



Departamento Administrativo  
Unidad de Abastecimiento y Contratos  
FGC/KVC/CMC  
**E3647/2021**

**APRUEBA CONVENIO ENTRE LA SECRETARÍA Y  
ADMINISTRACIÓN GENERAL DEL MINISTERIO DE HACIENDA  
Y J.P. MORGAN SECURITIES PLC.**

**SANTIAGO, 03 JUNIO 2021**

**EXENTA Nº 181**

**VISTOS:**

Lo dispuesto en el Título III “De la Probidad Administrativa” y el artículo 24 del D.F.L. Nº 1/19.653, de 2000, del Ministerio Secretaría General de la Presidencia, que fija texto refundido, coordinado y sistematizado de la Ley Nº 18.575, Orgánica Constitucional de Bases Generales de la Administración del Estado; en los Decretos Supremos Nºs. 384, de 2009 y 2.025, de 2020, del Ministerio de Hacienda; en la Ley Nº 21.289, de Presupuestos del Sector Público correspondiente al año 2021; en la minuta de 10 de mayo de 2021, del Jefe de la Oficina de la Deuda Pública del Ministerio de Hacienda; y, en las Resoluciones Nºs. 7, de 2019 y 16, de 2020, ambas de la Contraloría General de la República.

**CONSIDERANDO:**

1. Que, la clasificación crediticia del Estado de Chile por parte de entidades internacionales, resulta fundamental para la eficiente ejecución de muchas de las tareas realizadas por el Ministerio de Hacienda. Dichas calificaciones, al determinar la prima por riesgo país, constituyen un importante antecedente para la emisión de deuda pública, y así poder favorecer la inversión internacional.

2. Que, de acuerdo a lo indicado en minuta de la Oficina de la Deuda Pública del Ministerio de Hacienda, de 10 de mayo de 2021, la contratación del servicio profesional de asesoría para la clasificación es muy conveniente, toda vez que permite prestar una mejor atención a las clasificadoras de riesgo, mejorar la presentación de la información que se le entrega a las mismas, responder más adecuadamente a sus preguntas y obtener sus reparos con mayor precisión.

3. Que, J.P. Morgan Securities PLC es una importante institución en materia de finanzas a nivel mundial, que presta servicios de asesoría en diversos países, lo que da a su asesoría un respaldo en cuanto a la veracidad de la información que entrega. Asimismo, la experiencia con J.P. Morgan Securities PLC demuestra que el servicio que otorga es de un altísimo nivel, de alta calidad técnica y profesional, contando además con la debida probidad, reserva y confidencialidad necesaria para la clasificación de un Estado soberano.

4. Que, tanto J.P. Morgan Securities PLC, como la Secretaría y Administración General del Ministerio de Hacienda, debieron suscribir un convenio en el cual se establecieran las condiciones para ambas partes, según texto que se acompaña en la presente resolución exenta.



**RESUELVO:**

**1. APRUÉBASE** el convenio suscrito entre la Secretaría y Administración General del Ministerio de Hacienda, R.U.T. N° 60.801.000-9 y la empresa J.P. Morgan Securities PLC, cuyo texto íntegro se inserta a continuación:

“29 April 2021

Private and Confidential

Ministry of Finance  
The Republic of Chile  
Teatinos 120, piso 11  
Santiago Centro  
Santiago, RM  
Chile

Ladies and Gentlemen:

This letter agreement confirms the terms on which J.P. Morgan Securities plc (“**J.P. Morgan**”) is exclusively engaged by the Republic of Chile (the “**Republic**”) represented by the Ministry of Finance in connection with conduct of a review of its credit ratings and the provision of assistance to the Republic in its dealings with credit rating agencies, including any updates of such ratings (the “**Rating Process**”). It is contemplated that these ratings will be obtained from Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”), Moody’s Investor Service, Inc. (“**Moody’s**”) and Fitch Ratings Ltd. (“**Fitch**”) (together, the “**Rating Agencies**”).

