

DECEVAL S.A. OPERATING REGULATION

**Approved by means of Resolution No. 0816 dated May 26, 2011, issued by the COLOMBIAN FINANCIAL
SUPERVISORY BODY**

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PRELIMINARY TITLE. - GLOSSARY OF TERMS

SINGLE CHAPTER

Article 1. - Glossary of Terms

For all legal purposes of the present Regulation, the terms listed hereinafter shall have the following meanings:

Account Entry

Has the meaning given to such term in Article 12 of Law 964 of 2005.

Securities Management

Has the meaning given to such term in Article 18 of Law 27 of 1990.

Settlement Banks for the Management of Securities

The commercial banking establishments and/or *Banco de la República* (hereinafter, the “Central Bank”) which may be registered by the Corporation or by Direct Depositors, pursuant to the corresponding instructions regarding this matter which should be given by the Corporation by means of guidelines, for the management of cash flows derived from transactions related to the management of securities representing the equity rights exercised over securities on deposit.

Whenever, upon instructions given by the Direct Depositor, the payment of resources derived from the management of securities should be deposited in the account of the indirect depositors, the same shall identify the settlement commercial bank, as well as the corresponding account, in order to carry out transfer of funds related to the respective rights.

Settlement Banks for the Clearing and Settlement of Securities

The Corporation shall use only the Central Bank in order to channel the cash flows derived from clearing and settlement transactions for deposited securities, using for such purposes the account or accounts which are opened by the Corporation in the Central Bank, as provided for in literal m of Article 2.12.1.1.2. of Decree 2555 of 2010.

Direct Depositors may appoint one or more settlement commercial banking establishments with accounts in the Central Bank, in order to carry out from their accounts in said Bank the corresponding clearing and settlement of cash related to transactions for securities, under the delivery-vs-payment modality, creation of guarantees regarding payment-vs-payment transactions or settlement of temporary transfers of securities, repos and simultaneous transactions. Under the aforementioned modalities, the Direct Depositors may elect only one of the accounts of the banks appointed in the Central Bank per each of the orders entered in the clearing and settlement system.

Settlement related to the payment of transactions ordered to the clearing and settlement systems under the modality known as delivery-vs-payment or the creation of guarantees involving cash movement under the modality known as payment-vs-payment, shall be fulfilled pursuant to the terms established by the Corporation by means of guidelines based on the public notices issued by the Central Bank.

Delivery-vs-payment transactions in the Central Bank shall be fulfilled under the modality of automatic debit to the account registered by the Direct Depositors in the Corporation and only under the exception cases

provided for in the regulation, by means of approval of the corresponding debit in the deposit accounts system of the Central Bank.

BIS: (Bank for International Settlements)

The Bank for International Settlements is an international entity that contributes to and promotes international monetary and financial cooperation, and serves as Bank of the Central Banks of the countries. Its main purposes are as follows: to act as forum intended to promote the discussion and analysis of policies between the Central Banks and the international financial community, as well as a monetary and economic research center, as the main counterparty of the financial transactions of the Central Banks, and as agent or trustee with respect to international financial transactions.

Securities Blocking

In furtherance of the rogatory principle, the Corporation shall encumber such amounts, which should be established over the available balance of securities held in own position or in third parties position in deposit accounts. Such blocking shall apply upon order of the competent authority when regarding seizures or administrative actions, and shall also apply upon agreement between the parties in case of liens or guarantees, transfer of securities, etc.

The blocked securities as collateral of transactions in the clearing and settlement system managed by the Corporation, whether owned or third parties securities, intended to comply with the settlement of securities performed by such system, are protected pursuant to the terms provided for in Articles 10 and 11 of Law 964 of 2005, as of the time of their constitution, increase or substitution, until the time on which the obligations related to the secured transaction should be fulfilled.

For the immobilization case referred to in Chapter XIX of the Legal Basic Public Notice issued by the Financial Supervisory Body, it is understood herein as a blocking.

Bulletin

Document of general content intended to disclose matters of interest for the Direct Depositors or to clarify issues related to the business of the Corporation. It shall be subscribed by a Legal Representative of the Corporation.

Stock Exchange

Has the meaning given to such term in Article 1 of Decree 2969 of 1960.

Certification – Certificate

Has the meaning given to such term in Article 13 of Law 964 of 2005 and in Articles 2.14.4.1.1 and 2.14.4.1.2 of Decree 2555 of 2010.

Clearing

Has the meaning given to such term in subsection 1 of Paragraph of Article 9 of Law 964 of 2005.

Supplement

It refers to the entry in the system managed by the Corporation of the necessary information which should be required by the same in order to perform the respective clearing and settlement of any transaction.

Confirmation or orders

Has the meaning given to such term in Article 2.12.1.1.5 of Decree 2555 of 2010.

Securities Deposit Agreement.

Has the meaning given to such term in Article 16 of Law 27 of 1990 and in Article 2.14.3.1.1. of Decree 2555 of 2010.

Securities Issuance Agreement or Issuance Deposit Agreement.

Has the meaning given to such term in Article 22 of Law 27 of 1990.

Mandate Agreement

Wills agreement by means of which the Direct Depositor commits themselves to perform on behalf of the Indirect Depositor such transactions which should be authorized by the latter before the Corporation.

Agreement defined in Article 2142 of the Civil Code and in Article 1262 of the Commercial Code.

CUD

System of the Central Bank by means of which the authorized entities may perform transfer of funds between deposit accounts in real-time and on-line, through individual or batch transactions by means of interchange of files.

Has the meaning given to such term in Article 4 of External Regulatory Official Notice – DSEP – 158 of the Central Bank.

Deposit Account

Individual accounts allocated by the Corporation to each Direct Depositor for the registration and accounting of deposited securities, whether held in owned position or in third parties position, as well as accounts of funds in the CUD system managed by the Central Bank, as defined in literal k) of Article 3 of External Official Notice – DSEP – 158 of the Central Bank.

Omnibus Account

Account allocated by the Corporation to certain Direct Depositors for the registration and accounting of deposited securities devoted to represent a collective custody managed on part of the Depositor, which shall not be recorded at level of the final beneficiary of the same.

Settlement account for the management of securities on deposit

It refers to the checking or saving accounts opened in commercial banks, or deposit accounts opened in the Central Bank by each of the Direct Depositors, in order to receive the payment related to the equity rights exercised by the Corporation.

The Corporation shall open checking or saving accounts in commercial banks or deposit accounts in the Central Bank in order to channel the payments related to equity rights on part of the issuers, as well as the distribution of funds corresponding to accounts of Direct Depositors.

Settlement account for the clearing and settlement of securities in deposit

It refers to the checking or saving accounts opened in commercial banks or deposit accounts opened in the Central Bank by Direct Depositors, in order to channel the corresponding resources or funds derived from the settlement of transactions by means of delivery-vs-payment mechanisms and other related transactions such as guarantees.

On the other hand, the Corporation shall open such deposit accounts which should be required by the Central Bank in order to channel, by means of the same, the corresponding liquidity derived from settlement transactions which should be ordered directly by Direct Depositors or through registration systems, securities negotiation systems or other clearing and settlement systems authorized by the Financial Superintence of Colombia.

Central Securities Depository

It refers to an institution managed by a legally incorporated Corporation, which corporate purpose is to receive securities for their custody and management under the legal concept of deposit, as described in Article 2240 of the Civil Code, which shall be recorded in the respective accounts or sub-accounts which should be opened and managed by Direct Depositors on their own behalf or on behalf of third parties. The custody of securities shall imply the registration of such liens and encumbrances which should be notified by the Direct Depositor, the competent authorities or the registration and negotiation systems, as the case may be; as well as the clearing and settlement of transactions and the reinstatement of securities. Likewise, the aforementioned securities may be managed upon request of the Direct Depositor pursuant to the present Regulation.

The definition which regulates the corporations in charge of managing central securities depositories is contained in Article 13 of Law 27 of 1990.

Depositors

Natural or legal persons, on behalf of which, the Corporation receives or registers, whether directly or indirectly, securities in the Depository managed by the Corporation.

Direct Depositors

It refers to such entities which, pursuant to the operating regulation of the Corporation, duly approved by the Colombian Financial Supervisory Body, may access directly to the services of the Securities Depository and which have subscribed the Securities Depository and/or Issuance Agreement, whether on their own account and/or on account of third parties.

Such Direct Depositors which should meet the qualities established in the present regulation may also be Direct Depositors of the clearing and settlement system managed by the Corporation.

Indirect Depositors

It refers to all the natural and legal persons which may not access directly to the services of the Depository, but which, by virtue of a mandate agreement, entrust a Direct Depositor, in terms of the applicable rules and within their powers, in order to manage resources, securities and funds, before the Corporation.

A sub-account shall be allocated to the Indirect Depositors which shall be used within the domestic scope. Such sub-account shall be identified on the basis of the single, joint, or several ownership that has the Indirect Depositor in the Depository.

Dematerialization

According to Concept No. 9409189-2 dated August 2, 1994 issued by the Securities Supervisory Body: *“the term dematerialization or immaterialization is known as the phenomenon by means of which the physical document is eliminated and replaced by an accounting record which, in most cases, considering that the same are comprised by computer files, are named as computer documents and therefore, the aforementioned dematerialization becomes a technical and legal phenomenon which gives rise to all kind of analysis which allow, in last instance, to restate the theory of securities or other similar documents”.*

Securities Issuer

Has the meaning given to such term in Article 1.1.1.1.1. of Decree 2555 of 2010.

Delivery-vs-Payment

It refers to a securities settlement system which provides a mechanism intended to ensure that the delivery of securities shall occur only whenever the payment of the corresponding funds has been complied. One of the models recommended by BIS, ISSA and Group 30 is the real-time gross settlement or “RTGS”, process by means of which, the securities and the funds are transferred on a simultaneous basis. In the case of the Corporation, the securities pertaining to the seller Direct Depositor, held in own position or in third parties position, are transferred simultaneously with the payment of funds or cash by the purchaser Direct Depositor, held in own position or in third parties position, upon settlement of the respective transaction. The aforementioned mechanism is based on the interconnection between the depository systems and the clearing and settlement systems regarding transactions managed by the Corporation, in order to transfer the respective funds for the settlement of the counterparties’ obligations.

Settlement Date

It refers to the date on which the respective transaction is settled and fulfilled.

Transaction Date

It refers to the date on which the Direct Depositors perform, on their own account or on account of third parties, any transaction over securities.

Purpose of transactions over securities

The orders related to transfer of funds or securities derived from transactions over securities, as well as any other act which, pursuant to the terms of the regulations of any clearing and settlement system, should be performed for its compliance, shall be firm, irrevocable, enforceable and objectable before third parties as of the time on which such orders should be accepted by the clearing and settlement system.

A transfer order shall be understood herein as the unconditional instruction given by any participant through the negotiation or registration systems to the clearing and settlement systems managed by the Corporation in order to deliver any security or securities, or a specific amount of funds, to the beneficiary named in such instruction.

Same Day Funds

Standard which establishes that the payments received and associated with transactions related to clearing and settlement of securities shall be of immediate availability and may not be revoked once the same should have been transferred from purchaser to seller by means of the entity in charge of managing the clearing and settlement system.

Capture Form

Presentation structure regarding data entry. Detail of the contents of the Capture Form shall be established by means of operating guidelines.

Standard Form

Uniform presentation regarding data entry and exit. Detail of the contents of the Standard Form shall be established by means of operating guidelines.

Securities Deposit Form

Predefined form by the Corporation in which the Direct Depositor shall list the respective securities to be deposited.

Securities Withdrawal Form

Predefined form by the Corporation in which the Direct Depositor shall list the respective securities subject to withdrawal.

Fungibility of Securities on Deposit

It refers to the account entry principles provided for in Article 12 of Law 964 of 2005 and to the fungibility principle provided for in subsection 5 of Article 2.14.1.1.1. of Decree 2555 of 2010.

Pursuant to the applicable regulation, the securities' fungibility allows:

- To manage the rights recorded in account on an electronic basis reflecting the balance pertaining to each holder.
- To globalize securities on deposit regarding issuances of the same issuer.
- To substitute securities among them at the time of their withdrawal, releasing the Corporation from its obligation before the Direct Depositor.
- While securities are on deposit, the individualization of the originally delivered specie shall not apply, except whenever the same should be negotiated in the stock exchange.

The fungibility concept implies the joint ownership of the holders over the community of securities of the same financial conditions, agreed to as of their enrollment in the depository. The aforementioned does not exclude the quantitative division in the depository and neither the material identification of the security at the time of its reinstatement.

Immobilization

It refers to the act by means of which a security supported in a physical document, is deposited in order to be transferred by electronic means, (REED, Chris. Electronic Finance Law. Page 79. London. 1991)

Concept No. 9409189-2 dated August 2, 1994 issued by the Securities Supervisory Body regarding immobilization reads as follows... "intended to decrease or avoid the handling of physically existing securities, but the incorporation remains an essential concept. Under such a scheme, and in accordance with the aforementioned, we find before us the dematerialization of outstanding securities by means of which, the respective documents are subject to immobilization in a collective depository, and their role in the traffic is determined by simple references or records in account regarding their existence in a depository.

ISIN

Standardized coding which allows the unique identification of outstanding securities at National and International level, contained in rule ISO6166, recognized in Colombia by ICONTEC rule number 4064.

Guidelines

Document of general contents which establishes the Operating Regulation of the Corporation regarding the aspects included therein, is of mandatory fulfillment for the Direct Depositors and/or issuers, its issuance is understood as an integral part of the agreements subscribed between the Corporation and the Direct Depositors and/or issuers, considering that the same is framed within the Depository Agreement and the Issuance Depository Agreement, as well as within the provisions of the present Regulations and its further amendments and accordingly, it does not imply any unilateral amendment to the terms governing the contractual relationship.

The aforementioned document informs about the corresponding decisions adopted by the several bodies of the Corporation (meeting of shareholders and board of directors), and about the instructions or procedures which should be determined by the Corporation regarding transactions related to its relationships with depositors and issuers.

The guidelines shall have consecutive numbering according to the matter, shall be subscribed by the President of the Corporation or by his alternate; the decision informed therein shall mention the body which adopted the same, shall contain a validity term and shall indicate the abrogated guidelines.

The aforementioned guidelines shall enter into force on the following day as of the date on which the same should be published in the web page of the Corporation, notwithstanding that the Corporation may use other advertising means in order to ensure its advertising, except as otherwise provided for in the regulation.

Settlement

Has the meaning given to such term in subsection 2 of Paragraph of Article 9 of Law 964 of 2005.

Gross Settlement

It refers to a settlement model by means of which such orders regarding transfer of securities which should be given by the negotiation systems, the registration systems and, where applicable, by the seller Direct Depositor in own position or in position of third parties, and such orders regarding transfer of cash which should be given by the purchaser Direct Depositor in own position or in position of third parties, are executed on an individual basis, i.e., transaction per transaction, producing the transfer of the corresponding securities, only upon the simultaneous transfer of the respective funds.

