

CHILESAT CORP SA
Form SC 13D/A
April 30, 2004

**UNITED STATES
SECURITIES AND EXCHANGE
COMMISSION**

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 3)*

CHILESAT CORP. S.A.

(formerly Télex-Chile S.A.)

(Name of Issuer)

Common Stock, no par value per share

(Title of Class of Securities)

87957Q 10 2

(CUSIP Number)

**John W. Campo, Jr., Esq.
General Electric Capital Corporation
120 Long Ridge Road
Stamford, Connecticut 06927
(203) 357-4000**

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

April 28, 2004

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

OMB APPROVAL
OMB Number:
3235-0145

Expires: December 31, 2005
Estimated average burden
hours per response. . 11

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Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 87957Q 10 2

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
Inversiones GE Capital Chile Limitada
 2. Check the Appropriate Box if a Member of a Group (See Instructions)
 - (a)
 - (b)
 3. SEC Use Only
 4. Source of Funds (See Instructions)
AF
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Republic of Chile
- | | | |
|-------------------------------------------------------------------------------------|-----|-----------------------------------------|
| | 7. | Sole Voting Power
40,363,515(1) |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power
N/A |
| | 9. | Sole Dispositive Power
40,363,515(1) |
| | 10. | Shared Dispositive Power
N/A |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
40,363,515(1)
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) (1)
 13. Percent of Class Represented by Amount in Row (11)
8.6%
 14. Type of Reporting Person (See Instructions)
CO

(1) Due to the existence of that certain Shareholders Agreement, dated March 6, 2002 (the Shareholders Agreement), by and among Connected Acquisition Chile, S.A., Inversiones GE Capital Chile Limitada (GE Chile), Redes Ópticas S.A., Connected Acquisition Corp., Southern Cross Latin America Private Equity Fund, L.P. (Southern Cross) and GE Capital Equity Investments, Ltd. (GE Equity) and the provisions therein relating to an agreement of the parties to vote to nominate and elect to the board of directors of ChileSat Corp., S.A., a director designated by GE Chile, GE Chile and GE Equity may be deemed to share beneficial ownership of certain shares of the Issuer with

Southern Cross and its affiliates. In this case the number of Shares beneficially owned by the Reporting Persons would be 240,242,172, representing approximately 51.2% of the outstanding Shares.

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
GE Capital Equity Investments, Ltd.
 2. Check the Appropriate Box if a Member of a Group (See Instructions)
 - (a)
 - (b)
 3. SEC Use Only
 4. Source of Funds (See Instructions)
WC
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Cayman Islands
- | | | | |
|-------------------------------------------------------------------------------------|-----|--------------------------------------------------------------|---------------|
| | 7. | Sole Voting Power | 40,363,515(1) |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power | N/A |
| | 9. | Sole Dispositive Power | 40,363,515(1) |
| | 10. | Shared Dispositive Power | N/A |
| | 11. | Aggregate Amount Beneficially Owned by Each Reporting Person | 40,363,515(1) |
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) (1)
 13. Percent of Class Represented by Amount in Row (11)
8.6%
 14. Type of Reporting Person (See Instructions)
CO

(1) Due to the existence of that certain Shareholders Agreement, dated March 6, 2002 (the Shareholders Agreement), by and among Connected Acquisition Chile, S.A., Inversiones GE Gápital Chile Limitada (GE Chile), Redes Ópticas S.A., Connected Acquisition Corp., Southern Cross Latin America Private Equity Fund, L.P. (Southern Cross) and GE Capital Equity Investments, Ltd. (GE Equity) and the provisions therein relating to an agreement of the parties to vote to nominate and elect to the board of directors of ChileSat Corp. S.A., a director designated by GE Chile, GE Chile and GE Equity may be deemed to share beneficial ownership of certain shares of the Issuer with Southern Cross and its affiliates. In this case the number of Shares beneficially owned by the Reporting Persons would be 240,242,172, representing approximately 51.2% of the outstanding Shares.

