

CMF introduces one-year timeframe for validity of regulation banning loans to directors, representatives, their related parties

The regulation amends Circular Letter No. 2,364 to state it becomes effective after a year so that banks have enough time to perform the required operational adjustments.

July 28, 2025 – The Financial Market Commission (CMF) introduced a one-year window for the entry into force of Circular Letter No. 2,364, which bans banks from granting loans to their directors and representatives, as well as parties related to such persons.

Both the General Banking Act and Chapter 12-12 of the Updated Compilation of Banking Regulations ban banks from granting, whether directly or indirectly, loans to their directors and any person holding the position of said entity's general representative. This ban also extends to spouses or young children, as well as any corporation in which any such party is part of or holds participation shares in.

Circular Letter No. 2,364, issued on June 26, 2025, clarifies corporations subject to the ban pursuant to Article 84, Number 4 of the General Banking Act, as well as incorporating civil partners as related parties equivalent to spouses. Given the possible changes in and adjustments to banking operations this Circular Letter entails, the CMF decided to institute a one-year timeframe before its entry into force.

Review the detail of [Circular Letter No. 2,366](#).

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