The acceptance of a transfer order under the gross settlement model is referred to in subsection 3 of Article 10 of Law 964 of 2005.

Macro-Bond

Synonym of global bond, as defined in Article 2.14.3.1.6 of Decree 2555 of 2010.

Suitable Means

It is understood as suitable means such means which legally allows that the information related to the records performed by the Corporation become enforceable before the depositors, the issuers enrolled by means of issuance deposit agreements and any other users.

Therefore, for purposes of its operating activities, the Corporation may use as mechanism regarding transmission of instructions related to recorded transactions, the capture forms pertaining to its Information System, as well as the data structures for the interchange of specific files with the negotiation systems, registration systems, the Central Bank and other duly authorized clearing and settlement systems.

The means which should be used by the Corporation in order to inform or in order to be informed about the acts which should affect the incorporated rights or the holding of securities shall be previously notified to the Direct Depositors and to the issuers by means of instructions.

Discretionary reinstatement obligation

In accordance with the legal provisions governing the Central Securities Depository, the reinstatement obligation on part of the Corporation is discretionary.

It is defined in Article 1562 of the Civil Code, in general terms “as such obligation which purpose is a specific thing, but the debtor is granted with the right of paying with said thing or with another designated thing.”

Regarding discretionary obligations pursuant to Article 1563 of the Civil Code, the creditor is not entitled to request nothing more than that to which the debtor is directly liable, and if the thing perishes without fault of the debtor and before it has incurred in default, the same shall not be entitled to demand anything.

Spot Transaction

Pursuant to Article 2.35.2.1.1 of Decree 2555 of 2010, and as provided for in Chapter XXV “ Rules related to spot transactions” of the Basic Accounting and Financial Public Notice.

Transaction whose fulfillment date corresponds to the same date of the closing of the same, or up to the following third Business Day, inclusive; (t+0 through t+3 Business Days).

Forward Transaction

As defined in Article 2.35.2.1.2 of Decree 2555 of 2010 and in Chapter 18 “Derivative financial instruments and structured products” of the Basic Accounting and Financial Public Notice.

Transaction whose fulfillment date is subsequent to the third Business Day following the closing of the same (above t+3 Business Days).

Incomplete Transaction

A transaction shall be considered as incomplete whenever, upon expiration of the term for its settlement, when any of the parties have not completed the transaction by delivering what is owed.

Settled Transactions

It refers to transactions performed in the negotiation systems or recorded in the registration systems and accepted by the clearing and settlement systems as provided by the law and in the procedures of the operating regulation. It should be noted that, as implied by its name, it refers to transactions with respect to which, the corresponding obligations have been fulfilled.

Definition included in the second subsection of paragraph of Article 9 of Law 964 of 2005.

Over the Counter or OTC Transactions

Has the meaning given to such term in Articles 7.4.1.1.1. and 7.4.1.1.6. of Decree 2555 of 2010.

Transfer Order

As defined in Article 10 of Law 964 of 2005.

Originator

Has the meaning given to such term in Article 2.36.3.1.3 of Decree 2555 of 2010.

Participant

As defined in subsection 4 of Article 9 of Law 964 of 2005.

Principles of Computer Safety

The service rendered by the Corporation is based on the following principles of computer security: i) Confidentiality: When the information is only available to those whose access has been authorized. ii) Integrity: When the information is accurate and complete and it is ensured that the same has not been modified since the time of its creation. iii) Non-repudiation: When the information related to a certain transaction or event corresponds to the participant of the same, who may not disregard his/her involvement in the same.

The aforementioned principles are based on the functional equity concept provided for in Law 527 of 1999 and in External Public Notice 52 of 2007 issued by the Colombian Financial Supervisory Body.

Terms

Except as otherwise provided herein, the terms established in the present Regulation shall always be calculated in business days and hours.

Technological Platform

The basis over which the set of computer tools pertaining to the information systems of the Corporation are supported, as well as all the necessary components for its management such as hardware, software, data bases and communication systems.

Owner or Holder

Holder of the ownership rights over such securities received in the Depository managed by the Corporation.

As provided for in Article 12 of Law 964 of 2005, as well as in Article 2.14.1.1.1 of Decree 2555 of 2010 and in Article 647 of the Commercial Code.

Renewal

It refers to the transaction by virtue of which, the corresponding resources derived from payments of capital related to any security on deposit are applied or used in a new investment represented by the account entry of a primary issuance with the same financial characteristics of the previous security, excluding the interest rate. Such renewal must be made for the same value as the settled value.

Proxy Voting

Electronic voting system which, intended to comply with subsection 3 of Article 2.15.6.1.9 of Decree 2555 of 2011, allows the shareholders to take part in the decisions of the meeting, without attending the same, by delivering their intention to vote by means of electronic mechanisms in order to be represented by a proxy in the country where the meeting takes place.

Registration by means of account entry

As provided for in Article 12 of Law 964 of 2005 and in Article 2.14.1.1.1 of Decree 2555 of 2010.

Provisional registration

Electronic registration prior to the physical deposit and withdrawal of securities performed by the Direct Depositors.

Reinvestments

It refers to the transaction by virtue of which, the corresponding resources derived from payments of capital and/or interests are applied or used in a new investment represented by the account entry of an issuance. Reinvestments may be made for the same value, or for a greater or lesser value than the settled value.

Consignee

As provided for in Article 2.36.3.1.3 of Decree 2555 of 2010 and in Chapter XIX of the Basic Accounting and Financial Public Notice.

Repurchase agreement or Repo

It refers to the transactions defined and regulated as such in Article 14 of Law 964 of 2005, as well as in Article 2.36.3.1.1 of Decree 2555 of 2010, and in Chapter XIX of the Basic Accounting and Financial Public Notice, or in any rules which should amend, supplement or substitute the same.

Reinstatement or replacement of securities

The Corporation is enforced to endorse and deliver to the Direct Depositor such securities which the same should request to withdraw.

To the extent that the releasing power of the Corporation by replacement is preceded by a discretionary obligation, the Corporation may comply with its replacement obligation by endorsing and delivering to the Direct Depositors securities of the same issuer, class, specie, face value and other financial characteristics.

Credit Risk

The risk derived from a participant's failure to finally comply with the obligation resulting from the management of securities or the clearing and/or settlement on account of the latter, whether on a total or partial basis when due.

Legal Risk

The potential loss incurred by a participant derived from the total or partial non-fulfillment of any obligation resulting from the securities management activity or the clearing and/or settlement on account of the same, whenever such participant should be penalized or forced to compensate damages for reasons attributable to weaknesses or gaps in the effective legal provisions, or in the regulations or agreements, which may affect the enforceability of the obligations provided for in the same, or by virtue of willful misconduct, negligence or involuntary acts which may affect their execution.

Liquidity Risk

The risk derived from a participant's failure to comply, on a total or partial basis, with the obligation resulting from the management of securities or the clearing and/or settlement on account of the latter within the established term, but which may be subsequently complied with.

Operating Risk

The risk of loss resulting from inadequate or failed internal processes, human resources, technology or infrastructure which should be necessary for the appropriate and continuous performance of the Corporation's services or due to the occurrence of external events. The aforementioned definition includes the legal and reputational risk, associated with such factors.

Systemic Risk

The risk derived from a participant's failure to comply, whether on a total or partial basis, regarding the securities management services rendered by the Corporation or regarding the clearing and settlement system, with one or several obligations on account of the latter, or due to the outage or failure of such system which may cause: (i) that other participants in the same clearing and settlement system may not comply with their obligations when due; (ii) that other participants pertaining to other clearing and settlement system may not comply with their obligations when due; and (iii) that other natural or legal persons which operate in the financial system or in the securities market may not comply with their obligations when due, and in general, that such non-fulfillment may cause significant liquidity or credit problems which could threaten the stability of the financial system.

Account Balances

Is represented by such securities listed in the Issuers and Securities National Registry (RNVE, as per its Spanish acronym) and by the position over securities, financial instruments and securities issued abroad which are not be listed in the Issuers and Securities National Registry (RNVE, as per its Spanish acronym), and which should be deposited in any account or sub-account of any holder or holders by virtue of the account entry mechanism.

SEBRA: Electronic Services of the Central Bank

It refers to the electronic system by means of which the authorized agents of the financial system and the stock exchange market may access, on line and in real time, to the electronic services offered by the Central Bank in order to perform transactions, on a safety and efficient basis.

Simultaneous Transactions

It refers to the transactions defined and regulated as such in Article 14 of Law 964 of 2005, as well as in Article 2.36.3.1.2 of Decree 2555 of 2010, or in any rules which should amend, supplement or substitute the same.

Data processing electronic systems

Information systems which use the computer as tool for the processing, transformation and control of data.

External Systems

The term External Systems refers to the securities transactions clearing and settlement systems, other than the system managed by the Corporation, such as foreign exchange clearing and settlement systems, and clearing and settlement systems regarding forwards, options and other financial assets, including the counterparty central risk houses and the system managed by the Colombian Stock Exchange for equities, duly authorized by the competent authority to operate in Colombia.

Securities Negotiation Systems or Negotiation Systems

It refers to the provisions included in Book 15 Part 2 “Rules applicable to the Securities Negotiation Systems and Securities Transactions Registration” of Decree 2555 of 2010.

Securities Transactions Registration or Registration Systems

It refers to the provisions included in Book 15 Part 2 “Rules applicable to the Securities Negotiation Systems and Securities Transactions Registration” of Decree 2555 of 2010.

Payment(s) System(s)

It refers to the provisions included in Book 17 Part 2, and in particular to Article 2.17.1.1.1 literal n) of Decree 2555 of 2010, or to any rules which should amend or replace them, and to External Resolution No. 5 of 2009 of the Board of Directors of the Central Bank, or to any rules which should amend, supplement or substitute the same.

Corporation

It refers to the market supplier of infrastructure whose corporate purpose is to render the service of a central securities depository, by means of the corporation known as *Depósito Centralizado de Valores de Colombia, Deceval S.A.*, pursuant to Law 45 of 1990 and Law 964 of 2005 and the corresponding decrees governing the same, incorporated by means of Public Deed No. 10.147 dated November 17, 1992 granted in the Fourth Notary Public Office of the District of Bogotá, with operating permit issued by the Financial Superintence of Colombia pursuant to Resolution No. 702 dated June 4, 1993.

Securities Sub-accounts in Deposit

Account allocated by the Corporation upon request of the Direct Depositors, recorded on account of the Direct Depositor or principal, for the registration and accounting of securities deposited on behalf of the latter or on behalf of third parties.

Sub-custody

Outsourcing of the custody of securities and other assets located abroad, whenever it should be necessary in order to comply with the purposes of the entrusted custody.

Supervisory Body

It refers to the Financial Superintence of Colombia.

Replacement of guarantees

As provided for in Article 2.12.1.1.8 of Decree 2555 of 2010.

Global Bond

Has the meaning given to such term in Article 2.14.3.1.6 of Decree 2555 of 2010.

Bond which represents, on a total or partial basis, a set of securities of the same class and with the same legal and economic characteristics.

Global bonds representing an issuance are listed hereinafter:

Global bond of fixed nominal value

The issuer shall estimate a fixed nominal value, which shall be determined on the basis of the expectations of the dematerialized placement of the respective securities during the entire validity of the agreement. The issuances shall exhaust the nominal value of the Global Bond and accordingly, there shall be no issuances for a greater value than the determined value.

Global bond of fixed nominal value and automatic reinstatement

The issuer shall determine a nominal value based on the expectations of the dematerialized placement of the respective securities. Such value shall be exhausted with the primary subscriptions, which is performed and shall be reinstated with the expirations which should occur during the entire life of the agreement. Therefore, its total is revolving.

Global bond with fixed term and nominal value

The issuer shall estimate a nominal value according to the issuance expectations during a specific term; for example, one month. This nominal value shall be exhausted with the issuances to be performed during the term, which should be previously agreed. Once the aforementioned term expires, the limit shall be frozen and no new placements may be performed.

Global bond with floating amount

These bonds are issued without a fixed amount. The nominal value shall be determined according to the issuances that are performed and reported to the Corporation on a daily basis. The corresponding

enforcability may be agreed at a fixed term, which shall be below than the entire enforcability of the agreement or up to the expiration of the same. This mechanism means that the value of the global bond increases with the primary subscriptions and decreases with the expirations of capital of the respective securities or withdrawals resulting from materialization, whenever such prerogative exists.

Final transfer of securities

It refers to the final and unconditional transfer of the respective securities that the seller Direct Depositor commits himself to deliver, upon final payment of the same, either by means of transfer of securities and/or funds. Such transfers are performed on a simultaneous basis by means of account entry in the depository managed by the Corporation, and release the obligations of the Direct Depositors.

Final and irrevocable transfer of funds

Transaction by means of which the financial resources related to a delivery-v-payment transaction over deposited securities are transferred, on a final and unconditional basis, in favor of the seller, by means of immediately availability funds.

Temporary transfer of securities

Has the meaning given to such term in Article 2.36.3.1.3 of Decree 2555 of 2010.

Security

Has the meaning given to such term in Article 2 of Law 964 of 2005.

Any references in the present regulation to a security or securities shall include, as applicable, securities and financial instruments.

TITLE I.- GENERAL PROVISIONS

SINGLE CHAPTER

Article 2. - Concept

The Central Securities Depository is an entity in charge of managing, by means of the Corporation, the following two systems:

- i. Custody and management of securities, credit securities, equity shares, commodities and financial instruments, which are listed or not in the Issuers and Securities National Registry (RNVE, as per its Spanish acronym). Regardless, if the same should be issued, traded, or registered in Colombia or abroad. Such activity shall be exercised in full compliance with the applicable tax and exchange rules.
- ii. Clearing and settlement of securities on deposit.

Article 3. - Purpose of regulation

The present regulation shall govern the corresponding relationships that arise between the Corporation and its Direct Depositors, Indirect Depositors and other national or international central securities depositories, the negotiation and registration systems and other clearing and settlement systems, by virtue of any agreements which are executed in the performance of its corporate purpose related to the services of custody, management, clearing and settlement, as well as to the certification duties regarding securities on deposit.

Article 4. - Validity of regulation

The present Operating Regulation and its provisions shall remain valid up to the time at which the Corporation, by means of its Board of Directors, should amend the same and the corresponding amendment should be approved by the Financial Superintence of Colombia, and such amendment should be published in the web page of the Corporation. In any event, the Corporation shall notify the Direct Depositors regarding any amendments to the present Regulation to the registered address of the Corporation. The new rules shall enter into force as of the third (3rd) business day following their publication in the web page of the Corporation (www.deceval.com), except as otherwise provided by the Financial Superintence by means of administrative act or whenever the present regulation should determine a different term.