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
General Electric Capital Corporation
 2. Check the Appropriate Box if a Member of a Group (See Instructions)
 - (a)
 - (b)
 3. SEC Use Only
 4. Source of Funds (See Instructions)
N/A
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
Delaware
- | | | | |
|-------------------------------------------------------------------------------------|-----|-----------------------------------------|--|
| | 7. | Sole Voting Power
40,363,515(1) | |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power
N/A | |
| | 9. | Sole Dispositive Power
40,363,515(1) | |
| | 10. | Shared Dispositive Power
N/A | |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
40,363,515(1)
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) (1)
 13. Percent of Class Represented by Amount in Row (11)
8.6%
 14. Type of Reporting Person (See Instructions)
CO

(1) Due to the existence of that certain Shareholders Agreement, dated March 6, 2002 (the Shareholders Agreement), by and among Connected Acquisition Chile, S.A., Inversiones GE Gapital Chile Limitada (GE Chile), Redes Ópticas S.A., Connected Acquisition Corp., Southern Cross Latin America Private Equity Fund, L.P. (Southern Cross) and GE Capital Equity Investments, Ltd. (GE Equity) and the provisions therein relating to an agreement of the parties to vote to nominate and elect to the board of directors of ChileSat Corp. S.A., a director designated by GE Chile, GE Chile and GE Equity may be deemed to share beneficial ownership of certain shares of the Issuer with Southern Cross and its affiliates. In this case the number of Shares beneficially owned by the Reporting Persons would be 240,242,172, representing approximately 51.2% of the outstanding Shares.

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
General Electric Capital Services, Inc.
2. Check the Appropriate Box if a Member of a Group (See Instructions)
 - (a)
 - (b)
3. SEC Use Only
4. Source of Funds (See Instructions)
N/A
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Delaware
7. Sole Voting Power
DISCLAIMED
8. Shared Voting Power
DISCLAIMED
9. Sole Dispositive Power
DISCLAIMED
10. Shared Dispositive Power
DISCLAIMED
11. Aggregate Amount Beneficially Owned by Each Reporting Person
BENEFICIAL OWNERSHIP OF ALL SHARES DISCLAIMED
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
N/A
14. Type of Reporting Person (See Instructions)
CO

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
General Electric Company
 2. Check the Appropriate Box if a Member of a Group (See Instructions)
 - (a)
 - (b)
 3. SEC Use Only
 4. Source of Funds (See Instructions)
N/A
 5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
 6. Citizenship or Place of Organization
New York
- | | | | |
|-------------------------------------------------------------------------------------|-----|----------------------------------------|--|
| | 7. | Sole Voting Power
DISCLAIMED | |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 8. | Shared Voting Power
DISCLAIMED | |
| | 9. | Sole Dispositive Power
DISCLAIMED | |
| | 10. | Shared Dispositive Power
DISCLAIMED | |
11. Aggregate Amount Beneficially Owned by Each Reporting Person
BENEFICIAL OWNERSHIP OF ALL SHARES DISCLAIMED
 12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
 13. Percent of Class Represented by Amount in Row (11)
N/A
 14. Type of Reporting Person (See Instructions)
CO

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The purpose of this Amendment No. 3 to the Schedule 13D is to report that on April 28, 2004:

(i) Redes Ópticas S.A., a corporation organized under the laws of the Republic of Chile (Redes) and Redes Ópticas (Cayman) Corp., an exempted company incorporated under the laws of the Cayman Islands (Redes Cayman) entered into an agreement (the Share Purchase Agreement) with Telmex Chile Holding S.A., a corporation organized under the laws of the Republic of Chile (Telmex), pursuant to which Redes and Redes Cayman sold 70,310,008 and 117,565,186 Shares (as defined below) of the capital stock of Chilesat Corp. S.A. (formerly known as Télex-Chile S.A.) a corporation formed under the laws of the Republic of Chile (the Company), representing 14.9695% and 25.0305%, respectively, of the outstanding Shares;

(ii) Concurrently with the Share Purchase Agreement, Redes entered into an agreement (the Promise Agreement) with Telmex pursuant to which Telmex intends to realize a public tender offer in accordance with the applicable laws and regulations of Chile for 100% of the Shares (excluding the Shares owned by Telmex following execution of the Share Purchase Agreement) in accordance with the terms and conditions of the Promise Agreement. Redes has agreed to tender Shares it owns in such tender offer provided the tender offer is done in accordance with the terms set forth in the Promise Agreement;

(iii) Redes executed a pledge (the Redes Pledge) for the benefit of Telmex to secure a portion of Redes payment obligation under the Promise Agreement in the event that Telmex exercises its Right of Sale (as defined below) and Redes must pay the corresponding purchase price in connection with such Right of Sale (as defined below);

(iv) Telmex executed a pledge (the Telmex Pledge) for the benefit of Redes to secure its indemnification obligations under the Promise Agreement and the Share Purchase Agreement;

(v) Redes entered into an agreement (the Ibañez Tag/Drag Rights Agreement) with Inversiones y Asesorias Vamjer Limitada (Ibañez) pursuant to which each of Redes and Ibañez agreed to not exercise their respective drag-along and tag-along rights under the Settlement Agreement (as defined below) in connection with the Share Purchase Agreement and

(vi) Redes entered into an agreement (the Ibañez Supplemental Agreement) with Los Peumos S.A. (Los Peumos) and Inmobiliaria Charmat S.A. (IC and together with Los Peumos, Ibañez Group) pursuant to which Redes and Ibañez Group agreed that the portion of the purchase price paid by Telmex pursuant to the Share Purchase Agreement corresponding to the Shares that are subject to the Additional Call Option under the Settlement Agreement will be paid to Ibañez Group in accordance with the terms of the Ibañez Supplemental Agreement.

