



**REGULATION
REGISTER OF SUPPLIERS OF GOODS
AND SERVICES
ENAP GROUP OF COMPANIES**

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CHAPTER I: GENERAL PROVISIONS

Article 1: Objective

This regulation rules the operation of the Register of Suppliers of Goods and Services of ENAP Group of Companies (hereinafter the "Register") and is applicable to suppliers interested to be registered in it as well as to suppliers already registered in such Register.

For the effects of this Regulation, ENAP Group of Companies is comprised by Empresa Nacional del Petróleo ("Main Office" and "ENAP Magallanes") and its branches Enap Refinerías S.A. ("Refinería Aconcagua" and "Refinería BioBio") and Enap Sipetrol S.A. ("Sipetrol"), for its operations in Chile.

The Register will be regulation by the rules contained in this Regulation and by the principles established in the Corporate Contracts Policies. Also will be part of this Regulation the following documents:

- *"Registration Procedure"*
- *"System of Classification by Field and Sub-Field of Expertise"*.
- *"System of Accreditation of Suppliers of Goods and Services"*.
- *"System of Classification of Suppliers"*.
- *"System of Evaluation of Suppliers"*.
- *"Roles and Responsibilities"*

The aforementioned documents will be available at ENAP's WEB page and may be updated periodically by ENAP Group of Companies.

The terms not defined in the present Regulation will have the meaning given to them in the Contracts Regulation of ENAP Group of Companies.

Article 2: Scope and Characteristics of the Register

A Registration of Suppliers of Goods and services of the Group of Companies will exist whose inscribed suppliers will conform the database to which the Companies of the Group of Companies ENAP will appeal in the processes of hiring of services and purchase of goods inside the national territory.

The Register will be open permanently, being able to postulate to its inscription any national or international supplier interested in participating.

The Management of Services of ENAP (hereinafter the Services Management) will be the one in charge of administering the Register and will be the responsible instance for overseeing that the dispositions of the present Regulation are completed and applied appropriately. The roles and responsibilities associated to the operation of the Register are described in the document "Roles and Responsibilities".

CHAPTER II: REGISTRATION AND PERMANENCE IN THE REGISTER

Article 3: Requirements of Inclusion to the Register

May apply for registration to the Register all natural persons and legally incorporated legal persons with capacity to hire, and whose applicable line of business, objective or by-laws include or allow the provision of goods or services contemplated in the field(s) and sub-field(s) of expertise of the Register to which they apply among those indicated in the "System of Classification by Field and Sub-Field of Expertise".

In the case of foreign companies that don't have agency in Chile, they will be requested to demonstrate their legal constitution in the country of origin according to the stated in the "Accreditation System of Suppliers of Goods and services".

Article 4: Invitation to Register

The Register will be open permanently for the registration of suppliers; however, at least once a year, an invitation to register will be published in a journal of national circulation to the suppliers willing to incorporate to the Register, in order to be contemplated in future processes of hiring of services or purchase of goods.

Article 5: Registration

The registration in the Register will be subject to the following:

- a.** The interested suppliers may request their incorporation to the Register in any moment, by accessing directly the WEB page of ENAP Group of Companies ENAP www.enap.cl in the Procurement section.
- b.** There will be two types of registration: with and without accreditation; both registration forms will be available in the WEB page and are obligatory to be used by the applicants, as it is indicated in the Registration Procedure.
- c.** The suppliers that need to be accredited shall complete all the demands established in the Accreditation System of Suppliers of Goods and Services.
- d.** On the other hand, as a condition for their registration in the Register, the suppliers that do not need to be accredited shall only submit a sworn statement that they do not present the inabilities established in Article 9.
- e.** In the eventuality that the application for registration submitted by a supplier is rejected, such decision and the specific criteria upon which it was based, will be informed to the supplier.

- f. The personal information and documents submitted for the registration process shall be treated as confidential, except the information that is publicly available or is subject to judicial requirement made to ENAP Group of Companies.

Article 6: Validity and renovation of the Registration

The registration of the accredited suppliers will be effective for one year, counted from the date of issue of the certificate that accredits the supplier as registered, according to the established in the Accreditation System of Suppliers of Goods and Services.

For the suppliers that don't require accreditation, the registration in the Register will remain effective permanently, provided that they do not give motif for suspension or removal from the Register, and that they comply with the obligation of keeping their records up-to-date.