Any amendment to the present regulation shall be subject to the publication proceeding for comments as provided for in Article 12 of the present Regulation, as well as to prior approval on part of the Board of Directors and authorization by the Financial Superintence of Colombia.

The Corporation may also use other disclosure mechanisms in order to ensure that the Direct and Indirect Depositors are aware of the present regulation.

Article 5.- Securities subject to deposit

The Corporation may carry out the custody and management of securities, credit securities, equity shares, commodities and financial instruments that are listed or not in the Issuers and Securities National Registry (RNVE, as per its Spanish acronym). Regardless, if the same should be issued, traded or listed in Colombia or abroad. Such activity shall be exercised in full compliance with the applicable tax and exchange rules.

Article 6. - Account entry system

The Corporation shall perform, by means of the account entry system, in real-time or in batch, the transfer related to the credit or debit of the securities managed on deposit, based on such instructions which should be given by the registration systems, the negotiation systems, the issuers, the clearing and settlement external systems and the Direct Depositors that are legally authorized.

The account entry shall constitute the respective right. Accordingly, the creation, issuance or transfer, as well as any liens, injunctive reliefs or encumbrances which affect the rights contained in the corresponding security, shall be formalized by means of the account entry.

Who should appear in the electronic registry shall be the holder of the security referred to in such registry and may request the issuance entity to perform in his favor the benefits corresponding to the aforementioned security, whenever applicable.

Article 7. - Information and communications system

Intended to ensure a clear procedure for the registration of orders, the Corporation shall maintain an information system by means of computer terminals which may be accessed by the Direct Depositors, the negotiation systems, the registration systems and the clearing and settlement systems in order to facilitate the delivery of transfer orders on part of the managers of such systems, and to obtain information with respect to movements, statements and balances of accounts, transactions and other activities related to their operation, as well as consolidated information for statistical purposes, in full compliance with the confidentiality duty of the Corporation referred to in the current Regulation.

It shall be the responsibility of the Direct Depositors to consult the transactions registries, as well as to file the corresponding claims, notwithstanding the information duty on account of the Corporation in legal terms.

Article 8. - Domicile

The main domicile of the Corporation shall be the city of Bogotá, D.C. However, as determined by its Board of Directors, it may establish branches or agencies within the national territory or abroad.

Article 9.- Schedule management

The office hours for the registration of instructions in the system managed by the Corporation on part of the participants, the negotiation systems, the registration systems and the external clearing and settlement systems, shall be reported by means of a notice, which shall be published in the web page of the Corporation.

Any references to days and hours shall mean business days and hours.

Article 10.- Transactions record continuity

The Corporation shall adopt mechanisms intended to measure, disclose, monitor, manage and mitigate the risks derived from the performance of its corporate purpose and in compliance with its strategic purposes. The mechanisms for the management of risks shall be included hereinafter in Title X.

Article 11.- Operating general standards

The Corporation shall operate under the following standards:

- I. The deposit, custody and management of securities may be performed by means of immobilization or dematerialization, under the account entry scheme, which shall be kept on behalf of the final beneficiary of the same, or whenever authorized, in omnibus accounts in order to represent a collective custody which shall be managed on part of the depositor.
- II. The transactions clearing and settlement system managed by the Corporation shall render the service of transactions settlement for securities under local custody and management. Regarding transactions related to international securities under sub-custody by the Corporation, the Corporation shall manage the transactions clearing and settlement systems for such transactions which are performed by means of local and international negotiation systems.
- III. Securities of the same issuer, the same class, with identical characteristics and financial conditions and with the same date of issuance and expiration which are registered in the account of the same Depositor, shall be fungible, which means that such securities shall be aggregated in order to be registered in the system managed by the Corporation and may be identified under the rules and standards of rule ISO 6166 and ISO 10692, pursuant to the applicable regulations. Considering the aforementioned, the Depositor shall have a balance per each issuance in his securities account, which shall increase by virtue of the account entry regarding securities and rights of the same class and conditions which are acquired in the market, and shall decrease by virtue of debit items (such as transfers or disposals, amortizations due to expirations, materialization of securities, among others).
- IV. Connection of Direct Depositors to the system managed by the Corporation shall be carried out from remote stations, for which, the depositors shall comply with the security and access protocols established by the Corporation, pursuant to the corresponding recommendations provided for in such documents which makeup an integral part of the contractual relationship.
- V. Connection to registration systems, negotiation systems, payment systems or other external clearing and settlement systems authorized by the Financial Superintence of Colombia, which should render services to the market for the settlement of transfer orders, shall comply with the corresponding conditions provided for in the applicable rules, as well as with the minimum requirements established in the transactions regulation. The connection mechanisms may include, among others, systems for the transmission of files, on line processes, batch processes, interaction between systems, etc.
- VI. In the transactions clearing and settlement system managed by the Corporation, the completion or settlement regarding transactions over fixed income securities or equities shall be performed by means of the gross settlement model in real time, i.e., transaction by transaction on a continuous basis, transferring the respective securities and funds, on an asynchronous but almost simultaneous basis, by means of interaction between the Corporation and the CUD system of the Central Bank.
- VII. Settlement of transactions shall be carried out under the mechanisms and modalities indicated for the local market. Regarding international transactions, the corresponding settlement shall be carried out pursuant to the terms of the agreement, which is subscribed between the Corporation and the Custodian and/or the International Securities Depository.
- VIII. In the rendering of the service related to the clearing and settlement system, it shall be understood that a Direct Depositor has access to the delivery-vs-payment or to the delivery-vs-delivery settlement, whenever the same (i) has opened settlement accounts in the Central Bank pursuant to the terms provided for in the present regulation and pursuant to the terms provided for by the Central Bank for such purposes; (ii) has ensured the disposal of enough resources and securities in order to settle the

respective orders; (iii) has certified to have a System for the Management of the Operational Risk in place; and (iv) should also comply with the respective requirements regarding security, quality and information confidentiality provided for in the applicable legislation.

- IX. No partial transactions shall be performed due to insufficient balance in the Securities Accounts and/or insufficient funds in the respective cash accounts. However, in the event that the transaction should allow it, the same may be fractioned for its settlement.
- X. Debit and credit of available funds on part of the ordering Direct Depositor and the accepting Direct Depositor, shall be automatically transferred and credited once the same is available in the accounts managed by the Central Bank, except as otherwise provided for in the present regulation.
- XI. The Depository shall not grant credit lines to the Direct Depositors. However, the Corporation may provide mechanisms intended to facilitate liquidity such as temporary transfer of securities and intraday loans granted by a local or international bank, including the Central Bank.
- XII. Pursuant to the terms of the present regulation and for the entities which should comply with such terms, any transactions settled in the systems managed by the Corporation shall be considered as: completed, firm, irrevocable, enforceable and defensible before third parties as of the time on which such orders are accepted by the clearing and settlement systems of the Corporation, i.e., upon completion of the interchange of securities and funds according to the ordered conditions, and completion of the risk controls provided for in the present regulation.

Article 12.- Amendments to the operating regulation

In addition to the legal and statutory duties corresponding to the same, the Board of Directors of the Corporation shall be in charge of approving and amending the present regulation in accordance with the effective legal rules.

In the event of any amendment to the present Regulation, the Corporation shall publish in its web page for comment, the proposed text as well as the reasons in order to include such amendment, for a minimum of fifteen (15) business days. The interested parties may deliver their comments to the e-mail which should be indicated for such purposes, within the term established by the Corporation.

Any amendment to the present regulation shall be subject to prior approval of the Financial Superintence of Colombia and its further publication as provided for herein.

TITLE II.- ACCESS AND ACCESS MECHANISMS TO THE SECURITIES DEPOSITORY AND TO THE CLEARING AND SETTLEMENT SYSTEM MANAGED BY THE CORPORATION: DIRECT DEPOSITORS AND THE RELATIONSHIP BETWEEN THE CORPORATION AND THE INDIRECT DEPOSITORS

CHAPTER I.- ACCESS AND ACCESS MECHANISMS: DIRECT DEPOSITORS

Article 13.- Direct Depositors

13.1. General Conditions

The Corporation shall establish direct legal relationships with the entities which should comply with the profile indicated herein and which should have accepted the proposed conditions by means of the Offer of services submitted by the Corporation or by means of an agreement subscribed between the entity that has

requested the service and the Corporation. For all the purposes of the present Operating Regulation, the aforementioned entities shall be referred to herein as Direct Depositors.

13.2. Enrollment as Direct Depositors

The persons listed hereinafter may act as Direct Depositors of the Corporation, either on their own behalf or on behalf of third parties, provided the same should be duly entitled by law for such purposes: entities supervised by the Financial Superintence of Colombia, collective portfolios and private equity funds, foreign entities which are authorized to operate in the local market, multilateral organisms, securities issuers in order to manage their issuances, public and state entities of national and territorial nature, foreign entities which should perform activities in the payments and securities clearing and settlement system and which enroll under a service agreement pursuant to the terms of the present operating regulation and the local regulation.

In addition to the aforementioned entities, the Board of Directors of the Corporation may authorize, from time to time, other entities to act as Direct Depositors, based on objective criteria intended to favor all the entities with the same characteristics and always in accordance with the suppliers' enrollment process of the Corporation which apply at that time.

Any entity with the legal capacity referred to in the previous paragraph shall not enable the same as such in order to qualify as Direct Depositor, except whenever the Corporation has approved the same and has executed the respective agreement with such entity.

13.3. Enrollment of Direct Depositors to the clearing and settlement system managed by the Corporation

The entities listed in the following, which act as Direct Depositors, may use the services of the clearing and settlement system managed by the Corporation, pursuant to the terms provided by law and any rules which should govern the same, prior fulfillment of the conditions established below:

- I. Entities supervised by the Financial Superintence of Colombia.
- II. Issuers controlled by the Financial Superintence of Colombia with issuance deposit agreements should order the direct placement of their issuances or by means of an agent supervised by the Financial Superintence of Colombia.
- III. Public and state entities of a national and territorial nature that have been authorized to use the negotiation and registration systems in order to perform treasury transactions.
- IV. Foreign entities that perform activities in the payments and securities clearing and settlement system of the respective country, pursuant to the terms provided for in the present regulation and in the local regulation.
- V. International custodians that have subscribed service agreements.
- VI. International organizations, and
- VII. Foreign Central Banks.

Article 14.- Direct Depositors capacity and persons authorized to operate

14.1. General conditions

In order that an entity may act as Direct Depositor, it shall:

- I. Submit the enrollment application by means of the form determined by the Corporation, duly executed by the legal representative. In this form, the interested entity shall specify the services required by the same with respect to the securities to be deposited and shall attach the necessary documents required in order to approve its enrollment. The enrollment process shall be available for the interested parties in the web page of the Corporation.

- II. Comply with the technical, communication and operating requirements indicated in the operating manuals for the contracted services, which shall be available for the entities in the web page of the Corporation. The Corporation shall be in charge of installing the operating system and shall enable the corresponding deposit accounts and sub-accounts on behalf of the Direct Depositor.
- I. Advise the Corporation of the name and identity of the persons authorized to act before the Corporation, as well as the responsibility level allocated to the same within the administrative, operating, technical, and support scope. The aforementioned information shall be completed in the forms which should be provided for such purposes by the Corporation to the Direct Depositors and the Direct Depositors shall commit themselves to keep said information current.
- II. Request the registration of its principals, Indirect Depositors, on the date on which the service order is submitted and order the opening of the sub-accounts by means of the clearing and settlement system provided by the Corporation. After their enrollment to the securities depository service, the Direct Depositors may order, provided they are legally entitled to act on behalf of third parties, to register new principals, Indirect Depositors. It is understood herein that, prior to the registration of the same in the depository, the Direct Depositor shall enter into a Mandate agreement with the new Indirect Depositors.
- III. Register in the Central Bank the checking accounts, saving accounts or deposit accounts to be used in order to channel the cash flows which arise from the exercise of the equity rights derived from the management of securities for the clearing and settlement of securities on deposit, submitting the corresponding certification of the banking entities, as well as the respective authorizations before the Central Bank, pursuant to the terms established by the Central Bank and the Corporation in the guidelines published in the web page of the Corporation. Likewise, to register the accounts exempted from the lien over financial movements which should be established for such purpose.

14.1.1. Special conditions for the mitigation of operating, legal and systemic risks

The legal representative of the Direct Depositor shall issue a general certificate evidencing that the same has the following systems, services and processes in place, both at the time of its enrollment and whenever requested directly by the Corporation. The failure to submit the aforementioned certificate shall prevent the initiation of the rendering of the service, or shall generate the suspension of the same:

- I. An Operating Risk Management System in order that the Corporation may mitigate the operating risk derived from the depository agreement and its performance with the Direct Depositor, in accordance with the effective regulations.
- II. A System in order to manage and prevent the Money Laundering and Terrorism Financing risk, in compliance with the effective regulations.
- III. Procedures and operations manuals intended to mitigate the risks related to the custody and management of securities on part of the Corporation.
- IV. An internal structure with sufficient capacity and knowledge in order to manage and operate the securities custody and management systems.
- V. Duly established and proven plans and procedures in order to manage its operations, information security plans intended to ensure the business continuity regarding the custody and management of securities on deposit in the event of any disaster or contingency.
- VI. Mandate agreements with each of its indirect depositors including the necessary provisions for the appropriate knowledge of the client, obligations and duties before the custody risks, securities'

management and transactions, and follow-up of the respective activity pursuant to the effective legal provisions. Policies and procedures intended to manage the security, confidentiality, integrity, information security and quality of information, in accordance with the effective legal provisions.

14.2. Direct Depositors who operate by means of the clearing and settlement systems

In addition to the conditions provided for in the previous article, at the time of requesting the service, the entities authorized to operate by means of the clearing and settlement system managed by the Corporation shall:

- IV. Certify that the same correspond to entities supervised by the Financial Superintence of Colombia or to national public entities authorized to use the services offered by the clearing and settlement system managed by the Corporation.
- V. Register and enable the corresponding clearing and settlement accounts in the Central Bank, as provided for in the terms of the present regulation.
- VI. Ensure the availability of sufficient resources and securities in order to settle the orders that are given to the system.

14.2.1. Special conditions for the mitigation of liquidity, counterparty, operating and systemic risks

The legal representative of the Direct Depositor shall issue a general certificate evidencing that the same has the following conditions or services in place, both at the time of its enrollment to the services related to the settlement of transactions, and whenever requested directly by the Corporation:

- I. Financial and credit solvency in order to comply with the commitments acquired by means of the clearing and settlement systems in their capacity of securities' manager.
- II. Operating, technical, human and financial capacity and structure in order to operate the clearing and settlement system managed by the Corporation for the settlement of transactions.
- III. Knowledge and understanding of the risks stemming from the use of the clearing and settlement system and adoption of the necessary measures intended to mitigate the same.
- IV. Maintenance of the registry and information of the clients in the registry system of the Depository, ensuring the appropriate security, quality, confidentiality and integrity of the information.