The foregoing description of each of the Share Purchase Agreement, the Promise Agreement, the Redes Pledge, the Telmex Pledge, the Ibañez Tag/Drag Rights Agreement and the Ibañez Supplemental Agreement, above and herein is qualified in its entirety by the complete version of such agreement referenced in Item 7 of this Schedule 13D and incorporated herein by reference.

This Amendment No. 3 to the Schedule 13D amends and restates in its entirety the Schedule 13D filed with the Securities and Exchange Commission (the SEC) on April 22, 2002 (the Schedule 13D or Statement), and previously amended by Amendment No. 1 to Schedule 13D (the Amendment No. 1) filed with the SEC on May 7, 2002 and Amendment No. 2 to Schedule 13D (the Amendment No. 2) filed with the SEC on August 15, 2002. Due to the fact that this Amendment No. 3 is the Reporting Persons (as defined below) first electronic filing of the Schedule 13D, the disclosure set forth under each item may, in some cases, repeat information that was previously disclosed in prior amendments in order to fully comply with applicable SEC rules and regulations.

The Reporting Persons hereby amend and restate the Schedule 13D as follows:

ITEM 1. SECURITY AND ISSUER

This Statement relates to the shares (the Shares) of capital stock, without par value of the Company. Pursuant to the Company's bylaws, the preferences of the shares of Class A Common Stock and Class B Common Stock expired on July 9, 2002, and therefore, as of such date, the Class A Common Stock and Class B Common Stock were combined into a single class of common stock. On July 18, 2002, the shareholders of the Company approved a one-for-ten (1:10) reverse stock split (the Reverse Split), such that immediately following the Reverse Split each shareholder held one Share for each 10 Shares formerly held. All Share amounts set forth herein have been adjusted to reflect the Reverse Split. The principal executive offices of the Company are located at Rinconada El Salto 202, Huechuraba, Santiago, Chile.

ITEM 2. IDENTITY AND BACKGROUND

This Statement is being filed by each of the following persons (the Reporting Persons): Inversiones GE Capital Chile Limitada, a company (sociedad de responsabilidad limitada) organized under the laws of the Republic of Chile (GE Chile), GE Capital Equity Investments, Ltd., an exempted corporation organized under the laws of the Cayman Islands (GE Equity), General Electric Capital Corporation, a corporation organized under the laws of the state of Delaware (GE Capital), General Electric Capital Services, Inc., a corporation organized under the laws of the state of Delaware (GECS) and General Electric Company, a corporation organized under the laws of the state of New York (GE). GE Equity owns 99.9979% of the equity ownership interests in GE Chile; GE Equity is a wholly-owned subsidiary of GE Capital; GE Capital is a wholly-owned subsidiary of GECS; and GECS is a wholly-owned subsidiary of GE. GE Chile and GE Equity acquired their interests in the Shares indirectly through Redes Opticas S.A., a corporation organized under the laws of the Republic of Chile (Redes), and Redes Opticas (Cayman) Corp., a corporation organized under the laws of the Cayman Islands (Redes Cayman). Redes Cayman is a wholly-owned subsidiary of Redes; GE Chile owns approximately 18.75% of the capital stock of Redes. Redes beneficially owns directly or indirectly approximately 49.8% of the capital stock of the Company. Redes Cayman no longer beneficially owns any Shares of the Company.

The agreement among the Reporting Persons relating to the joint filing of the Schedule 13D is incorporated herein by reference to Exhibit 1 of the Amendment No. 1.

The registered office of GE Chile is located at Apoquindo 3721, piso 13, Las Condes, Santiago Chile. The principal business of GE Chile is to make equity investments and equity-related investments. GE Equity's registered office is located at Codan Trust Company (Cayman) Limited, PO BOX 2681GT, Century Yard, Cricket Sq., Hutchins Drive, Grand Cayman, B.W.I. The principal business of GE Equity is to make private investments. The principal executive offices of GE Capital are located at 260 Long Ridge Road, Stamford, Connecticut 06927. GECS is a holding company which owns all the common stock of GE Capital and other subsidiaries. GE's principal executive offices are located at 3135 Easton Turnpike, Fairfield, Connecticut 06431. GE engages in providing a wide variety of industrial, commercial and consumer products and services.