1. Engagement of J.P. Morgan. The Republic has engaged J.P. Morgan to assist the Republic in connection with the Rating Process. As part of this engagement, J.P. Morgan will assist the Republic in connection with:

- Clarifying rating expectations and timing issues;
- Defining rating strategy;
- Conducting initial liaison with the Rating Agencies and defining rating timetable;
- Providing guidelines for the information requirements of the Rating Agencies;
- Performing a review of the Republic's input into information provided to the Rating Agencies,

including meetings with key policy makers in the Republic and other appropriate governmental bodies;

- Reviewing presentation materials prepared by the government for the Rating Agencies;
- Assisting the Republic’s ministers and officials in preparing for meetings with the Rating Agencies;
- Facilitating meetings with the Rating Agencies;
- Following up on outstanding issues raised by the Rating Agencies; and
- Providing such other services in connection with the Rating Process as J.P. Morgan may agree in writing to provide.

The Republic acknowledges and agrees that J.P. Morgan's engagement hereunder is not an express or implied agreement or commitment by J.P. Morgan or any of its holding companies, subsidiaries, affiliates or other entities to underwrite, place or purchase any securities or otherwise provide any financing.

2. Exclusive Engagement. During the period of J.P. Morgan’s engagement hereunder, the Republic will not discuss the Rating Process with any third parties (except for the Rating Agencies or through J.P. Morgan) and it will promptly notify J.P. Morgan if it receives any inquiry concerning the Rating Process. The Republic agrees that it will not appoint any third party as an adviser with respect to the Rating Process without obtaining J.P. Morgan's prior written consent to such appointment and to the terms of such third party's participation in the Rating Process.



3. Expenses. The Republic shall be responsible for and pay all its own costs and expenses incurred in connection with the Rating Process. Where the Republic is required to reimburse any costs, charges and/or expenses, the Republic shall also at the same time pay all value added tax and/or any similar tax incurred in respect of the costs, charges and/or expenses.

4. Indemnity. The Republic agrees and undertakes to J.P. Morgan that if J.P. Morgan, any of its affiliates or any of their respective directors, officers, employees or agents (each a "**Relevant Party**") incurs any loss, claim, damage, liability, cost or expense (including, without limitation, legal fees, costs or expenses, and any costs, charges or expenses incurred in connection with investigating, disputing, defending or preparing to defend any of the foregoing (including in relation to enforcing the terms of this Section 4)) (each a "**Loss**") arising out of the engagement of J.P. Morgan hereunder or the services provided by J.P. Morgan as contemplated hereby, the Republic shall pay to J.P. Morgan on demand an amount equal to such Loss. J.P. Morgan shall not have any duty or obligation, whether as fiduciary or trustee for any Relevant Party or otherwise, to recover any such payment or to account to any other person for any amounts paid to it under this Section 4.

All amounts payable under this letter agreement are exclusive of value added, goods and services or similar tax, and the Republic shall pay any value added, goods and services or similar tax (if applicable) in addition to amounts payable by them under this letter agreement. The Republic further agrees that any amounts payable hereunder shall be paid in immediately available funds in U.S. dollars and free and clear of, and without any deductions or withholding for or on account of, any current or future taxes, levies, imports, duties, charges or other deductions or withholdings levied in any jurisdiction from or through which payment is made, unless such deduction or withholding is required by applicable law, in which event the Republic will pay additional amounts so that the persons entitled to such payments will receive the amount that such persons would otherwise have received but for such deduction or withholding. In the event of such payment, the Republic will deliver promptly to J.P. Morgan such tax receipts or other documentation as J.P. Morgan may require.

5. Currency Indemnity. To the fullest extent permitted by law, the obligations of the Republic in respect of any amount due in U.S. dollars (the "**Specified Currency**") pursuant to this letter agreement shall, notwithstanding any payment in any other currency (whether pursuant to a judgement or otherwise) be discharged only to the extent of the amount in the Specified Currency that J.P. Morgan may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and costs of exchange) on the business day immediately following the day on which J.P. Morgan receives such payment. If the amount in the Specified Currency that may be so purchased for any reason falls short of the amount originally due (the "**Due Amount**"), the Republic hereby agrees to pay to J.P. Morgan any deficiency in the Specified Currency. Any obligation of the Republic not discharged hereunder by payment in the Specified Currency shall, to the fullest extent permitted by applicable law, be due as a separate and independent obligation and, until discharged as provided in this letter agreement, shall continue in full force and effect.