The failure to submit the aforementioned certificates to the Corporation shall prevent the initiation of the rendering of the service or shall generate the suspension or termination of the same. In the event that a Direct Depositor notifies the Corporation regarding their disagreement related to any decisions adopted by the Corporation, such disagreement shall be subject to the procedure provided for in the present operating regulation in Title X, Single Chapter – Article 92 – Resolution of Disputes.

CHAPTER II.- INDIRECT DEPOSITORS AND MANDATE AGREEMENT

Article 15.- Indirect Depositors Capacity

The Corporation shall consider as Indirect Depositors such Depositors whose registration has been requested by a legally entitled Direct Depositor in order to act on behalf of third parties.

For such purposes, the Indirect Depositor shall:

- I. Grant a mandate to the legally entitled Direct Depositor in order to act on behalf of third parties, including the necessary powers in order to act on account of the same.
- II. Grant unrestricted power to the Direct Depositor in order to give orders to the Corporation by virtue of the management endorsement performed by the agent, and the account entry of transactions on behalf of said third party known as principal, regarding any securities which should be delivered for the management of the Direct Depositor and any securities which should be transferred to the same as a result of the transactions performed with other depositors enrolled in the depository managed by the Corporation in legal terms.
- III. Endorse the physical securities in favor of the Corporation, which shall be evidenced in the same securities or in document attached to the same. In any other cases, it shall be understood that the securities on deposit are endorsed pursuant to the expressed authorization of the principal.
- IV. Authorize the Direct Depositor to exchange information with the Corporation regarding issues that are directly related to the transfer orders derived from transactions performed in the market or subject to the regulations intended to prevent and control Money Laundering and Terrorism Financing.
- V. Authorize the possibility to cancel any accounts which should be opened in its name whenever the latter should appear in international or local listings related to offences classified in Colombia as Money Laundering or Terrorism Financing, even if no proceeding has been initiated in Colombia. The possibility to adopt the aforementioned measures arises from the obligation of the Corporation to look after the confidence of the investors in the organized market.
- VI. Certify that the same is aware of, understands and accepts the Operating Regulations of the Securities Depository, as well as the purpose and acceptance principles regarding transactions performed in the clearing and settlement system managed by the Corporation.
- VII. Ensure before the Direct Depositor the timely availability of securities and funds in order to settle the respective transactions.
- VIII. The aforementioned certificates and authorizations shall be kept by the Direct Depositors and shall be available for the Corporation or the competent authorities whenever required.

Article 16.- Termination of mandate

As long as the Direct Depositor does not notify the Corporation, through suitable means, regarding the revocation or termination of the mandate or power of attorney granted by the Indirect Depositor, the Corporation shall presume that said authorization remains valid, with the consequences derived thereof. However, upon the termination of any mandate subscribed between an Indirect Depositor and a Direct Depositor, the Direct Depositor shall comply immediately with the respective instructions given by the principal – Indirect Depositor -, which means:

- I. Whenever required, to order the withdrawal of physically issued securities. Such securities shall be available to the Direct Depositor and the physical delivery of the same to the Indirect Depositor shall be the responsibility of the Direct Depositor.
- II. To transfer the respective accounts and securities to the account of the new agent, Direct Depositor, appointed by the principal, in the event that the Indirect Depositor should elect to continue using the services of the Corporation. The new Direct Depositor shall validate said information on the same date on which the aforementioned accounts should be transferred to the new principal.

In all cases, the original Direct Depositor shall be responsible before the Corporation for any owed fees derived from the services rendered, up to the date on which the revocation of the mandate enters into force.

CHAPTER III.- INDIRECT DEPOSITORS AND RELATIONSHIP WITH THE CORPORATION

Article 17.- Relationship of Indirect Depositors with the Corporation

Indirect Depositors shall always relate themselves to the Corporation by means of the Direct Depositors who represent them. However, the Indirect Depositors may claim directly to the Corporation in order to enforce their ownerships rights derived from securities deposited on account of the same, whenever the Direct Depositors are subject to voluntary or administrative dissolution, insolvency, or any other duly evidenced legal fact which should affect, or may affect, the normal relationship between the Direct Depositor and its principal.

In such case, it is understood herein that the rights acknowledged by the Corporation to the Indirect Depositor shall release any commitments of the Corporation before the Direct Depositor.

However, in order that the Indirect Depositors may enforce their rights directly before the Corporation in the cases provided for in the present article, the Indirect Depositors shall deliver written notice to the Corporation informing of the revocation of the mandate granted to their Direct Depositor, together with a copy of the initially granted mandate, as well as of the new mandate granted to the new Direct Depositor. Thereafter, the Corporation may transfer the portfolio of the interested party to the new Direct Depositor. Such fact shall be notified to the outgoing Direct Depositor.

TITLE III.- SERVICE OFFER AND SECURITIES DEPOSITORY AGREEMENT, DIRECT DEPOSITORS, OBLIGATIONS DERIVED FROM THE OFFER OR DEPOSITORY SERVICE AGREEMENT, OFFERED SERVICES AND RESPONSIBILITY OF THE CORPORATION AND THE DIRECT DEPOSITORS

CHAPTER I. - SERVICE OFFER AND SECURITIES DEPOSITORY AGREEMENT

Article 18.- Enrollment to the securities depository service

The enrollment to the securities depository service shall be performed by virtue of a legal relationship derived from the acceptance, on part of the consignee, of a service offer submitted by the Corporation, or an agreement subscribed between the parties, which shall contain the following elements:

- I. Identification of the parties.
- II. Purpose and scope of the service.
- III. Securities subject matter of the custody service.
- IV. Authorization, whenever applicable, enabling the Corporation to perform automatic debits of funds for the payment of the respective orders through the systems, once the same should be available in the deposit accounts managed by the Central Bank.
- V. Term in order to render the service.
- VI. Price of the services rendered by the Corporation, excluding taxes.
- VII. Grounds for termination of the service.
- VIII. Resolution of disputes.

The following annexes shall make up an integral part of the service:

- The Operating Regulation of the Corporation, as well as any guidelines and bulletins which should be issued in the performance of the service.

- The use licenses related to the installation of the information system of the Corporation.
- The Technical Annex including the specifications of the respective equipment required by the Direct Depositor for its electronic communication with the Corporation, as well as any information related to the technological platform of the Direct Depositor in order to install the information system of the Corporation.
- The access passwords to the information system of the Corporation and any further amendments.
- The registration cards of the legal representatives and authorized officers in order to act before the Corporation, according to responsibility levels.
- The listing of Indirect Depositors represented by the Direct Depositor before the Corporation, which may be updated after the enrollment to the Depository, whenever required, prior the corresponding formalities provided for in the present Regulation.
- The registries of authorized signatures for the deposit and withdrawal of physical securities and general notices.
- The respective certificates referred to in the present operating regulation, and the authorization levels supporting the account entry orders derived from transfer orders given to the registration and negotiation systems, or directly, whenever applicable, over the securities in deposit.
- The Operations and Users manuals, as well as the Anti-Money Laundering and Control of Terrorism Financing manuals, which shall be available in the web page of the Corporation.
- Notice subscribed by the Direct Depositor, by means of which the same formalizes their commitment related to the handling of the access passwords to the information system of the Corporation by means of authorized officers, and updating of the names of the legal representatives and authorized officers.
- Promissory note with letter of instructions in order to cover the costs derived from the services.

In any event, regarding public entities and state entities of national and territorial nature which should require to enter into a deposit agreement, the Corporation shall subscribe the same considering the elements described in the present article.

Regarding foreign securities under international custody operated in the local market, in addition to the aforementioned documents, the following documents shall make part of the securities deposit agreement:

- I. The securities depository agreement subscribed with the international custodian or custodians, the securities depositories of other countries in which the Corporation has a deposit account, and the international securities depositories.
- II. The operating regulations, operating manuals and any other documentation, which affects the Direct Depositors.
- III. The applicable international custody service fees.
- IV. The deposit and custody accounts opened in the international market.
- V. The listing of foreign securities subject to custody.
- VI. The list of international markets to be operated, pursuant to the listing which should be provided by the international custodians.
- VII. The listing of the cash accounts opened by the Direct Depositor which shall be used for the management, clearing and settlement of securities.

It is understood herein that the aforementioned documents are an integral part of the securities depository agreement and govern the Direct Depositors. Each of the aforementioned documents shall be delivered upon subscription of the corresponding agreement or submission of the offer, and shall be available in the web page of the Corporation.

The international custody services establish the governing law in the respective agreements, which shall govern the Direct Depositors in the same conditions of the Corporation.

Article 19.- Services rendered by the Central Securities Depository

- I. To receive, for its safekeeping and custody, electronic issuances or represented in macro-bonds or global bonds to be placed in the primary market, as well as securities of any local or foreign issuer pursuant to the terms provided by law, and to allow, as of the date of their deposit, the circulation of the same by means of entry in the Securities Account or Sub-accounts of the respective Direct Depositor.
- II. To inform the market, on an immediate basis, about the creation of new ISIN codes.
- III. To manage the securities under custody, as agreed with the Direct Depositor, as provided by law and by the present operating regulation.
- IV. To register, by means of account entry, the transfers of securities recorded in Securities Accounts or Sub-accounts, according to the orders received from the registration or negotiation systems, other external systems authorized by the Financial Superintence of Colombia which should be interconnected with the system managed by the Corporation as provided for in the present regulation, or by the Direct Depositors, prior fulfillment of the acceptance conditions pursuant to the terms of the present operating regulation.
- V. To settle the obligations which should be transmitted by the registration or negotiation systems and the external systems, according to such instructions which should be given by the same, under their responsibility, to the clearing and settlement system managed by the Corporation.
- VI. To record, by means of account entry, the injunctive reliefs which should be imposed by the competent authorities with respect to securities, in furtherance of the applicable rules and procedures.
- VII. To act as receiver and order the auction of securities, whenever determined by competent authority.
- VIII. To record any pledges and other guarantees over securities, pursuant to the terms provided by law and in the present Operating Regulation. Any guarantees which should be subject to the fulfillment of transactions over securities shall enjoy of the protection provided by law and in the present regulation.
- IX. To grant access to the Direct Depositors to the movements of the accounts managed by them, in order that the Direct Depositors may generate the reports which should require the same related to their own securities and rights, as well as to the rights and securities pertaining to their Indirect Depositors, for the control of their respective accounts. The Corporation shall also grant access to the Indirect Depositors in order to consult the movement of their corresponding securities through the web page, as provided for in the relevant guideline which should be issued for such purposes.
- X. To issue, upon request of the Direct Depositors, the corresponding certificates for the exercise of the equity or corporate rights over securities in custody and rights recorded by means of account entry, and to issue the deposit evidences documents, as provided by law and in the present Operating Regulation.
- XI. To settle obligations under the modality which should be transmitted by the clearing and settlement system managed by the Corporation, by the registration and negotiation systems, or by any other clearing and settlement systems authorized by the Financial Superintence of Colombia which should be inter-connected with the system managed by the Corporation, pursuant to the terms of the present regulation.
- XII. Regarding entities which should be under the surveillance and control of the Financial Superintence of Colombia, public entities of national and territorial nature which should be legally entitled to use the negotiation and registration systems in order to perform treasury transactions, foreign entities which

perform activities in the payments and securities clearing and settlement system of the respective country, as well as international organizations and foreign central banks, shall be subject to the regulation related to clearing and settlement provided for in Law 964 of 2005. Otherwise, regarding any other entities, the clearing and settlement of securities shall be performed as agreed by the relevant parties, pursuant to the corresponding ordinary regulation.

CHAPTER II.- OBLIGATIONS DERIVED FROM THE SERVICE OFFER OR AGREEMENT

Article 20.- General obligations of the Corporation

In the performance of the securities depository and custody service, the Corporation shall have the following general obligations:

- I. To establish mechanisms in order to ensure that the Direct Depositors may receive clear, transparent and objective information, as provided for in the present regulation.
- II. To establish the operating and technical standards of the Corporation, as well as the operating and technical standards which should have the Direct Depositors with respect to the entities referred to in literal i) of Article 2.12.1.1.2 of Decree 2555 of 2010 or with respect to the entities which use the securities centralized deposit services.
- III. To guarantee the traceability and confidentiality of the information by means of measures intended to protect the received information, as well as to prevent any amendment to the same.
- IV. To own facilities and systems intended to preserve the physical and computer security in order to guarantee the safekeeping of the interests entrusted by the depositors.
- V. To implement contingency plans, business continuity plans and computer safety plans in order to continue with the ordinary course of business.
- VI. To provide to the Direct Depositors, on an ongoing basis, with all the information related to securities on deposit and recorded transactions.
- VII. To define the general policy regarding collection of fees and information mechanisms to the Direct Depositors.
- VIII. To procure that the depositors' behavior before the Corporation complies with the legal provisions and the present regulation.
- IX. To have an operating risk management system according to the terms provided for by the Financial Superintence of Colombia.
- X. To keep a registry of the persons authorized by the Direct Depositors in order to deliver and receive physical securities and documents on behalf of the same.
- XI. To ensure the corresponding fulfillment of the rules related to Prevention and Control of Money Laundering and Terrorism Financing.
- XII. To deliver prior written notice to the depositors and to the market issuers informing about any changes related to the systems or to the operating procedures which could affect their activities.

Article 21.- Specific obligations regarding the duties authorized by the Colombian Financial Supervisory Body to the Corporation

The specific obligations of the Corporation related to its duties shall be as follows:

21.1. Securities custody

- I. To custody and keep the corresponding securities delivered in deposit whether by electronic or physical means.
- II. To keep information in strict confidentiality pursuant to the terms provided by law, the applicable rules and the present regulation.
- III. To apply the procedure established in the manual for the prevention and control of Money Laundering and Terrorism Financing.
- IV. To notify the issuer about the entry of physical securities to the depository and the status of the same.
- V. To adopt the necessary measures intended to control the risks associated to the custody of physical securities in vault and electronic custody by means of account entry.
- VI. To restore deposited securities with other securities of the same financial conditions by endorsing and delivering supported securities or by means of physical support of the same issuer, class, specie, face value and other financial characteristics. In exceptional cases, the aforementioned obligation shall be fulfilled by delivering the same securities initially deposited.
- VII. To issue the corresponding deposit evidences related to securities which have been deposited or primarily issued by means of account entry.
- VIII. To issue such certificates which have been requested directly by the indirect depositor or by means of its Direct Depositor.
- IX. To subscribe the custody and sub-custody agreements which are established for the performance of its activities, as well as to exercise permanent control and monitoring over the assets under its management.

