

# GENERAL TRANSITIONAL POLICY OF HABITUALITY

Cencosud S.A.

Publicly Listed Corporation

Registration in the Securities Registry No. 743

This general transitional policy of habituality was approved by the Board of Directors of Cencosud S.A. in a session held on December 28, 2009, and will come into effect on January 1, 2010.

## **INTRODUCTION**

In compliance with the provisions introduced by Law No. 20,382 to Law No. 18,046 on Joint-Stock Companies ("LSA"), Cencosud S.A. (the "Company"), as a publicly listed corporation, hereby establishes the following general transitional policy of habituality regarding those transactions that are ordinary in consideration of the Company's business activities (the "Policy"), so that, in accordance with the provisions of Article 147, paragraph 2 of the LSA, the Company can carry out such transactions with related parties without the need to comply with the requirements and procedures established in items 1) to 7) of paragraph 1 of said article.

This Policy was approved in a Board of Directors' meeting of the Company held on December 28, 2009, and is published on the Company's website ([www.cencosud.cl](http://www.cencosud.cl)) and available to interested parties at its offices located at Avenida Kennedy No. 9,001, 7th floor, Las Condes commune, Santiago.

## TITLE I

### OBJECT AND SCOPE OF THE POLICY FOR ORDINARY TRANSACTIONS

**ARTICLE 1 - Object:** This Policy refers to those ordinary transactions in consideration of the Company's business activities, which may be carried out by the Company with Related Parties (as defined later on) without the need to comply with the requirements and procedures established in items 1) to 7) of paragraph 1 of Article 147 of the LSA.

**ARTICLE 2 - Scope of the Policy:** This Policy shall apply to all transactions executed by the Company with Related Parties, when such transactions are ordinary in consideration of the Company's business activities, as provided in the following Article 4.

## TITLE II

### DEFINITIONS

**ARTICLE 3 - Definitions:** For the purposes of this Policy, the following terms shall have the following meanings:

Chief Executive Officer: refers to any natural person who has the capacity to determine the objectives, plan, or control the overall management of the business or strategic policy of the Company, whether alone or together with others, regardless of the quality, form, or contractual employment relationship through which the Chief Executive Officer is related to the Company, or the title or designation of their position or job, in accordance with the provisions of Article 68 of the LMV.

Managers: refers to those managers of the Company who are appointed as such by its board of directors, and shall be reported by the Company to the SVS in compliance with the provisions of Article 68 of the LMV.

Business Group: refers to the set of entities that have links in their ownership, administration, or credit responsibility in such a way that it is presumed that the economic and financial performance of its members is guided by the common interests of the group or subordinated to them, or that there are common financial risks in the credits granted to them or in the acquisition of securities they issue. The entities that are reported to the SVS as part of the Company's business group, in accordance with the provisions of Circular No. 1246 dated October 27, 1995, are considered part of the business group of the Company.

LMV: refers to Law No. 18,045 on the Securities Market.

LSA: has the meaning assigned to it in the "Introduction" of this document.

Transaction: refers to any negotiation, act, contract, or operation in which the Company and a Related Party are involved.

Related Parties: refers to the parties related to the Company, which are:

- a. One or more Related Persons;
- b. A Director, Manager, Administrator, Chief Executive Officer, or liquidator of the Company, either on their own behalf or on behalf of persons other than the Company, or their respective spouses or relatives up to the second degree of consanguinity or affinity inclusive;
- c. Companies or businesses in which the individuals mentioned in point a. above own, directly or through other natural or legal persons, 10% or more of their capital, or are Directors, managers, administrators, or chief executive officers;
- d. Those determined by the Company's bylaws or reasonably identified by the Board Committee, if applicable; and
- e. Those in which a Director, Manager, Administrator, Chief Executive Officer, or liquidator of the Company has performed functions as a Director, Manager, Administrator, Chief Executive Officer, or liquidator within the last 18 months.

Related Persons: refers to the individuals related to the Company, which are:

- a. Entities within the Business Group to which the Company belongs;
- b. Legal entities that are, with respect to the Company, the parent, joint venture, subsidiary, or associated company;
- c. Directors, Managers, Administrators, Chief Executive Officers, or liquidators of the Company (who shall be reported as such by the Company to the SVS in compliance with the provisions of Article 68 of the LMV), and their spouses or relatives up to the second degree of consanguinity, as well as any entity controlled, directly or through others, by any of them; and
- d. Any person who, individually or together with others with whom they have an agreement for joint action, can appoint at least one member of the Company's board of directors or control 10% or more of its voting capital.

Policy: has the meaning assigned to it in the "Introduction" of this document.

Company: has the meaning assigned to it in the "Introduction" of this document.

SVS: has the meaning assigned to it in the "Introduction" of this document.

## TITLE III

### ORDINARY TRANSACTIONS

**ARTICLE 4 - Ordinary Operations of the Business** - According to this Policy, ordinary transactions in consideration of the Company's business activities include all acts, contracts, or activities of any nature related to the exercise of general commerce, including the purchase, sale, consignment, distribution, importation, exportation, representation, commission, packaging, fractionation, and commercialization on its own account or on behalf of others of all kinds of movable assets, the realization of permanent or income-generating investments in any kind of tangible or intangible assets, both domestically and internationally, as well as the acquisition, preservation, sale, disposal, and negotiation in any form and under any title of all kinds of assets, whether in the country or abroad, and the collection of their fruits and incomes.

In this context, the following transactions of the Company with Related Parties shall be considered ordinary:

1. The purchase, sale, consignment, distribution, importation, exportation, representation, commission, packaging, fractionation, and commercialization of all kinds of movable assets.
2. The provision of all types of services that enable Related Parties to develop their individual business activities by leveraging their capabilities and resources primarily towards achieving those objectives, including but not limited to maintenance and data management, collection, asset administration, and others.
3. The acquisition, preservation, sale, disposal, and negotiation in any form and under any title of all kinds of movable or immovable assets, tangible or intangible, whether in the country or abroad, and the collection of their fruits and incomes
4. Operations that are qualified as commercial current accounts or structured financial loans that are entered into for the optimization of cash management for Related Parties.
5. Agreements entered into with Related Parties that correspond to financial companies within the Business Group to which the Company belongs, aiming to enhance the intermediation of financial services, their connection to retail, or the improvement of customer portfolios.
6. Agreements or contracts related to customer loyalty programs.
7. Operations related to financial management and general services, including, among other activities, those related to accounting, various reports, management, purchase and sales records, treasury and banking, tax and legal advisory, insurance matters, and internal auditing.

**ARTICLE 5 - Ordinary Transactions with Related Parties** - The ordinary transactions carried out by the Company with Related Parties, as indicated in the previous Article 4, may be executed without the need to comply with the requirements and procedures established in items 1) to 7) of paragraph 1 of Article 147 of the LSA, provided that, according to this Policy, they are understood as ordinary transactions in consideration of the Company's business activities, as provided in subparagraph b) of paragraph 2 of the aforementioned article. However, such transactions must contribute to the social interest and be priced, termed, and conditioned in accordance with prevailing market practices, as stipulated in paragraph 1 of Article 147 of the LSA.

## **TITLE IV**

### **MECHANISMS OF POLICY DISCLOSURE AND EFFECTIVENESS**

**ARTICLE 6 - Disclosure Mechanisms** - A copy of this Policy will be made available to the public at the Company's offices and on its website ([www.cencosud.cl](http://www.cencosud.cl)).

**ARTICLE 7 - Effectiveness** - This Policy will come into effect on January 1, 2010, and will remain in effect until the next ordinary shareholders' meeting of the Company.