Notwithstanding the indicated in the precedent paragraphs, as a previous condition to the subscription of some contracts or purchase orders, ENAP Group of Companies may require the suppliers to update their records.

Article 7: Categorization of Suppliers

The suppliers of services will be classified according to the criteria defined in the "System of Classification of Suppliers".

Services Management will be responsible for carrying out such classification.

Article 8: Evaluation of Suppliers' Performance

The suppliers will be evaluated internally for the services rendered and/or goods provided, according to an objective and grounded criteria for evaluation, comprised in the "System of Evaluation of Suppliers".

The Areas of Contracts Management and Works Inspection and Procurement will be responsible for evaluating the suppliers. Services Management shall oversee that the evaluation is carried out according to the criteria contained in the "System of Evaluation of Suppliers".

CHAPTER III: INABILITIES, SUSPENSIONS AND REMOVAL FROM THE REGISTER

Article 9: Inabilities

According to the law, the subscription of contracts of services and of purchase of goods is forbidden between a company of ENAP Group of Companies and the following persons:

- a.** Directors and executives until the managerial level of the respective company part of ENAP Group of Companies, their spouses, children, adopted children, parents, grandparents, grandsons, siblings, uncles, nephews and sons, daughters, brothers, sisters and parents-in-law.
- b.** Partnerships, partnerships limited by shares and closely held corporations in which the directors, executives and the other persons indicated in previous letter a) are partners or shareholders, whatever percentage they hold in said corporations.
- c.** Corporations in which the directors, executives and the other persons indicated in previous letter a) are owners of shares representing 10% or more of the capital.
- d.** The managers, administrators, representatives or directors of any of the partnerships and corporations indicated in previous letters b) and c).

Therefore, the natural or legal persons referred to in the previous paragraph will not be able to provide goods or to render services with any or all entities of ENAP Group of Companies subject to the aforementioned prohibition, and to comply with the rest of the requirements to be registered; they will only be registered for the effects to be considered in the processes of hiring of services or purchase of goods that do not include the entities of ENAP Group of Companies to which there exist a prohibition to provide goods or services.

The inabilities indicated in this article are understood to be notwithstanding of others that according to the law may arise regarding a supplier interested in applying to the Register, which will prevent or limit, accordingly, such registration.

Article 10: Temporary Suspension from the Register

ENAP Group of Companies may temporarily suspend from the Register a supplier that has incurred in any of the causes indicated below:

Causes of Suspension	Period of Suspension
a. That, according to publication in the Bulletin of the Chamber of Commerce or DICOM, the supplier has discontinued payments or registers NSF (non sufficient funds) checks, bills of exchange, promissory notes or other documents prone to be protested, drawn or subscribed by the Supplier,.	The registration will be suspended until ENAP Group of Companies receives the corresponding clarification.

<p>b. That there is an enforceable court judgment that condemns the supplier because of non-compliance with work obligations, social security, health and safety, with regards to staff seconded from the supplier to fulfill contracts with the ENAP Group of Companies.</p>	<p>Between 6 months and 1 year after the date on which the final judicial decision is enforced, having considered the seriousness of the breach.</p>
<p>c. That the supplier has obtained the qualification of "low performance supplier" in the corresponding sub-field of expertise.</p>	<p>Service Providers: 6 months counted from the date the supplier has been informed of the evaluation Suppliers of Goods: Based on a quarterly assessment of 1 to 6 months after the communication of the evaluation to the supplier.</p>

Article 11: Notification and Application of the Suspension

The supplier will be notified by e-mail or any evidencing mean, in case he has incurred in a cause of suspension from the Register. Such notification will indicate the cause and the corresponding period of suspension.

The supplier may submit his discharges within 10 labor days counted from the date of notification, after which, a decision will be made whether it is appropriate or not to apply the suspension from the Register. In the event that the suspension is caused because of situations related to contracts or tenders concerning the provision of goods and services for the Services Management, the final decision will be made by a different Management. Such decision will be communicated to the supplier by any of the means indicated in the previous paragraph.

Article 12: Effects of the suspension

The suspended supplier will not be able to be considered in any process of hiring of services or purchase of goods carried out by ENAP Group of Companies, while the suspension is effective.

None of the entities belonging to ENAP Group of Companies will subscribe contracts or purchase orders with a suspended supplier even if such supplier has the best option.