21.2. Registration of liens, attachments, encumbrances and auction proceedings

- I. To apply the internal procedure provided for in the Quality Management System in order to record orders related to encumbrances, release of encumbrances and auction proceedings.
- II. To apply the procedure provided for in the manual for the Prevention and Control of Money Laundering and Terrorism Financing.
- III. To record, by means of account entry, any liens and restrictions related to the circulation of securities in custody agreed by the Direct Depositors pursuant to the conditions established herein, as well as any orders related to liens, attachments and auction proceedings issued by the competent authorities. In the event that the aforementioned orders should refer to nominative securities, it shall notify such orders to the issuer entity in order that the same may record such liens, attachments and auction proceedings in the respective book.

- IV. To adopt the necessary measures in order to carry out the auction of securities by means of an efficient process and at the best market price.

21.3. Management of securities

- I. To exercise directly, by delegation of the Direct Depositors, the equity rights before the issuer, by means of the equity rights certificates, pursuant to the issuance conditions provided for in the placement regulation or in any other document which should act as such. The collection form shall be indicated in the guidelines issued by the Corporation for such purposes.
- II. To deposit any resources corresponding to the exercise of the equity rights in the deposit accounts which should be registered by the Direct Depositors for such purposes.
- III. To deliver to the Direct Depositor the appropriate certificates for the exercise of its rights pursuant to the present Regulation.
- IV. To apply the procedure provided for in the manual for the Prevention and Control of Money Laundering and Terrorism Financing.
- V. Upon request of the Direct Depositor, to identify, before the credit establishments, the checking or saving accounts exempted from the lien over financial movements which should be devoted in order to channel cash flows derived from the exercise of the equity rights corresponding to securities on deposit.

In addition to the aforementioned, whenever regarding international securities in custody, to exercise the rights incorporated in any securities under custody by means of the international custodian or custodians, securities depositories in other inter-connected countries and international securities depositories, and to perform the corresponding payment as established for in the international management of securities. All of the aforementioned, subject to the applicable exchange and tax regulations.

21.4. Corporate Rights

21.4.1 Meetings in Colombia

- I. Upon request of the Direct Depositor, to issue, whether acting on its own behalf or on behalf of third parties, the corresponding certificates for the exercise of corporate rights.
- II. By means of notice published in the web page, to inform the international custodian who has the capacity of Direct Depositor in the Corporation about the meetings of the Colombian issuers in order that the foreign investors may exercise their corporate rights in the corresponding meeting, either directly or by means of attorney.
- III. To make available to the Direct Depositors the power of attorney forms for the meetings of shareholders by means of attorney in Colombia, as well as the voting conditions in the meeting under the votes channeling service, whenever applicable.

21.4.2 Meetings Abroad

- I. To inform its Direct Depositors, by means of the system managed by the Corporation, whenever the international custodian in charge of managing the position of the Corporation should notify the same, about any meetings of shareholders which should be held abroad. The aforementioned, in order that the latter may participate in the meeting, either directly or by means of attorney in the country where the meeting will be held, and may also exercise their corporate rights.

- II. To implement a mechanism intended to channel any decisions related to the agenda of the corresponding meeting in order that the investors may give instructions by means of their Direct Depositors and the same are transmitted to the international custodian or attorney who should be appointed by the Corporation in order to act in the General Meetings of Shareholders of issuers abroad.
- III. To issue the corporate rights certificates pertaining to Colombian investors who are holders of foreign securities in order that the same may participate, either directly or by means of attorney, in the meetings which will be held in the country of the issuance; provided such procedure is contemplated in the legislation of the respective country.

21.5. Securities' clearing and settlement

- I. To establish the access criteria for participants based on fair, public, equal and clear conditions as provided for in literal b) of Article 2.12.1.1.2 and Article 2.12.1.1.3 of Decree 2555 of 2010 or any other rule which should amend or substitute the same, for such entities entitled to operate in the clearing and settlement systems.
- II. To receive and accept instructions related to the transfer of securities in the registration and negotiation systems or in external clearing and settlement systems which are authorized by the Financial Superintence of Colombia, pursuant to the procedure provided for in the present regulation.
- III. To establish the mechanisms, procedures and risk controls which shall be fulfilled by the transfer orders delivered to the system in order to be considered as accepted.
- IV. To dispose of control systems for the management of equipment and to maintain safety systems intended to ensure the access to the clearing and settlement systems managed by the Corporation, in order to guarantee the integrity and confidentiality of the information and transactions delivered by the Direct Depositors, registration and negotiation systems or authorized external clearing and settlement systems as indicated in the present Regulation, as well as of any information which should be delivered by the Corporation to the Central Bank.

The aforementioned information shall be maintained in strict confidentiality, except whenever requested by the competent authorities according to law. With respect to transactions related to foreign securities and in the event that, pursuant to the applicable law, the delivery of information should be requested, the Corporation shall deliver such information pursuant to the terms of the international agreements. All of the aforementioned, subject always to the Colombian regulation for such purposes.

- V. To collect, keep and maintain the information received from the Direct Depositors and the registration and negotiation systems, as well as to deliver to the competent authorities any information which should be requested by the same with respect to the Direct Depositors and their corresponding accounts.
- VI. To establish the mechanisms to be used in order to settle the corresponding transactions pertaining to its Direct Depositors in the deposit accounts of the Central Bank and in the securities accounts in the central securities depository.
- VII. To establish the relationships and inter-actions between the clearing and settlement system managed by the Corporation and other local or international systems of the same nature, the

negotiation and registration systems and the payment system, for the appropriate performance of its duties.

- VIII. To inform about non-fulfilled transactions to the Direct Depositors, whenever the same should order directly the registration of transactions, as well as to the registration and negotiation systems, and to the external clearing and settlement systems authorized to operate under the present Operating Regulation.
- IX. To address, pursuant to the internal procedure, any claims and complaints which should be submitted by the Direct Depositors with respect to the account entry of transactions which should be directly processed or by instructions received from the registration and negotiation systems or from external clearing and settlement systems, related to the activities subject matter of the present regulation, and to adopt the necessary measures, depending on the result of the respective investigation.
- X. To certify to the Direct Depositor any non-fulfillment related to the settlement of transactions, within the following twenty four (24) hours, prior verification of the facts. The aforementioned, in order that the parties may file the relevant legal actions.
- XI. To require, at any time, the Direct Depositors, the registration and negotiation systems or the clearing and settlement systems, to explain the transactions which are transmitted directly to the clearing and settlement system managed by the Corporation, whenever it should be necessary to clarify any issue related to the same.
- XII. To identify before the credit establishments the settlement accounts exempted from the lien over financial movements of Direct Depositors legally authorized for such purposes which should be devoted by the same to the clearing and settlement of transactions over deposited securities, as provided for in the present regulation.
- XIII. To request, on a monthly basis, a certificate from the entities which are legally authorized to make use of the exemption of the lien over financial movements and which should have any checking, saving, or deposit accounts identified for such purpose.
- XIV. To report to the competent authorities any non-fulfillment related to the management of accounts identified as exempted from the lien over financial movements, which should be known in the performance of its activities.
- XV. To establish the rules and procedures in the event of legal or administrative proceedings such as suspension of payments, injunctive reliefs, retention orders or similar orders, as well as any orders derived from insolvency, ownership taking, dissolution or winding-up proceedings, or debt restructuring agreements, intended to prohibit, suspend or otherwise restrict the payments to the system.
- XVI. Regarding foreign securities under custody, in addition to the applicable rules in the local market, it shall ensure such mechanisms in order to enable the correct settlement of international transactions which should be ordered by the Direct Depositors and the competent authorities in the cases provided by law.

21.6. Management of the nominative securities holders' book

- I. To register the primary issuance of managed issuances.

- II. Whenever such duty should not have been delegated to the Corporation and, subject to prior authorization of the issuer, to register any special transactions in the nominative securities holders' book, as applicable.
- III. To print the nominative securities registration book or to perform electronic recording of the same, whenever it should be responsible for such duty.
- IV. To record the payments related to yield, interest or dividends, as well as the payment of capital, whenever it should be in charge of managing the nominative securities holders' book.
- V. To deliver the sub-ledger containing the physical issuances managed by the issuer, according to the structure defined by the Corporation for the reproduction of the same.
- VI. To inform the issuers about the transfers or any other acts which may affect the circulation of the corresponding securities.
- VII. To prepare the reports for the Financial Superintence of Colombia, whenever it should have assumed such responsibility.
- VIII. Any other duties which should have been assumed by virtue of the management of the holders' book.

Article 22.- Confidentiality Obligation

The Corporation may disclose information related to deposits and transactions registration only to:

- I. The Direct Depositors with respect to their own transactions registries.
- II. The Indirect Depositors with respect to their own transactions registries, whenever applicable.
- III. The competent authorities which should request the same in the cases provided by Law and by the Constitution.
- IV. The statutory auditors and the compliance officers of the Direct Depositors in exercise of their duties.
- V. The statutory auditors of the Corporation in the exercise of their respective duties, prior accreditation of their capacity.
- VI. The international clearing and settlement systems which have entered into service agreements and whenever it should be necessary for the performance of the service.

For statistical and information purposes, the Board of Directors, subject to the provisions contemplated by Law and by the Constitution, may authorize the Corporation to provide aggregate information to the general market, maintaining the confidentiality of the particular or individualized information which should belong to the Direct Depositors with respect to such portfolios which should be managed on its own account or on account of third parties.

Article 23.- Intellectual Property with respect to managed data bases

The Corporation shall be the owner of the intellectual property of the data bases, which it should develop the same on the basis of the received information and may dispose of such information, without disclosing

any individual information as provided by law, i.e., without affecting the confidentiality of the portfolios managed by its Direct Depositors on their own account or on account of third parties.

Accordingly, as holder of the moral and equity rights pertaining to the data base managed by the same, the Corporation may dispose of such information, for no valuable consideration or for any valuable consideration, at its absolute discretion, and may take advantage of the same by means of printing, recording, publishing, reproduction, translation, adaptation, radio transmission, television transmission, or any other disclosure or reproduction means, whether already known or developed in the future.

Article 24.- General obligations of the Direct Depositors

In addition to the legal, regulatory and contractual obligations, the Direct Depositors shall have the following obligations:

- I. To accept the service offer submitted by the Corporation and the contents of the present Regulation.
- II. To own the technical and operating standards and requirements which are necessary in order to operate pursuant to the present regulation, the corresponding guidelines and the contractual provisions.
- III. To perform ongoing follow-up to the portfolios managed by means of the systems of the Corporation; to ensure itself to comply with the transmission of transfer instructions with respect to its own transactions and to notify any inconsistencies regarding the same to the contacts of the Corporation which should be published in the web page.
- IV. To comply with the relevant provisions with respect to the management of securities on account of third parties.
- V. To own sufficient balances regarding securities or cash at the time of ordering any transactions settlement on its own account or on account of third parties.
- VI. To own procedures intended to prevent credit, liquidity, operating, systemic and legal risks.
- VII. To train the employees who operate the system of the Corporation.
- VIII. To implement contingency plans, business continuity plans and computer security plans in order to ensure the ordinary course of business.
- IX. To participate in the simulations, tests and training related to the business continuity plan which should be carried out by the Corporation.
- X. To ensure full compliance of policies and procedures consistent with the Manual for the Prevention and Control of Money Laundering and Terrorism Financing of your entity, as well as with the ones provided for in the Operating Regulation of the Corporation.
- XI. To notify the Corporation, on the same date on which the Direct Depositor should be aware of, any lien or situation which could affect the tradability of securities on deposit, as well as about any fact related to any loss, theft, fraud or destruction of securities which should be held by the same.
- XII. To provide any information related to transactions or control of Money Laundering and Terrorism Financing which should be requested by the Corporation with respect to the Indirect Depositors under its management.

- XIII. To verify if the power-of-attorney granted by its Indirect Depositors is sufficient in order to perform the corresponding transactions on account of the same.
- XIV. To maintain the Indirect Depositors duly informed, pursuant to the frequency and conditions which have been agreed in the respective mandate, about the movements of their registered portfolios.
- XV. To assume the responsibility for the proper use, safekeeping and maintenance of the safety passwords which should be allocated.
- XVI. To comply fully with the obligations assumed before the Corporation by means of the Securities Depository Agreement, and with the provisions contained in the present Regulation.
- XVII. To pay the fees determined by the Corporation according to the agreed conditions.
- XVIII. To be responsible, in their capacity of principals before the Indirect Depositors, for the custody and management of securities by means of the Corporation. The Direct Depositors shall be liable before the Corporation, the Indirect Depositors and third parties, for any damages which should arise in the event of acting before the Corporation without legal, valid or sufficient powers.
- XIX. To ensure full compliance and disclosure of the obligations established by the custodians or sub-custodians which should be engaged by the Corporation, regarding timing, opportunity and availability, in order to prevent the non-fulfillment of the respective international transactions.

Article 25.- Special obligations of the Direct Depositors

25.1. Securities custody

- I. To deliver, whether by electronic or by physical means, the corresponding securities subject matter of deposit, both in the local market and in the international market.
- II. To endorse in favor of the Corporation the corresponding securities to be delivered in deposit, in the event that the holder should have not endorsed the same pursuant to the mandate agreement.
- III. To have sufficient powers in order to act on behalf of third parties, as well as to comply with the legal formalities.
- IV. To ensure itself about the integrity and authenticity of the deposited securities, as well as about the identity of the last holder of the security or their principal, the continuity of the chain of endorsements, and the registration of the holder owner in the books of the issuer whenever regarding physical nominative securities.
- V. To notify the Corporation, on the same date on which the Direct Depositor should be aware of, about any situation which could affect its safety or solvency.
- VI. To notify its principals about the status of its accounts in the Corporation, pursuant to the terms which should be determined by the Financial Superintence of Colombia for such purposes.
- VII. To certify, each time the Direct Depositor opens an account on behalf of any legal or natural person, about the compliance of the internal regulation of its entity regarding Prevention and Control of Money Laundering and Terrorism Financing, notwithstanding the follow-up to be performed with respect to the procedure of the manual for the prevention and control of Money

Laundering and Terrorism Financing of the respective entity and the legal rules related to such matter during the execution of its corporate activity.

- VIII. To inform the Corporation about any claims or complaints related to securities on deposit, which should be filed by its principals.
- IX. To comply, on a timely and faithful basis, with the orders and instructions of its principals.
- X. To verify the entry of physical securities to the Depository and that the previous holders of securities who should be fully identified in the same with the corresponding identity number and legible name do not appear in any of the local or international listings of mandatory consultation on part of the depositors or should be subject to seizure measures which should be known in the market through any public information means.

