

must also provide service to those parties that although situated outside any compulsory area are willing to finance the extensions needed to provide services to them.

Concession holders may demand from a person wishing to become a subscriber of its services, or from an existing subscriber wishing to have additional telecommunications facilities, a reimbursable advance contribution toward the cost of providing the service requested. This advance payment may be reimbursed by the concession holder by the delivery of shares, bonds or by such other means as may be agreed upon.

In the case of CTC, the company's current policy is not to make reimbursements in shares or in bonds, and no reimbursements in shares and bonds have been made since 1989.

Subject to possible prohibitions against local/long distance combinations, more than one service concession can be granted for the same geographic area except for cellular telephony in which case concessions are limited to two in any one geographic area.

Under the terms of the grant of its concessions, CTC has 10 years (until 1997) to integrate into its local telephone system the various localities within its geographic concession areas. CTC has published a calendar which sets forth the schedule for such an integration on a year - by- year basis. Once the respective date for a locality's integration occurs, that locality becomes part of CTC's compulsory service area and CTC is obligated to provide services to all applicants for service in that locality within the next succeeding three years.

CTC and other concession holders in the telecommunications industry are required to effect such interconnections with holders of other concessions as are required to ensure the availability of public service to all users and the continuity and compatibility of the country's telephone network according to the specifications issued by the Undersecretary of Telecommunications.

Technical rules have been established pursuant to the Telecommunications Law governing the routing, transmission, signalling and assignment of numbers in the Chilean telephone network. Every new installation must comply with the technical specifications set forth