Once the period of suspension has finished, according to Table in Article 10, the Supplier suspended from the Register will be able to be reinstated to the Register at his request or if ENAP Group of Companies considers it appropriate.

Article 13: Removal from the Register

ENAP Group of Companies may remove from the Register the supplier that has incurred in any of the causes indicated below:

Causes for Removal	Period of Removal
<p>a. That it has been proved that the Supplier has participated in acts of sabotage against ENAP Group of Companies. In case of suppliers that are legal persons, the cause for removal from the Register concerns to acts carried out by its partners, directors, managers or personnel.</p>	<p>10 years</p>
<p>b. That the supplier has severely infringed the Norms and Regulations in force of ENAP Group of Companies. It will be understood by severe breach, any action that causes damage to ENAP Group of Companies, or affects or threatens the safety and integrity of its personnel or the external personnel that works in its fields and facilities and those of its assets. In the case of suppliers that are legal persons, the cause of infringement relates to acts carried out by its partners, directors, managers or personnel.</p>	<p>5 to 10 years, depending on the severity of the infraction</p>
<p>c. That it has been proved that the supplier has provided false or modified information to maintain its permanence in the Register. In the case of suppliers that are legal persons, the cause of infringement relates to acts carried out by its partners, directors, managers or personnel.</p>	<p>5 to 10 years, depending on the company and the importance of the information</p>
<p>d. Adjudication of bankruptcy of the supplier.</p>	<p>Until the reinstatement of the insolvent supplier.</p>
<p>e. That the supplier has already three temporary suspensions from the Register, for any cause, occurred within a period of 2 years, or five suspensions, regardless of the period in which they occur.</p>	<p>5 years</p>
<p>f. When the supplier has been three times qualified as "Supplier of low performance" in a certain Field or sub-field of expertise.</p>	<p>5 years in such field or sub-field of expertise</p>
<p>g. That any of the companies of ENAP Group of Companies have ended a contract subscribed with the supplier or rejected a purchase order, in unilateral way, due to the supplier's abandonment of a work or service for causes that the supplier is responsible for; the supplier's technical incapacity to fulfill the contract or purchase order, or other severe breaches of or non-compliances with the corresponding contract or purchase order.</p>	<p>5 years</p>

h. That the supplier has infringed effective confidentiality agreements subscribed with ENAP Group of Companies.	5 years
i. That the supplier has redeemed his offer in a bidding process or quotation, or has refused to subscribe a contract, or has rejected a purchase order in bidding process or quotation in which he has been awarded, whether the corresponding bid bond has been collected or not.	3 years
j. That the supplier has incurred in any cause of removal from the Register after incurring in any of the inabilities indicated in Article 9 of this Regulation.	Until the cease of the inability

Article 14: Communication and Application of the Removal from the Register

The supplier will be notified if he has incurred in a cause for removal from the Register by electronic mail or other evidencing means. The mentioned notification shall indicate the cause and the period of removal corresponding to such cause.

The supplier will may submit his discharges within 10 labor days counted from the date of notification, after which, a decision will be made whether its removal from the Register is appropriate or not. In the event that the removal is caused because of situations related to contracts or tenders concerning the provision of goods and services for the Services Management, the final decision will be made by a different Management. Such decision will be communicated to the supplier by any of the means indicated in the previous paragraph.

Article 15: Effects of the Removal from the Register

The supplier that has been removed from the Register will not be considered in any process of hiring of services or purchase of goods carried out by ENAP Group of Companies while the removal period is effective.

No company member of ENAP Group of Companies may submit or sign contracts or purchase orders with a supplier that has been removed from the Register even if there are open proposals in which the concerned supplier has the best option.

The Supplier removed from the Register may be re-incorporated as per his request or if ENAP Group of Companies considers it appropriate once the period of removal has ended, according to the table of Article 13. The term will be counted from the date of notification to the supplier of his removal from the Register.

Notwithstanding the above, suppliers that are legal persons and that have been removed from the Register, in the cases that it is appropriate, may request to reconsider the actions taken before the term of removal from the register have ended, by certifying that the partners,

directors, managers and/or employees responsible for their removal are no longer associated to the supplier. It will be ENAP Group of Companies' faculty to consider or not this request, after evaluation of the severity of the facts that caused such removal and the documents submitted by the supplier. Once the measure has been reconsidered, the supplier will need to be accredited again, according to the stated in this Regulation.

