

Materialized Foreign Investment

(US\$ Millions)

	DL600 Capital Related Contributions (A)	DL600 Loans (B)	Total DL600 (A + B)	CHP. XIV Capital Contributions (C)	Total Contributions (A + C)	ADR's (D)	Total Capital Inflows (A + C + D)	Total Invested Capital and Loans
1990	511.1	808.8	1,319.9	35.7	546.8	105.2	652.0	1,460.8
1991	571.2	409.4	980.6	93.4	664.6	8.9	673.5	1,082.9
1992	688.7	306.9	995.6	149.8	838.5	331.7	1,170.2	1,477.1
1993	893.1	832.3	1,725.4	204.2	1,097.3	821.6	1,918.9	2,751.2
1994	1,541.4	976.5	2,517.0	407.1	1,948.5	1,643.5	3,592.0	4,568.5
1995	1,801.5	1,219.9	3,021.4	409.6	2,211.1	886.1	3,097.2	4,371.1
Jan-Dec '94	1,541.4	976.5	2,517.9	407.1	1,948.5	1,643.5	3,592.0	4,568.5
Jan-Dec '95	1,801.5	1,219.9	3,021.4	409.6	2,211.1	886.1	3,097.2	4,371.1
Increase %	16.9	24.9	20.0	0.6	13.5	-46.1	-13.8	-5.5

Central Bank of Chile
Foreign Investment Committee

The foreign investors who opt for this fixed rate system and who are partners or shareholders of the company, must pay a surtax of 27% on the dividends or profits that have been remitted. The foregoing is for the purpose of completing the already mentioned 42% rate. In the same manner, the branch office or agency of the foreign company must pay the same surtax on the earnings that have been withdrawn or remitted to the home office abroad. Under these circumstances, there is no right to a credit for payment of the first category tax.

Instead of the 42% fixed rate, the foreign investor can choose a general and fixed rate of 40%. In this case, the foreign investor is subject to a variable and progressive rate, in addition to the fixed rate. The rate is determined according to the relation existing between the amounts remitted and the average capital held by the company over a specific period, which is indicated by the Statute in each case.

The foreign investor may waive the rights granted by the Foreign Investment Statute any time and become subject to the general tax regime, in which case he may be subject to changes in the general tax legislation, with the same rights options and obligations pertaining to national investors. The waiver of fixed rates is irrevocable and once effected, the taxpayer may not return to fixed rates in the future.