25.2. Securities management

- I. Prior to its collection on part of the Corporation, to agree with the Corporation the yields, interest or capital to be collected by the Corporation, as well as any right of corporate nature.
- II. To deliver, on a timely basis, the tax information of its Indirect Depositors to the Corporation, which shall be understood herein as the information delivered with sufficient time in order that the paying entity may be aware of the same and, always prior collection performed by the Corporation before the issuer or payor.
- III. To request the equity rights certificates which should be necessary in order to exercise the corresponding rights on its own account or on account of third parties.
- IV. To inform about the exercise of rights, whenever performing it directly.
- V. To deposit the collected resources in the account of the indirect depositors, as provided for in the mandate agreement and pursuant to the legal regulations.
- VI. To identify, on a timely basis and pursuant to the terms determined by the Corporation, the checking or saving accounts in order to deposit the respective resources collected by the Corporation, both in the local and international market.
- VII. To manage, as provided for in the guidelines issued by the Corporation, as applicable, the checking or saving accounts which should be opened for the management of local and international resources.

25.3. Corporate rights

- I. To request to the Corporation the corresponding certificates in order to exercise any corporate rights, indicating for such purpose, the respective securities related to such certificates, the date on which the meeting is going to take place, the rights to be exercised in the same, and the type of meeting to be held.
- II. Through suitable means, to inform the indirect depositors about the meetings of the Colombian or foreign issuers in order that the Colombian and foreign investors may exercise their corporate rights in the corresponding meeting, either directly or by means of attorney.

- III. To deliver to the Direct Depositors the power-of-attorney forms which the issuer should made available to the investors in order to participate in the meeting by means of attorney, as well as the proxy voting forms, as provided for in the by-laws of the issuer.
- IV. To notify to the Direct Depositors the processing of the proxy voting in the event that the same should be established; to consolidate the voting intentions of the investors and deliver the proxies and the consolidated voting intentions to the Corporation, whenever such procedure should be established in the corresponding guideline.
- V. To comply with the provisions and terms established by the Corporation by means of guideline regarding the procedures of the meetings held in Colombia or in a foreign country.

25.4. Securities clearing and settlement

- I. To confirm and supplement transactions which are ordered directly by the Direct Depositor, as applicable, as provided for in Article 2.12.1.1.5 of Decree 2555 of 2010, as amended from time to time.
- II. To authorize the charges or deposits for the settlement derived from transactions transmitted to the clearing and settlement system by the registration systems or which should have been performed in the negotiation systems or in other external clearing and settlement systems, pursuant to the established procedures.
- III. To open, whenever authorized, the settlement accounts in the Central Bank pursuant to the terms of the present regulation and according to the terms provided for by the Central Bank for such purposes, in order to have access to the delivery vs. payment settlement modality in the rendering of the clearing and settlement service.
- IV. To authorize the debit from the deposit accounts managed directly in the Central Bank or by means of a disbursing bank, according to the modality which should be determined by the entity by means of public notice and which should be used pursuant to the respective guideline published by the Corporation in order to carry out the procedure related to settlement in cash.
- V. To ensure the availability of sufficient resources and securities for the settlement of transactions received from the registration and negotiation systems and from the clearing and settlement systems, which should have been accepted in the terms of the present regulation and the operating manuals.
- VI. To certify that it has an operating risk management system, and a system in order to manage and prevent Money Laundering and Terrorism Financing.
- VII. To certify that it has contingency plans, business continuity plans and risk management plans, pursuant to the terms provided for by the Financial Superintence of Colombia.
- VIII. To identify the exempted accounts for tax purposes, as authorized by the Corporation by means of guideline.
- IX. To submit to the Corporation, as well as to the audit function and to the supervising and surveillance authorities, according to the frequency which should be determined the same, any information related to transactions subject to settlement.

- X. To appoint at least one legal representative or his alternate, by means of power of attorney duly filed in the Chamber of Commerce, as authorized person for the management of the settlement accounts identified before the Corporation as exempted.
- XI. To look after the strict fulfillment of the rules intended to prevent Money Laundering and Terrorism Financing.
- XII. To establish internal audit and control mechanisms in order to enable the Corporation and the supervising and surveillance authorities to verify the fulfillment of transactions are ordered to the system managed by the Corporation by the registration and negotiation systems, as well as by the external clearing and settlement systems, whenever required by the same.
- XIII. To assume, on an irrevocable and exclusive basis, the civil, administrative and tax responsibility related to the origin, management, administration and destination or draft of monetary funds or resources and securities which should be credited or debited from the settlement or deposit accounts, respectively. It is understood herein that once the Direct Depositor should notify the checking and saving accounts devoted to the settlement of transactions over deposited securities, such Direct Depositor and/or issuer shall be exclusively liable for the management of the same as entity authorized in order to credit or debit the aforementioned accounts. Likewise the Direct Depositor and/or issuer shall be responsible of the transactions which should be performed by means of the deposit accounts in the Central Bank.
- XIV. To deliver prompt notice to the Corporation informing about any fact which could give rise to belief that any error has occurred in the management of the settlement accounts or about any irregularities attributable to any of its employees related to the management of the same.
- XV. To accept the decision of the Corporation about the suspension or cancellation of the settlement accounts which should have been identified for clearing and settlement, as a result of improper acts, prior decision of the Board of Directors of the Corporation.
- XVI. With respect to clearing and settlement transactions related to foreign securities in international markets which should be ordered to the Corporation by Direct Depositors in the local market, such Direct Depositors shall ensure the availability of resources and securities in accordance with the terms of the operating regulations of the service providers which should be hired by the Corporation in order to guarantee the correct and timely settlement of international transactions.
- XVII. Any other certification and information obligations provided for in Article 14 of the present regulation.

CHAPTER III.- RESPONSIBILITIES OF THE CORPORATION AND THE DIRECT DEPOSITORS

Article 26.- Responsibility of the Corporation

The Corporation shall perform ongoing monitoring with respect to the operating risks which may be incurred by the Corporation in the rendering of the service. To this extent, the Corporation shall look to mitigate the same by applying the best industry practices. Therefore, the Corporation shall be liable for the direct damages which the same should cause to the Direct Depositors up to minor negligence in the execution of the obligations derived from the depository service which should be rendered, as described in the present regulation and in the enrollment agreement.

The Corporation shall be released from any responsibility related to any events which should constitute Acts of God or Force Majeure or whenever the same should occur due to the exclusive fault of the depositor and/or any third party which should prevent the Corporation to comply with the obligations derived from its

duties related to securities custody, securities management, bookkeeping, registration of liens or encumbrances and securities clearing and settlement.

Whenever any loss situation arises on part of the Corporation in the performance of his obligations related to physical custody, the Corporation shall claim before the Issuer the replacement of securities, in full compliance with the legal rules. However, any procedure which should be performed by the Corporation shall not imply the acknowledgment of any indemnity in favor of the affected Depositors in the event that the aforementioned responsibility release should exist.

Any dispute which should arise from the aforementioned procedure shall be addressed as provided for in Title X – Special Provisions, single chapter, Article 92 – Resolution of Disputes.

Article 27.- Responsibility of the Direct Depositors

The Direct Depositors, on their own account or on account of third parties, shall assume before the Corporation, the other depositors and the third parties, the responsibility derived from the enrollment to the service rendered by the Corporation and governed pursuant to the present Operating Regulation.

The Direct Depositors, on their own account or on account of third parties, shall assume before the Corporation, the other depositors and the third parties, the responsibility of the obligations derived from the identification of the last endorser, the continuity of the endorsements chain with respect to nominative and bearer securities, the registration of the holder in the books of the issuer whenever applicable, the integrity and authenticity of deposited securities, and the validity of the transactions which should be recorded with such securities.

Accordingly, upon the corresponding receipt of any security on part of the Corporation, the same shall be deemed free from defects, liens or encumbrances and the Direct Depositor who delivered such security shall be liable for any damages which should be caused to third parties.

Likewise, whenever the Direct Depositor acts on behalf of third parties before the Corporation, the Direct Depositor shall be responsible for the existence, validity and adequacy of the powers contained in the mandate agreements subscribed with its principals, as well as for the safekeeping and custody of the same.

To the extent that a collective ownership is constituted over securities on deposit, any securities which should be affected by authenticity, integrity or any other event which may prevent their circulation, shall affect on a pro rata basis the holders of securities under the ANNA nomenclature.

In such cases, the Corporation shall notify the aforementioned event to the Direct Depositor, in order that the same may perform the automatic remediation of the same, i.e., without legal pronouncement of competent authority; it shall be sufficient that the Issuer or the Corporation detect any inconsistency related to the obligations assumed by the Direct Depositor at the time of entering the respective security, as provided for in the Operating Regulation.

The automatic remediation is intended to preserve the confidence and safety which should exist for a *bona fide* holder, in the legal traffic of outstanding securities by means of electronic systems.

In the case of withdrawal of securities as aforementioned, minutes shall be subscribed by a representative of the Direct Depositor who deposited the same, as well as a representative of the Issuer, and on part of the Corporation, the General Statutory Auditor or his Alternate, the Operating Vice-president or the Manager of the respective Branch, and the Risk Director.

The Direct Depositors shall assume the responsibility before the Corporation for the delivered transfer orders and the transactions performed in the system managed by the Corporation and, therefore, the

Corporation shall not assume any responsibility before the other depositors or third parties with respect to the timeliness, legality or fulfillment of the same. In the event of any claim related to any transfer order or any transactions performed in the system managed by the Corporation, the Corporation shall submit such claim to the depositors involved in the same for its prompt addressing and shall notify such issue to the External Systems and to the Registration or Negotiation Systems which should have reported the respective transaction or which should have delivered the transfer orders derived from the same.

TITLE IV.- ELIGIBLE SECURITIES; ISSUERS AND RELATIONSHIP WITH THE CORPORATION; OBLIGATIONS OF THE ISSUERS AND THE CORPORATION

CHAPTER I.- ELIGIBLE SECURITIES

Article 28.- Eligible Securities for Deposit

The Corporation may carry out the custody and management of credit securities, equity shares, commodities and financial instruments which are or are not listed in the Issuers and Securities National Registry (RNVE, as per its Spanish acronym), regardless if the same should be issued, traded or listed in Colombia or abroad, prior request of the issuer or its principal, the manager of the issuance, the foreign custodian, or the local or foreign Direct Depositor, pursuant to the terms provided for in the regulation of the central securities depository. Such activity shall be exercised in full compliance with the applicable tax and exchange rules.

Any provisions related to the account entry shall apply for the credit securities or equity shares which should be received by the Corporation in custody. In such case, it shall be understood that the delivery and/or endorsement of securities shall be performed by means of account entry; provided, however, regarding endorsement, the transfer order issued by the endorser should comply with the relevant requirements provided by law. The aforementioned securities shall keep all the rights and privileges pertaining to the same, as provided for in the market legislation.

The Corporation shall create, prior to the admission of securities in the Depository, the respective species in the system under the ANNA methodology, and shall accept for deposit only such securities that comply with the legal provisions and the rules of the present Operating Regulation.

Article 29.- Entry of securities to Deposit

No later than within the following three (3) days as of the date on which the corresponding securities should be received in its facilities, or their electronic transfer, the Corporation shall verify the respective requirements referred to in the present title. Such securities shall be deemed as admitted for deposit once the Corporation completes the final verification procedure, pursuant to the terms described herein in Title V.- Corporation Operation, Chapter I. Custody of Securities in Deposit, Article 33.- Entry of securities and onwards, time on which, the same shall be deemed as admitted or rejected.

The aforementioned verification performed by the Corporation shall not release the Direct Depositor from the legal responsibility due to non-fulfillment of the obligations provided for in Article 28 of Law 27 of 1990, or any other governing rules which should be issued thereafter regarding securities on deposit, before the Corporation, the purchasers and third parties.

The Corporation shall be liable for the electronic holding of securities, as well as for the custody and safekeeping of the same whenever such securities should have been physically issued. The securities on deposit may be kept with global custodians or in other custody, management, clearing and settlement institutions, pursuant to the respective agreements which should subscribe the Corporation for such purposes.

The deposit of securities under the custody of institutions with which the Corporation has entered into any service rendering agreement, shall be deemed as constituted whenever such securities should be credited, by means of account entry, in the corresponding accounts opened by the Corporation in the aforementioned institutions.

CHAPTER II. – ISSUERS AND RELATIONSHIP WITH THE CORPORATION

Article 30.- Relationship between the system managed by the Corporation and the Market Issuers

In the performance of its activity, the Corporation shall have the following relationships with the market issuers.

30.1. Entry of outstanding securities

The Corporation shall notify the market Issuers about the immobilization of physically issued securities which are delivered for deposit, regardless of their circulation law and accordingly, of their dematerialized circulation.

The notice to the issuer shall be fulfilled by means of evidence of entry or movement, informed by suitable means pursuant to the guideline which should be issued for such purposes, including the financial conditions of the same. Based on the information submitted by the Corporation, the issuer shall review the integrity of the security received and shall record said event. Upon receipt of the aforementioned notice, the issuer shall notify the Corporation about any inconsistency related to the information received by means of the e-mail address which should be made available by the Corporation in its web page. The term in order to respond shall be within the following business day of the corresponding receipt of the aforementioned e-mail.

Any failure related to the procedure of such information as provided for in Article 2.14.3.1.9 of Decree 2555 of 2010, as amended from time to time, shall give rise to unenforceability for the issuer or for the central securities depository, as the case may be, and therefore, the entity which do not receive the corresponding information shall be released from any responsibility derived from such circumstance.

During a maximum duration of three (3) days, the securities shall remain blocked and accordingly, may not circulate. Any negotiation which should be performed over the same shall enter into force only as of its corresponding registration by means of account entry.

30.2. Transfers, liens and encumbrances by means of account entry

Regarding issuances of physical nominative securities, the Corporation shall notify the issuers about any events which should modify their circulation in order that the same may control the information related to the respective registrations by means of account entry.

30.3. Globalization processes with respect to securities in deposit

Regarding fungible securities on deposit, the Corporation may request the Issuers to aggregate the same in one or more securities. For such purposes, the Corporation shall deliver to the Issuers the cancelled securities due to globalization in order to prevent their traceability in the market. A similar mechanism shall be used in order to fraction securities that have been aggregated in one security, by delivering the same to the issuer with the corresponding evidence of annulment due to fractioning.

Upon request of the Corporation, the Issuers shall perform the aforementioned aggregation or fractioning. Said aggregation or fractioning shall be performed within the three (3) days following the respective request.

30.4. Certification of securities on deposit

It refers to the legitimizing document by means of which the depositor certifies the holding of securities on deposit and shall be issued by the Corporation at the request of the Direct Depositor pursuant to the account entry. Its nature is merely declaratory and enforceable, but may not circulate and may neither be used in order to transfer the ownership of securities.

The aforementioned certificates certify the holder of the same as the legitimate person in order to exercise the rights contained in the deposited security. Such certificates constitute evidentiary documents which certify and evidence the contents of the accounts entries. Accordingly, the same may not be used for other purposes than the exercise of the right contained in the deposited securities.