Also, during the period of removal, at its sole opinion and based upon qualified documents, ENAP Group of Companies may reconsider the extension of the period of removal.

CHAPTER IV: PARTICIPATION AND OBLIGATIONS OF THE SUPPLIERS

Article 16: Participation of the Suppliers in Processes of Hiring of Services and Purchase of Goods

The suppliers registered in the Register may be invited to participate in the different processes of hiring of services and purchase of goods for ENAP Group of Companies, provided they comply with the requirements established for the corresponding process. However, when it concerns to sub-fields of expertise that are not sufficiently developed and a duly competitive process is not ensured, it may be possible to invite suppliers that are not registered in the Register.

Notwithstanding the above, the bidding bases, terms of reference and general and/or special conditions of purchase that regulates the corresponding process may establish additional requirements to those contemplated, as a condition of registration in the Register.

In the case of public biddings and public quotations, the suppliers registered in the corresponding field of expertise and/or category will be informed at the same time as the corresponding publication in the press, of the invitation to participate in such processes of hiring of services or purchase of goods carried out by ENAP Group of Companies.

Article 17: Obligations of the Suppliers Enlisted in the Register

The suppliers enlisted in the Register or whose registration is pending shall communicate ENAP Group of Companies or to whom they have appointed the following situations, submitting the corresponding supporting documents if necessary:

Events to be Notified
<i>Accredited Suppliers</i>
In case of corporations, any modification to the company, such as transformations, increases or decreases of capital, entrance or withdrawal of partners, changes in the participation of shares, changes in the line of business or in the administration regime, or others.
Any modification of the boards of directors or administration counsels, to the Staff or technical personnel of the supplier that has permitted to evaluate the supplier's experience.
Substitution of the legal representative or modification of his faculties.

Any situation that affects the financial or technical capacity of the supplier or the execution of its services.

Clarifications of protested bills published in the bulletin of commercial reports (Boletín de Informes Comerciales).

Changes of bank accounts, lines of business or similar.

Any change of address, telephone(s), fax, electronic mail, etc.

<i>Non Accredited Suppliers</i>

Changes of bank accounts, lines of business or similar.

Any change of address, telephone(s), fax, electronic mail, etc.

CHAPTER V: EFFECTIVENESS OF THE REGULATION

Article 18: Effectiveness of the Regulation

This Regulation, except articles 7 and 8, will become effective as of the date of publication of the first public call to suppliers for their incorporation to the Register.

Once the present Regulation is in force, it will apply for ENAP Group of Companies and will be the only ruling instrument that will apply to the matters subject to it.

The norms included in articles 7 and 8 will become effective from the date in which they are published in the Web Page of ENAP Group of Companies.

This Regulation will not rule the processes in course at the time when it becomes effective.

This Regulation and its appendices will be reviewed periodically in order to promote its continuous enhancement. The modification to the Regulation and its appendices will be published in the Web Page of ENAP Group of Companies.

TRANSITORY ARTICLE

Suppliers that up to the date of effectiveness of this Regulation are already registered in the registers of suppliers of the different business units of ENAP Group of Companies shall request their registration in the Register governed by this Regulation, according to the norms and requirements established herein.

In the case of suppliers that at the date of effectiveness of this Regulation are temporarily suspended in such local registers, they shall remain suspended notwithstanding their registration in the new Register until the end of the suspension period.

Those suppliers that at the date of effectiveness of this Regulation have been removed from the local registers may request their registration in the new Register, provided they have ceased the cause of removal or ended the period, accordingly, and that they comply with the norms and requirements established in this Regulation.

En tanto no entre en vigencia el artículo 8 del presente Reglamento, la evaluación del desempeño de los proveedores inscritos en el Registro se efectuará conforme a los criterios que estuvieren vigentes a la fecha de entrada en vigencia de este Reglamento en las respectivas unidades de negocio. Sin perjuicio de lo anterior, el plazo de las suspensiones que corresponda declarar durante dicho lapso por bajo desempeño de los proveedores, deberá ajustarse a lo previsto en el artículo 10, letra c) de este Reglamento.

Until the date that Article 8 of this Regulation becomes effective, the evaluation of the registered suppliers will be carried out according to the criteria effective in the corresponding business units at the moment this Regulation becomes effective. Notwithstanding the above, the period of suspensions that must be declared during such term because of low performance of the suppliers, shall be adjusted to the stated in Article 10, letter c) of this Regulation.