6. Disclosure. The Republic agrees to furnish J.P. Morgan with all information with respect to the budget, operations, liabilities and assets of the Republic (including economic statistics) which it possesses or is under its control, and to provide such access to ministers, officials and advisers of the Republic (together "**Republic Representatives**") who are in receipt of the relevant information, in each case as J.P. Morgan may reasonably request in order to perform the services contemplated by this letter agreement. In addition, the Republic shall ensure that such Republic Representatives are available, upon J.P. Morgan's reasonable request, to discuss such information. The Republic acknowledges and agrees that J.P. Morgan may rely, without independent verification, upon the accuracy, adequacy, and completeness of all information furnished by the Republic and the Republic's Representatives to J.P. Morgan for use in connection with the Rating Process. The Republic hereby represents that (i) all factual information which has been or may be provided to J.P. Morgan by or on behalf of it (the "**Information**") is true and accurate in all material respects as at the date it is provided or as at the date (if any) at which it is stated and (ii) any financial projections contained in the Information have been provided in good faith on the basis of recent historical information and on the basis of reasonable assumptions. These representations and warranties



are deemed to be made by the Republic daily by reference to the facts and circumstances then existing commencing on the date of this letter agreement and continuing until this letter agreement terminates.

The Republic agrees that it will (a) notify J.P. Morgan promptly (i) of any material change, or development that may lead to any material change, in the budget, properties, operations, financial condition or prospects of the Republic and (ii) if any information furnished by the Republic to J.P. Morgan during the period of J.P. Morgan's engagement hereunder is or becomes inaccurate, untrue, incomplete or misleading and (b) supplement the Information promptly from time to time to ensure that the representations and warranties made hereunder are correct when made.

The Republic agrees that it will not provide any information to J.P. Morgan pursuant to this letter agreement that: (i) constitutes "inside information", as defined under the Financial Services and Markets Act 2000 ("FSMA") and the equivalent term to "inside information" under the equivalent legislation to FSMA under Chilean law and (ii) would be likely to have an impact on the trading price of any listed securities issued by or guaranteed by the Republic, before it is made public.

7. Termination and Survival. This letter agreement shall terminate after 12 months from the date in which this agreement is signed, unless otherwise agreed by the Republic and J.P. Morgan or if terminated before that date:

(a) five (5) business days after one party gives written notice of termination to the other at the address set out in this letter agreement;

(b) upon written notice having been provided to the defaulting party following breach of a material obligation under this letter agreement; and

(c) upon written notice by J.P. Morgan to the Republic if it has become unlawful in any relevant jurisdiction for J.P. Morgan to perform any of its obligations under this letter agreement.

Any extensions of this letter agreement are subject to the adoption by the Republic of the corresponding administrative act.

This Section and the provisions of this letter agreement relating to the indemnity, currency indemnity, confidentiality (subject as set out in Section 6) and governing law, submission to jurisdiction and waiver of sovereign immunity will survive any termination of this letter agreement.

8. Certain Engagement Terms. The Republic acknowledges that J.P. Morgan has been retained solely to provide the services set out herein. In addition, the Republic agrees that J.P. Morgan may share any Information with its affiliates and perform the services contemplated hereby in conjunction with its affiliates, that any J.P. Morgan affiliates performing services hereunder shall be entitled to the benefits and be subject to the terms of this letter agreement, and that any references herein to J.P. Morgan shall be deemed to include any such J.P. Morgan affiliates where the context so requires or permits.

Following completion of this engagement, J.P. Morgan shall have the right to place advertisements in financial and other newspapers and journals at its own expense describing its services to the Republic hereunder with the prior approval of the Republic (such approval not to be unreasonably withheld or delayed). J.P. Morgan may not, without its prior written consent, be quoted or referred to in any document, release or communication prepared, issued or transmitted by the Republic (including any entity controlled by the Republic or any minister, official or agent thereof). The Republic shall accept full responsibility for the content of any announcement or any information contained in any document relating to J.P. Morgan's role hereunder or prepared by the Republic in connection with the Rating Process or any other matter relating to the rating of the Republic or in respect of any transaction which the Republic requests J.P. Morgan or its affiliates to issue or approve. J.P. Morgan and its affiliates reserve the right to refuse to issue or approve any such document or announcement and to require the Republic to prevent its distribution or publication if, in the discretion of J.P. Morgan or its affiliates, it is incomplete or misleading in any way.