The name, business address, present principal occupation or employment, and citizenship of each director and officer of GE Chile, GE Equity, GE Capital, GECS and GE are set forth on Schedule 1, attached hereto.

During the last five years none of the Reporting Persons, nor to the best of their knowledge, any of their directors or executive officers, has been (i) convicted of any criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to federal or state securities laws or finding any violation with respect to such laws.

ITEM 3.

SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

As more fully described in Item 4 below, Redes Cayman purchased its beneficial interest in the Company using funds from a loan from Redes and Redes made a loan to Redes Cayman using capital contributions from Connected Acquisition Chile S.A., a corporation organized under the laws of the Republic of Chile (Connected Chile) and GE Chile. Redes made the purchase of its beneficial interest in the Company using funds from capital contributions from Connected Chile and GE Chile. GE Chile made the capital contributions to Redes using funds from capital contributions from made by GE Equity. GE Equity made the capital contributions to GE Chile using funds from its working capital. The purchase price for the initial acquisition by the Reporting Persons was approximately \$341,787.

As more fully described in Item 4 and Item 6 below, in connection with the purchase of the Bank Debt (as defined in Item 4 below), Redes Cayman made the purchase of its portion of the Bank Debt using funds from a loan from Redes and Redes made the loan to Redes Cayman using loans from Connected Chile and GE Chile. GE Chile made the loan to Redes from capital contributions from GE Equity. GE Equity made the capital contributions to GE Chile using funds from working capital.

As more fully described in Item 4 and Item 6 below, on April 25, 2002, Redes and Redes Cayman exchanged their portion of the Bank Debt (as defined in Item 4 below) for the Shares that they acquired in the Capital Increase (as defined in Item 4 below).

As more fully described in Item 4 below, on May 23, 2002, Redes acquired from the Company 36,360,556 shares of Class A Common Stock for 6,544,900,000 Chilean pesos, the equivalent of \$10,000,000 as of such date. Redes made the purchase of its beneficial interest in the Company from credits granted by Connected Chile and GE Chile. Connected Chile contributed 5,317,731,250 Chilean pesos to Redes, the equivalent of \$8,125,000 as of such date, and GE Chile contributed 1,227,168,750 Chilean pesos to Redes, the equivalent of \$1,875,000 as of such date. GE Chile granted the credit to Redes using funds from capital contributions made by GE Equity. GE Equity made the capital contributions to GE Chile using funds from working capital.

In accordance with the Promesas (as defined in Item 4 below), on June 21, 2002, Redes purchased an aggregate of 1,518,382 Shares from certain shareholders of the Company at a purchase price of 18 Chilean pesos per Share, which purchase price will be paid on December 31, 2090 in one installment, without adjustment for inflation, and without interest or any other charges. Schedule 2, previously filed with the Amendment No. 2 and incorporated herein by reference, sets forth the names of the selling shareholders and respective number of Shares sold to Redes by each such person.

ITEM 4. PURPOSE OF TRANSACTION

The purpose of the acquisition by GE Chile and GE Equity of their beneficial interests in the Company was indirectly to acquire an equity interest in the Company of approximately 16% for investment purposes.

On April 11, 2002, Redes and Redes Cayman completed concurrent tender offers in the United States and Chile for approximately 28.7% of the Shares (the Tender Offers) and acquired substantially all of the indebtedness of the Company and its subsidiary, Chilesat S.A., owed to financial creditors, which indebtedness had an aggregate face value of approximately \$104 million (the Bank Debt) pursuant to certain contracts, arrangements, understandings and relationships among third parties and the Southern Cross Filers (as defined in Item 6 below) and in certain cases GE Equity (collectively, the Promesas). As contemplated by the Promesas, and as described in Item 6 below, Redes and Redes Cayman entered into definitive agreements for the purchase of the Bank Debt (the Credit Assignment Agreements). As more fully described in Item 5 below, on April 25, 2002 Redes acquired an additional 2,544,520,602 Shares and Redes Cayman acquired an additional 1,232,641,286 Shares through the exercise of preemptive rights upon the issuance of new Shares following the increase in the Company's number of authorized Shares (the Capital Increase).

In connection with the Capital Increase, other shareholders of the Company had preemptive rights to subscribe for a ratable amount of additional Shares. Due to the registration requirements of the U.S. securities laws, preemptive rights were not made available to U.S. holders of American Depositary Shares (the ADSs), each ADS then representing 10 Shares of the Company's Class B Common Stock, in connection with the offering in the Capital Increase.