Such certificates may be issued by means of physical or electronic support, according to the guideline which should be published in the web page of the Corporation informing the Direct Depositors about the procedures in order to request the same, as well as the issuance conditions. In any event, the information contained in the aforementioned certificates shall include at least the data provided for in Article 2.14.4.1.2. of Decree 2555 of 2010 or any rule which should amend the same in the future.

30.5. Certificates for the exercise of corporate rights

Whenever a certificate should be issued for the exercise of rights contained in shares or bonds in any meeting of shareholders or holders of bonds, the Corporation shall abstain itself from recording transfers over such securities until the respective certificate is restored, or until the issuer entity or the legal representative of the holders of bonds informs the same that the meeting was held.

Whenever the Direct Depositor, either acting on its own behalf or on behalf of third parties, requests certificates for the exercise of corporate rights, it shall indicate to the Corporation the corresponding securities to be included in such certificate, as well as the date on which the meeting is going to be held, the rights intended to exercise in the meeting and the type of meeting to be held.

The respective certificate which should be issued shall remain valid only for the exercise of the rights in one meeting and in any adjournments of the same.

With respect to foreign securities under custody in the Corporation, the Corporation shall obtain the corresponding certificates for the exercise of voting rights in the international market by means of custodians, securities deposits of other interconnected countries and international securities depositories.

30.6. Certificates for the exercise of equity rights

Certificates for the exercise of equity rights shall be submitted before the Issuer directly by the Corporation whenever the same should render the service of securities management, or by means of the holder, in the event that the Direct Depositor should not use the service of securities management.

The payment on the part of the issuer shall be deemed satisfied upon receipt of the corresponding resources by the Corporation, in accordance with the terms informed by the Corporation for the respective collection.

In the event that the Direct or Indirect Depositor exercises the equity rights, the issuer shall notify the Corporation about such exercise in order that the Corporation may include the corresponding record. The

aforementioned notice shall be delivered by means of the contacts and e-mails which should be published by the Corporation in its web page. In the event that the issuer should fail to provide such notice, all the transfers must be accompanied by the respective certificate in order to enable the depository to cancel the same or, otherwise, the Direct Depositor shall notify in writing about the exercise of the equity rights in order that the depository may include the corresponding record.

The aforementioned certificates shall legitimize the Direct Depositor before the competent authorities in the event of any litigation derived from the same.

30.7. Substitution of Deposited Securities

Within the following three (3) days as of the respective request, all the Issuers shall be required to substitute deposited securities as requested by the Corporation, either for the appropriate management of the same, or in order to perform the corresponding withdrawal of such securities, pursuant to the terms provided for in the present Regulation.

30.8. Replacement of Deposited Securities

In the event of loss, destruction or theft of deposited securities, the Corporation may request the issuer entity to replace the same and therefore, it shall grant the competent bond, pursuant to the terms provided for in the legal rules for such purposes.

30.9 Renewals

All of the issuers shall be required to record the renewal conditions of the original issuance in the physical support of each security in accordance with the legal rules. Therefore, the Corporation shall submit the aforementioned support to the respective issuer which shall be required to return the same to the Corporation within the term established for such purposes by means of guideline published in the web page. With respect to dematerialized securities, the issuer shall inform about any renewal to the Corporation through the system managed by the same, which shall be evidenced in the respective account entry.

30.10 Reinvestments

All of the issuers shall be required to issue the new financial conditions, which should be agreed with the Direct Depositor derived from the reinvestment process. Therefore, the Corporation shall submit to the respective issuer, if any, the initial physical support, duly cancelled.

In such cases, the Direct Depositor shall notify its intention by means of the system, prior to the collection of the expiring investment. For such purposes, the Direct Depositor shall notify the agreed conditions with the issuer related to the new investment.

In order to satisfy the payment obligations regarding rights over deposited securities, the issuer shall issue the new dematerialized investment by means of the system, which shall be credited to the account or sub-account of the depositor holder.

In the event of any difference in favor of the depositor between the issued security and the resources derived from the cancellation of rights, the issuer shall pay such difference in favor of the depositor by means of the securities management system.

30.11 Corporate Events

Whenever the issuer performs any corporate event (mergers, spin-offs, sale of assets, wind-ups, among others) and the issuance should be held on deposit, it shall comply with all the legal formalities

(authorization of the supervising body, public deed, registration in Chamber of Commerce, among others) in order that the Corporation may perform the applicable process.

CHAPTER III.- OBLIGATIONS OF THE ISSUERS BEFORE THE CORPORATION AND OBLIGATIONS OF THE CORPORATION BEFORE THE ISSUERS

Article 31.- Obligations of the Issuers

31.1. General obligations of the issuers

The issuers shall comply with the obligations contemplated in the legal provisions, as well as with the following obligations, regardless if the same should act as Direct Depositors of any issuance:

- I. To pay, on a timely basis and by means of electronic transfer of funds in the deposit accounts of the Central Bank, the equity rights that should be exercised directly by the Corporation. In the event that the Corporation should not act as tax agent, the aforementioned payment must be accompanied by clear and exact information related to the amount paid and the detail of the legal discounts. The term in order to comply with the aforementioned payment shall be up to the expiration date and within the time which should be indicated by the Corporation by means of guidelines published in the web page of the Corporation.
- II. To notify the Corporation, on the same date on which the Issuer should be aware of, about any lien, seizure or encumbrance of competent authority related to securities on deposit, as well as about any loss, theft, fraud or destruction of securities which should be issued by the same.
- III. To notify, on a timely basis and pursuant to the legal terms, about any corporate events that may affect the circulation of the issuance on deposit.
- IV. Upon request of the Corporation, to cooperate with the same in order that the Corporation may be able to render the services and may exercise its responsibilities and duties, on a timely and safely basis.
- V. To notify about any order related to physical securities which may be involved in any expropriation or money laundering or terrorism financing proceeding and which are not on deposit, but which may be on deposit in the future.
- VI. To submit to the Corporation the information that should be determined by the Financial Superintence of Colombia as necessary for the performance of the activities of the Corporation.
- VII. Upon request of the Corporation, to substitute deposited securities.
- VIII. Upon request of the Corporation, to replace deposited securities.
- IX. To comply with, as well as to verify and to record, as the case may be, all the information delivered by the Corporation related to deposited securities, pursuant to the terms provided for in the present Regulation and in the corresponding guidelines.
- X. To comply with the internal procedure provided for in the manual for the prevention and control of Money Laundering and Terrorism Financing of the entity.
- XI. To comply with the conditions indicated by the Central Bank in external public notices related to the use of deposit accounts, as well as with the corresponding guidelines which should be issued by the Corporation regarding transactions subject to payment of funds. Such payment may be

performed directly by the entity responsible of the same through its deposit account in the Central Bank or by means of the disbursing bank in order to settle the respective transaction.

- XII. To ensure the availability of sufficient resources for the settlement of the corresponding orders.

31.2. Special obligations of the issuers

Whenever the issuers deposit any issuance in the Corporation, supported by a service order, the same shall be enforced to:

- I. Notify the Corporation about individual placements and annulments which may affect the global bond, either directly or by means of underwriters appointed for such purposes.
- II. Deliver to the Corporation, for deposit, the physical or electronic global bond representing the rights of the securities issuance in such amount which should be necessary to satisfy the issuance by means of the account entry system of subscribers who should adhere to the placement regulation. The aforementioned securities shall comply with the corresponding requirements provided by law.
- III. Deliver to the Corporation, on the date of the corresponding subscription, the following information of the respective subscribers:
 - Subscriber
 - Date of issuance
 - Date of expiration
 - Amount placed, in number of units (if applicable)
 - Value of unit to date (if applicable)
 - Direct Depositor to which the subscriber is associated.
 - Amount of investment.
 - In case of Direct Depositor, indicate such circumstance.
 - City of residence
 - Address and telephone.
- IV. Deliver to the Corporation the physical or electronic holders' book, duly recorded and filed before the Chamber of Commerce, simultaneously with the global bond supporting the issuance.
- V. Ensure the availability of sufficient securities and issuance amount for the settlement of orders related to primary issuance of securities by means of account entry.
- VI. Deliver to the Corporation, by physical or electronic means, the final settlement of equity rights over securities on deposit, as well as the values credited to the respective beneficiaries, after discounting the corresponding amounts of taxes, whenever applicable, in the event that the Corporation does not act as tax agent.
- VII. Inform about any unforeseen event which, due to its relevance, may affect the outstanding issuance.
- VIII. Deliver to the Corporation the corresponding information supports provided by law for the circulation of securities.
- IX. Appoint a responsible officer, with decision-making authority, in charge of addressing the requirements of the Corporation, in order to perform, on an efficient basis, the obligations derived from the deposit of the issue.

- X. Comply with the laws and procedures provided for in the manual for the prevention and control of Money Laundering and Terrorism Financing of the issuer entity.

Article 32.- Special obligations of the Corporation before the Issuer

The Corporation is required to record the following activities regarding securities circulation:

- I. In the event of any order requiring issuance on a dematerialized basis, to record the macro-bond or electronic security representing the issuance, prior enrollment of the issuer by means of the Issuance Deposit Agreement. The aforementioned record of the macro-bond comprises the accounting registration of the issuance, as well as its custody, management and control, which includes the outstanding balance of the issuance, issued amount, placed amount, amount in circulation, cancelled amount, amount to be placed and annulled amount of issued securities. The macro-bond recorded as aforementioned shall support the amount actually placed on a daily basis.
- II. To carry out registration and account entry of any information related to circulation under the account entry mechanism with respect to the following acts:
 - Individual placement of issued securities.
 - Transactions related to securities recorded in deposit accounts or sub-accounts.
 - Annulment of rights pertaining to issued securities pursuant to orders given by the issuer, in accordance with the terms provided for in the placement regulation.
 - Minutes regarding issuance or annulment of rights recorded in deposit accounts.
 - Liens and pledges, for which the holder or holders of securities shall comply with the procedure provided for in the operating regulation of the Deposit.
- III. To charge to the Issuer the equity rights that should be represented by account entries in favor of the respective beneficiaries whenever the same should use the securities management service.

For such purpose, the Corporation shall submit to the issuer two (2) settlements (one prior and one final) related to the payable funds with respect to securities on deposit:

It shall submit a prior settlement (or pre-settlement) including the sums which shall be paid by the issuer, for verification, five (5) days before the expiration of the payment obligation. Such settlement shall be supported indicating the balance of the dematerialized issuance and the interest payment frequency elected by each holder or, regarding equity shares, the payment conditions.

The issuer shall verify such pre-settlement submitted by the Corporation and shall agree the corresponding adjustments with the same, in the event there should arise any discrepancies. In order to perform the aforementioned adjustments, both the Corporation and the issuer, shall refer to the issuance characteristics provided for in document authorized by the competent body, whenever applicable, as well as in the placement regulation, and in the considerations included in the issuance deposit agreement which should be subscribed with the Corporation.

Thereafter, two (2) days before the payment, the Corporation shall submit to the issuer a final settlement regarding the securities on deposit managed on account of the same, by means of a global certificate for the exercise of equity rights which shall include detailed expirations corresponding to such date.

- IV. On the business day following the equity rights payment expiration date, to inform the depositors about any non-fulfillment related to the payment of the respective rights whenever the issuer should fail to provide the corresponding resources, in order that the latter may exercise the appropriate actions.
- V. The Corporation shall not assume any responsibility whenever the issuer should fail to provide the corresponding resources for the aforementioned payments, and neither for any errors or omissions related to the information which should be provided by the issuer or the Direct Depositors to the Corporation with respect to issuance, subscription or transfer orders, or regarding any liens or encumbrances of the rights pertaining to the securities on deposit.
- VI. To keep the holders' book pursuant to the terms provided for in the Operating Regulation or in the legal rules related to such matter.

The bookkeeping in a central securities depository shall be fulfilled by the account entry of securities' transfers and shall create the respective right as provided for in Articles 12 of Law 964 of 2005 and 2.14.1.1.2 of Decree 2555 of 2010. Accordingly, the creation, issuance or transfer, as well as the injunctive reliefs and any other encumbrance related to the rights contained in the respective security which should circulate by means of account entry, shall take effect by means of account entry.

The person who should appear in the system managed by the Corporation shall be deemed as the legal holder of the corresponding security referred to in such registry and may request the issuer entity to perform in his favor the benefits corresponding to said security.

The holders' registration book shall reflect the balance at the end of each fiscal year considering all the account entries related to transactions ordered by the registration or negotiation systems, or directly by the depositors, as applicable, which detail shall be kept in the accounting ledgers including the historical database of the respective movements.

The corresponding registration in the book of holders which should be kept by the Corporation shall also include the date and time of the registration, as well as the name of the holder and the movement and balance of the position regarding securities on deposit. With respect to liens and encumbrances, the Corporation shall record the corresponding amount, beneficiary, date on which the measure should be released as applicable, its extension and, as the case may be, the competent authority which ordered the measure together with the data of the document which served as basis.

- VII. Within the five (5) business days following the closing, whenever the issuer should use the dematerialized issuance service, to submit monthly reports to the issuer including:
 - Payments performed to the legal holders of rights over securities.
 - Balances of deposited issuance.
 - Annulments during the corresponding month which may affect the outstanding limit of the issuance.
- VIII. To update the respective amount of the deposited global bond or bonds, upon request of the issuer entity, based on issuance transactions, cancellation at expiration, annulments and withdrawals of securities, for which the management corporation shall be fully entitled.

TITLE V.- PERFORMANCE OF THE CORPORATION

CHAPTER I. – CUSTODY OF SECURITIES ON DEPOSIT

Article 33.- Entry of securities

Entry of securities to deposit may be physical or electronic. Regarding the entry of physical securities, the Direct Depositor shall comply with the formalities related to endorsement for management in favor of the Corporation, and shall deliver the corresponding securities as provided by law and pursuant to the present Operating Regulation.

Regarding dematerialized securities which should circulate on a dematerialized basis in other local or foreign depositories, the entry shall be validated upon the corresponding certification or account entry in the account of the Corporation, as ordered by the Direct Depositor to the Corporation, in order that the Corporation may inform the custodian of such securities regarding the change of account between depositories or clearing and settlement systems, as the case may be.

In first instance, the Corporation shall receive only securities free from liens or encumbrances and which expired rights should have been exercised by its holder. However, the Corporation may establish, by means of guideline, the way in order to receive securities which exercise of equity rights should be still pending or which should be subject to circulation restrictions such as liens or encumbrances among others. Therefore, the Corporation shall determine the necessary mechanisms with the issuer intended to mitigate the operating risks related to the collection and payment of such expired rights, as well as the entry of securities subject to circulation restrictions, which shall be certified by the issuer prior to the respective entry and acceptance of the security subject to custody.