The services provided by J.P. Morgan under this letter agreement are intended solely for the benefit and use of the Republic in relation to the Rating Process. It shall not confer rights or remedies upon any minister, official or creditor of the Republic or any other person, and may not be used or relied upon for any other purpose. Except as required by applicable law or governmental or stock exchange regulation, the Republic shall treat any document, presentation, recommendation, analysis, structure, report or other materials

produced pursuant to the services to be provided by J.P. Morgan under this letter agreement and furnished (whether in writing, verbally or otherwise) to the Republic or its advisers ("**JPM Confidential Information**") as confidential and shall not disclose it to any third party in any manner without J.P. Morgan's prior written approval provided that the Republic may disclose JPM Confidential Information to its professional advisers solely in connection with the matters contemplated by the services provided by J.P. Morgan under this letter agreement.

The Republic also agrees that no Relevant Party shall have any liability to the Republic (or its ministers, officials or creditors) for or in connection with this letter agreement, the Rating Process (or in respect of any transaction undertaken by the Republic ) or any Relevant Party's role in connection with any of the foregoing except to the extent that any such liabilities, whether in contract or in tort, are finally judicially determined to have resulted primarily from a Relevant Party's bad faith, gross negligence or wilful misconduct in the performance of its role.

The Republic acknowledges that J.P. Morgan and its affiliates comprise a full service securities firm and a commercial bank engaged in securities trading and brokerage activities and providing investment banking, asset management, financing and financial advisory services and other commercial and investment banking products and services to a wide range of corporations and individuals across industries and regions. In the ordinary course of business, J.P. Morgan and its affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own account or the accounts of customers, in debt or equity securities, loans or other financial instruments or arrangements of the Republic or other entities that may be involved in the transactions contemplated hereby. In particular, J.P. Morgan or its affiliates may deal in investments as principal or agent for more than one party or may make recommendations to buy or sell a designated investment in which J.P. Morgan or an affiliate may have a long or short position or in which one of J.P. Morgan's or an affiliate's customers has given instructions to buy or sell.

The Republic acknowledges that J.P. Morgan and its affiliates may from time to time perform various investment banking, commercial banking, financial advisory and fiduciary services for other clients and customers who may have conflicting interests with respect to the Republic or the Rating Process. J.P. Morgan has, and is required to maintain, conflicts procedures that are designed to identify, manage and monitor potential conflicts of interest. As such, J.P. Morgan has in place policies and procedures, which are designed (i) to prevent disclosure of confidential client information outside the firm, (ii) to prevent confidential client information from being used for the benefit of other J.P. Morgan clients, and (iii) to identify and manage potential conflicts of interest. J.P. Morgan can confirm that it has in place policies regarding use and disclosure of confidential client information which are consistent with the policies of other recognised US and international investment banking firms. These policies expressly prohibit disclosure of confidential client information outside the firm. These policies also require that confidential client information be disseminated internally only on a need-to-know basis. In addition, J.P. Morgan can confirm that it has a system designed to identify, analyse and avoid or mitigate conflicts of interest which may arise as a result of our multiple relationships with clients around the world who may have competing interests in respect of a particular transaction, including the imposition of Chinese walls and 5 information barriers between different product groups and, where appropriate, between deal teams in the same product group.

The Republic acknowledges that J.P. Morgan has been retained solely as an independent contractor to provide the services set out herein. In rendering such services J.P. Morgan will be acting solely pursuant to a contractual relationship with the Republic on an arm's length basis with respect to the Rating Process and will not act as a financial adviser or a fiduciary to the Republic or any other person. Additionally, the Republic agrees and acknowledges that J.P. Morgan is not (i) advising the Republic or any other person as to any legal, tax, investment, accounting, regulatory or other matters in any jurisdiction or (ii) providing any "investment advice" (as such term is defined in the Markets in Financial Instruments Directive 2014/65/EU and secondary legislation made under it) in relation to this engagement. The Republic shall consult with its own advisers concerning such matters and shall be responsible for making its own independent



investigation and appraisal of the transactions contemplated hereby (including (without limitation) assessing the commercial benefits, risks, implications and suitability of the transactions contemplated hereby for itself or any other person), and J.P. Morgan shall have no responsibility or liability to the Republic with respect thereto. The Republic further acknowledges and agrees that any review by J.P. Morgan of the

Republic y, the Rating Process and other matters relating thereto will be performed solely for the benefit of J.P. Morgan and shall not be on behalf of the Republic or any other person. J.P. Morgan will not provide any recommendation as to whether or not to enter into the transactions contemplated hereby.

