due to non-compliance regarding financial information delivery

February 22, 2019 .- The Financial Market Commission (CMF) reports that its Council decided to apply sanctions ranging from censure to fines of 260 Unidades de Fomento (UF) to 13 professional sports organizations (ODPs, for its Spanish acronym). Sanctions were applied after detecting **several breaches concerning the provision of financial information** by these entities, as required by Law No. 20,019 on Sports Corporations, and General Rule No. 201 of this Commission.

As required by current regulations, ODPs must comply with **the following ongoing information obligations**, which must be submitted to this Commission through its Online Information Submission System (SEIL):

Professional Sports Organizations General Rule No. 201		
Annual Report	Includes annual financial statements	Within a four-month period following the closing date of the fiscal year (no later than April 30 of each year), and at least 15 days prior to the holding of the meeting or assembly, whichever is applicable.
Q1, Q2, Q3 Reports	Operating Capital Certificate of Payment of Labor and Social Security Obligations Declaration of Responsibility	Within 30 days after the closing date of the respective calendar quarter (no later than April 30, July 30, and October 30 of each year).
Annual Budget	-	Within 10 days after approval by the respective professional sports association or league.

Proceedings in respect to these ODPs were conducted in accordance with the **simplified procedural rules** incorporated by Law No. 21,000, and regulated by General Rule No. 426 of the CMF. The latter establishes that infringements classified as minor may be subject to a simplified procedure if the Investigation Unit of the CMF initiates a sanctioning process.

According to this simplified procedure, non-compliance with the information delivery obligations referred to in General Rule No. 426 may be sanctioned by the Council of the CMF. Penalties range from censure to a fine of up to 700 UF, with the sole merit of the requirement made by the Investigation Unit of the CMF, if it is established that **the supervised person of entity admits responsibility for the alleged infractions** — as occurred in the case of all the aforementioned ODPs.

The calendar of deadlines for entities supervised by the Commission is published on the CMF website, www.cmfchile.cl.

An infographic with the stages of the simplified sanctioning process of the CMF is attached.