Consistent with past practice, the depository under the ADS program sold, on behalf of the U.S. holders of ADSs, the preemptive rights and remitted the proceeds, if any, to such U.S. ADS holders. GE Chile and GE Equity increased their share ownership through the exercise by Redes and Redes Cayman of their respective preemptive rights as shareholders in the Capital Increase by subscribing for Shares at a price of 18 Chilean pesos per Share, and paying for such shares through the return of the Bank Debt to the Company. The Settlement Agreement (as defined below in Item 6) and certain of the Promesas contain agreements requiring the parties thereto to assign to the Southern Cross Filers or waive their preemptive rights to obtain additional Shares pursuant to the Capital Increase.

The purpose of the purchase by Redes on May 23, 2002 of its beneficial interest in the Company was to acquire additional Shares and to provide the Company with funds for general corporate purposes and working capital needs.

The purpose of the purchases by Redes on June 21, 2002 of its beneficial interest in the Company was to acquire additional Shares.

As more fully described in Item 6 below, certain Shares formerly held by the Southern Cross Filers were transferred to the Ibáñez Entities (as defined below), as contemplated by the Settlement Agreement (as defined below).

As more fully described in Item 1 above, the shareholders of the Company approved the Reverse Split on July 17, 2002.

As more fully described in Item 6 below, on April 28, 2004, Redes and Redes Cayman entered into the Share Purchase Agreement and the Promise Agreement. The purpose of the sale by Redes and Redes Cayman under the Share Purchase Agreement and the proposed sale by Redes under the Promise Agreement is to divest themselves of their entire beneficial interest in the Company.

Subject to certain regulatory approvals and the terms and conditions of the Promise Agreement, Telmex intends to realize a public tender offer for 100% of the Shares (excluding the Shares owned by Telmex following execution of the Share Purchase Agreement) (the Company Tender Offer), in accordance with the applicable laws and regulations of Chile. Pursuant to the Promise Agreement, Telmex has the right to appoint a comptroller and a director to the board of directors of the Company within five business days following the announcement of the Company Tender Offer.

If the Company Tender Offer is not consummated, the determination of whether or not to purchase or sell shares of capital stock in the Company and the terms of any such transactions will depend upon GE Chile and GE Equity's continued assessment of all relevant factors including the business affairs of the Company, market and general economic conditions, the availability of capital stock at favorable prices, alternative investment opportunities available to GE Chile and GE Equity, the strategic value to GE Chile and GE Equity of the capital stock or control of the Company and other factors deemed relevant by GE Chile and GE Equity. Additionally, GE Chile and GE Equity may acquire, or acquire rights to acquire, additional shares of capital stock or other securities of the Company by means of open market purchases,

brokerage transactions, privately negotiated transactions, a business combination, merger, tender offer or other form of transaction involving the Company, all in accordance with Chilean and U.S. law.

Alternatively, GE Chile and GE Equity may retain their existing Shares or dispose of some or all of their Shares in the open market, in privately negotiated transactions or otherwise, depending upon market conditions and other factors. In addition, either of GE Chile or GE Equity may transfer all or a portion of the Shares that it owns to any of its subsidiaries or affiliates. The foregoing represents a range of possible activities GE Chile and GE Equity currently may take with respect to the Shares. It should be noted, however, that the possible activities and intentions of GE Chile and GE Equity are subject to change at any time. Each of GE Chile and GE Equity reserves the right to exercise any and all of its respective rights as beneficial owners of Shares or otherwise in such manner as it may determine, subject to the limitations set forth in the Redes Shareholders Agreement (as described in Item 6 below).

Except as set forth above, in this Item 4, or in Item 5 or Item 6 below, or as set forth in the Exhibits incorporated by reference or annexed hereto, neither GE Chile nor GE Equity has any present plans or proposals which relate to or would result in any of the following:

- (a) the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company;
- (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries;
- (c) a sale or transfer of a material amount of assets of the Company or of any of its subsidiaries;
- (d) any change in the present board of directors or management of the Company, including plans or proposals to change the number or term of directors or to fill any existing vacancies on the board;
- (e) any material change in the present capitalization or dividend policy of the Company;
- (f) any other material change in the Company's business or corporate structure, including but not limited to, if the Company is a registered closed-end investment company, any plans or proposals to make any changes in its investment policy for which a vote is required by Section 13 of the Investment Company Act of 1940;
- (g) changes in the Company's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person;
- (h) causing a class of securities of the Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;

(i) a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act; or