9. Governing Law and Submission to Jurisdiction. This letter agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of the Republic of Chile. Chilean courts shall have jurisdiction to settle any dispute arising out of or relating to this letter agreement and, accordingly, any legal action or proceedings arising out of or in connection with this letter agreement may be brought in such courts.

The Republic acknowledges and agrees that this letter agreement is a commercial contract.

10. Miscellaneous. This letter agreement contains the entire agreement between the parties relating to the subject matter of this letter agreement and supersedes all prior negotiations, representations, understandings and agreements on any subject matter of this letter agreement prior to the date of this letter agreement, has been duly authorized and executed by each of the parties hereto and constitutes the legal, binding obligation of each such party.

This letter agreement may not be amended or modified except by a written agreement executed by each of the parties hereto. Section headings herein are for convenience only and are not a part of this letter agreement. This letter agreement is solely for the benefit of the Republic and J.P. Morgan, and a person who is not a party to this letter agreement shall have no right under the Contracts (Rights of Third Parties) Act of 1999 to enforce any term of this letter agreement. This letter agreement may not be assigned by either party hereto without the other party's prior written consent. Neither party hereto shall be responsible or have any liability to any other party for any indirect, special or consequential damages arising out of or in connection with this letter agreement or the transactions contemplated hereby, even if advised of the possibility thereof; provided that nothing in this sentence shall be deemed to (i) relieve the Republic of any obligation it may otherwise have under Section 4 hereof to indemnify a Relevant Party (as defined in such Section 4) for any such damages asserted by an unaffiliated third party or (ii) relieve J.P. Morgan of any liability it may otherwise have hereunder to the Republic for any such damages which the Republic becomes legally obligated to pay to an unaffiliated third party.

The Republic will comply with all applicable legal and regulatory provisions in all relevant jurisdictions.

J.P. Morgan is providing the services described in this letter agreement to the Republic. J.P. Morgan shall not regard any other person (including any minister or official of the Republic) as its client in relation to such services and shall have no responsibility to any other person for providing such services.

As used in this letter agreement, the term “**affiliate**” means, with respect to a specified person or entity, any other person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the specified person or entity, and the term “**control**” (including the terms controlling, controlled by and under common control with) means the possession, direct or indirect, of (i) the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise or (ii) 50% or more of the issued share capital of an entity.

All correspondence with and notices to the Republic relating to the provision of services under this letter agreement shall be addressed to Andres Perez, International Finance Coordinator at the Ministry of Finance or any successor to him for whom JPMorgan has been notified of the contact information.

This letter agreement may be executed in counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same agreement. A translated version of this letter agreement in Spanish may be agreed upon solely for administrative and internal purposes of the Republic.



If the foregoing correctly sets out our understanding, please so indicate by executing this letter agreement, together with the enclosed duplicate original, in the place indicated and returning one of these originals for our files. Very truly yours,

**J.P. MORGAN SECURITIES PLC** By: Name: Masha Gloukhovski Title: Managing Director Address for notices: 25 Bank Street Canary Wharf London E14 5JP England Accepted and agreed to as of the date first written above. **THE REPUBLIC OF CHILE** By: Name: Alejandro Weber Pérez Title: Undersecretary of Finance”.

Hay firmas ilegibles y timbre legible.

**2. PUBLÍQUESE**, la presente Resolución Exenta en el portal de transparencia activa de la Subsecretaría de Hacienda.

**ANÓTESE, COMUNÍQUESE Y ARCHÍVESE**

**Distribución:**

- Sra. Francesca Gorziglia Cheviakoff, Jefa Departamento Administrativo, Ministerio de Hacienda.
- Sr. Andrés Pérez Morales, Coordinador de Finanzas Internacionales, Ministerio de Hacienda.
- Sr. Jaime Tramon Álvarez, Asesor Jurídico Coordinación de Finanzas Internacionales, Ministerio de Hacienda.
- Sra. Karina Valenzuela Cuevas, Encargada Unidad de Abastecimiento y Contratos, Ministerio de Hacienda.
- Srta. Johanna Quitral Henríquez, Encargada Unidad de Contabilidad y Presupuestos, Ministerio de Hacienda.
- Unidad de Atención de Consultas - Oficina de Partes, Ministerio de Hacienda.



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