Whenever the Corporation receives securities subject to circulation restrictions such as pledges or beneficial interests, the issuer or the Direct Depositor shall be required to deliver to the Corporation a copy of the supporting documents, in order to validate the corresponding conditions intended to comply strictly with the circulation restrictions. In the event of failure to deliver the aforementioned documentation, the Corporation shall not assume any responsibility related to acts or facts prior to the deposit of the same by means of account entry.

Article 34.- Securities entry procedure

Regarding physical issuances, the Direct Depositor shall transcribe the full contents of the security and shall validate the data corresponding to each security in the electronic system of the Corporation, according to the capturing form of the system.

Securities received by means of electronic entry shall be recorded in the account of the depositor in a temporary registry named "Securities pending of Verification", subject to the physical delivery of the same and its further review and verification on part of the Corporation. The aforementioned temporary registry shall not affect the available balances in the accounts of the depositors in the Corporation.

Once the temporary electronic registry should be performed, the Direct Depositor shall submit to the Corporation, within the following banking business day as of such registry whenever regarding the city of Bogotá, or within the following two (2) banking business days whenever regarding other cities, the corresponding physical securities.

With respect to physical securities which should be located outside the national territory, the term for its delivery, whenever applicable, shall be determined by means of guidelines of the Corporation. In the event of failure to submit the respective securities within the established terms, the Corporation shall annul the entry transaction and the Direct Depositor shall be enforced to perform the aforementioned procedure again.

In the event that the received securities should be circulating on a dematerialized basis in other deposits or similar entities devoted to exercise custody duties, the entry shall be validated with the corresponding entity based on the orders given by the Direct Depositor informing for such purposes the detail which should require the Corporation in order to perform the same. The depositor's change between deposits shall be carried out in accordance with the terms provided for in the operating regulation of the respective entity where such securities should be deposited.

34.1. Entry of physical securities

With respect to securities which should circulate by means of physical support, the Direct Depositors shall deliver the same in the offices of the Corporation, duly endorsed for management in favor of the Corporation, and shall certify the corresponding compliance with the procedure provided for in the Anti-Money Laundering and Terrorism Financing Manual of the respective entity which shall include verification of previous holders of such securities, fully identified in the physical document, regarding their appearance in any of the international or local listings of persons qualified as drug dealers, terrorists or money launderers who should be subject to any seizure order over assets due to involvement in processes related to money laundering or money laundering as a separate offense, confiscation of ownership or terrorism financing.

The Corporation shall receive the aforementioned securities limiting itself in the first instance only to verify if such securities actually correspond, per class, type and value, to the same securities included in the respective form.

In the event of any inconsistency, the Corporation shall reject the entry of any transaction which should include the aforementioned inconsistency and shall receive only such securities which are in accordance with the listing included in the form. Therefore, the cashier officer shall issue a notice including the ground for rejection, the Issuer and the financial conditions of the respective security.

Physical securities shall be delivered to the Corporation exclusively by the officers authorized by the Direct Depositors for the delivery and withdrawal of securities, duly identified for such purposes.

34.2. Entry of dematerialized securities

Dematerialized securities may be transferred electronically between Depositories or similar entities. The form in order to support the account entry shall be agreed between the depositories or similar entities at the time of executing the corresponding agreement, pursuant to the applicable regulation of the entity which delivers the same due to change of account.

Regarding any new primary placement derived from a reinvestment process pursuant to the terms provided for in the present regulation, the Direct Depositor shall inform its will in such sense by means of the system and prior to the collection of the expiring investment. For such purposes, the Direct Depositor shall agree the conditions of the new securities with the issuer, which shall issue the same on a dematerialized basis by means of the system in order to credit such securities in the respective account or sub-account of the depositor holder, complying with its payment obligations related to rights over deposited securities.

In the event of any difference in favor of the depositor between the issued security and the resources derived from the cancellation of rights, the issuer shall pay the difference in favor of the depositor by means of the securities management service.

With respect to foreign securities, the same shall be credited in the deposit accounts or sub-accounts of the Direct Depositors, once the same should have been confirmed and credited in the accounts opened by the Corporation in the international custodians and depositories, with which the entity has entered into a securities custody agreement, and once the Depositor should have notified their entry in the local market.

Article 35.- Review of physical securities received for deposit

Once the securities to be deposited have complied with the initial verification process, the Corporation shall receive the same on a conditional basis for review and final verification and shall deliver to the officer authorized by the Direct Depositor a signed and sealed copy of the entry form of securities for deposit, including the following note: *"Received – Subject to Final Verification "*.

The conditional receipt of securities shall not imply that the same should have been admitted for deposit.

The final verification of securities for deposit shall comprise the confirmation of the data entered by the Direct Depositor compared with the face data of the delivered security, as well as the validation of the information of the holder in favor of which the corresponding security is entered, against the international or local public listings related to offenses qualified in Colombia as Money Laundering or Terrorism Financing.

Whenever it should be considered convenient, the Corporation may request, by means of the Direct Depositor, certificate of the securities' issuer about the authenticity of the same. The formal review of securities carried out by the Corporation shall not release the responsibility of the Direct Depositor related to its legal obligations with respect to entered securities.

The Corporation shall notify the Direct Depositor whenever it should detect that any of its indirect depositors qualifies in the unusual transactions concept, in order that the same may validate and certify, pursuant to the procedures for the prevention and control of Money Laundering and Terrorism Financing of the respective entity, the situation of the Indirect Depositor and may determine if the same should be subject to disenrollment or not.

Such securities which do not comply with the formalities provided for in the present operating regulation or by law, shall be rejected and placed at the disposal of the Direct Depositor in the facilities of the Corporation in Bogotá within the following three (3) days as of the corresponding receipt of the same, together with a Securities Return Note specifying the grounds for rejection, prior notice by suitable means to the Direct Depositor in order that the same may collect such securities in the facilities of the Corporation.

In the event that the Direct Depositor should not collect such securities within the following three (3) days as of the notice of the Corporation about the rejection of the same, the Corporation shall perform the payment by appropriation process referred to in the present Regulation.

In the event that the rejection notice is not be produced within the following three (3) days as of the corresponding receipt of securities in the facilities of the Corporation, it shall be understood that the same were admitted for deposit, except whenever the same should be in process of verification before the Issuers.

Once the respective securities have been entered and the initial information has been verified within the aforementioned three (3) days, the same shall remain blocked until validation with the Issuer and confirmation on part of the same to the Corporation. Upon expiration of the aforementioned term, such securities which should comply with the corresponding requirements shall be recorded as securities available in the accounts of the depositors. Only as of the said time, the Corporation shall issue the corresponding certificates of deposit in favor of the respective depositors.

Upon receipt of a physical security on part of the Corporation, the same shall be deemed as free from any defects, liens or encumbrances, and the Direct Depositor who delivered the same shall be liable for any damages to third parties by virtue of the same.

Article 36.- Receipt of securities for custody in other depositories by means of electronic entry

The process regarding receipt of securities entered by electronic means shall be performed pursuant to the terms provided for in the corresponding agreement entered into with the corresponding Depository.

In order to credit securities which should be under the custody of other Securities Depositories or other clearing and settlement systems in the accounts of the Direct Depositors, the same must be transferred to an omnibus account opened by the Corporation in the aforementioned entities, which must be reflected, on a reciprocal basis, in the account entry system of the Corporation.

The aforementioned securities shall be credited in the deposit accounts of the Corporation only when the same should have verified the entry of such securities in the deposit accounts of the other Securities Depositories or clearing and settlement systems used by the Corporation. The registration in the accounts of such entities pursuant to the corresponding agreements entered into with the same, shall be performed in one or several accounts, as necessary, and shall remain segregated from the own position of the Corporation.

CHAPTER II – CUSTODY OF SECURITIES: WITHDRAWAL

Article 37.- Electronic withdrawal of securities

Prior to any request regarding withdrawal of securities on deposit, the Direct Depositor shall initiate the withdrawal procedure by means of order entered in the system of the Corporation, considering the system capturing form over the available balance.

Upon receipt of any electronic withdrawal request, the system shall block in the Direct Depositor's account the respective securities indicated in such request. The blocking due to withdrawal of available balance shall be maintained up to the date on which the corresponding securities should be delivered to the Direct Depositor.

Upon physical delivery of the Direct Depositor's securities, the corresponding registries shall be discharged from its own account or from the third party's account on behalf of which the Direct Depositor is acting.

Regarding withdrawal of securities subject to encumbrances or injunctive reliefs, only the competent authority may authorize said withdrawal indicating the respective receiver of the same. Regarding any other restrictions related to the circulation, such as liens or pledges established by the parties, the Corporation shall authorize withdrawal of securities, subject to prior request of the person, in favor of whom the aforementioned liens or pledges should be granted, indicating the person in order to deliver the same. Any restrictions related to the circulation of the aforementioned securities shall be included in the physical support or in the information which should be submitted to the new custodian.

Any order regarding withdrawal shall be subject to validation on part of the system. In the event of any discrepancy, the order shall be rejected and the Direct Depositor shall be enforced to submit its adjusted request again.

Article 38.- Withdrawal of physical securities

In order to satisfy orders related to the withdrawal of physical securities on deposit, the Corporation may require the issuers to substitute the same as indicated by the Corporation or, otherwise, by means of withdrawal of other security kept in vault which should comply with the same conditions of the security recorded in account.

Withdrawal of physical securities shall be supported by the Securities Withdrawal Form which should be determined by the Corporation for such purposes, pursuant to the corresponding guideline published in the web page.

Physical securities shall be delivered exclusively to the authorized representatives of the Direct Depositor who should be recorded in the Corporation for such purposes, who shall certify their identity and shall sign the withdrawal receipt containing the particularities of each delivered security.

In order to perform the delivery of physical securities to the Direct Depositors, such securities shall include the corresponding notes regarding payment of equity rights or capital expirations, whether directly by the issuer, or by the Corporation, whenever the same should be entitled to include the aforementioned notes on behalf of the issuer, pursuant to agreement entered into with the Issuer.

The aforementioned securities shall be available for delivery within the three (3) days following the corresponding receipt of the withdrawal form, or on the date on which the Issuer, prior request of the Corporation for such purpose, should issue and deliver the corresponding security to the same.

Upon expiration of the aforementioned term, the Corporation shall carry out withdrawal of the respective securities by means of payment by appropriation.

Article 39.- Substitution of securities in order to satisfy withdrawals

Except as otherwise agreed, by virtue of the optional obligation regarding substitution of securities, the Corporation may endorse and deliver to the Direct Depositor securities of the same issuer, class, specie and other financial characteristics. Accordingly, the delivery of securities to the Corporation implies the waiver, on part of the delivering party, to the exchange actions by way of return.

In such case, the rights shall be transferred to the new securities related to the securities initially delivered by the Direct Depositor who requests the withdrawal, by way of substitution for all the purposes of the Depository. The aforementioned possibility shall not release the Direct Depositor from the obligations assumed by the same at the time of entering securities to deposit, as provided for in the effective legal rules.

Article 40.- Information to Issuers

Regarding nominative securities with respect to which the Corporation should not perform the respective bookkeeping, the Corporation shall inform the issuer entity about any withdrawals. For such purposes, the Corporation shall process and shall put at the disposal of the system or shall deliver to the issuer, depending if the same manages or not the consultation screen, the listing of securities subject to withdrawal, within the legal term.

CHAPTER III.- REGISTRATION OF ACTS AND FACTS RELATED TO OUTSTANDING SECURITIES: COLLATERAL AND BENEFICIAL INTERESTS

Article 41.- Collateral and beneficial interests over Deposited Securities

41.1 Applicability

Account entries related to collaterals, antichresis or beneficial interests over securities on deposit shall constitute the rights in favor of the pledgee or beneficial owner. Therefore, it must be requested to file the corresponding conditions of the agreement, which shall be deemed as effective by completing and filing the physical or electronic pledge, antichresis or beneficial interest form provided by the Corporation. The procedures, as well as the form shall be available in the web page of the Corporation.

The Direct Depositor shall assume responsibility with respect to the existence of the agreement in order to constitute the collateral, beneficial interest or antichresis, as well as with respect to the truthfulness of the submitted information.

The constitution of guarantees shall be possible whenever the corresponding securities are available in the account of the depositor owner of the same.

41.2. Beneficial Interest

The ownership right over securities may be subject to restrictions based on the beneficial interest or use lien, i.e., the holder of the ownership right shall have only the bare ownership, understood as the ownership separated from the enjoyment of the equity rights derived from the respective security.

By means of guideline, the Corporation shall indicate the minimum conditions which should be satisfied in order that the account entry may apply.

Article 42.- Registration of collateral and beneficial interests

Upon receipt of the filing request regarding any collateral or beneficial interest over securities on deposit, the Corporation shall verify in its information system the existence and availability of the respective securities in the account of the depositor owner of the same and shall perform the corresponding account entry, which may imply the change of depositor or their blocking in the depositor's account on the same day on which the guarantee should be filed, as determined by the pledgee creditor and debtor and by the parties of the beneficial pledge agreement.

Upon account entry of the collateral or pledge, the Corporation shall deliver to the Direct Depositor a certificate regarding the account entry of the pledge over securities.

Securities subject to collateral or beneficial interest shall remain blocked in favor of the pledgee up to the date on which the same should be cancelled or up to the date on which its sale should be legally ordered, which sale shall be performed by the Corporation.

Once the collateral or beneficial interest is registered, the holder of the corresponding securities may order, on an independent basis, acts related to the circulation of securities subject to pledge or beneficial interest, indicating clearly which acts shall be permitted over the aforementioned securities.

Regarding nominative securities, the collateral or beneficial interest shall take effect by means of the account entry. In any case, the Corporation shall inform the Issuer about such circumstance. The same procedure shall be followed for the release of collateral or beneficial interests over nominative securities. Yields and dividends shall be paid to the party which should be indicated by the parties in the corresponding agreement. Otherwise, the Corporation shall apply the relevant rules provided for in the Commercial Code.

The exercise of corporate events over pledged securities shall not require authorization of the pledgee or beneficial owner, except whenever the agreement subscribed by the parties should require adjustments with respect to the terms of the conferred rights. Upon account entry of the corporate event, the Corporation shall issue the corresponding evidence informing to the pledgee or beneficial owner about the new situation of the aforementioned pledged securities.

Article 43.- Redemption of securities subject to collateral or beneficial interests

Upon the redemption date of pledged securities, the Corporation shall inform about said situation to the creditor, within the term established for such purposes by means of the guideline, in order that the parties may agree on the applicability of the respective replacement.

In the event that the Corporation does not receive instructions about the replacement and the substitution conditions prior to the expiration date of the pledged securities, the Corporation shall redeem the same and shall deposit the corresponding proceeds and yields in favor of the pledgee in the account which should have been previously identified or in a legal deposit to the order of the pledgee.

Pursuant to the effective rules governing the aforementioned matter in the Commercial Code, the beneficial interest agreement does not grant the right to renew the pledged securities. Accordingly, upon expiration of the same, the respective capital shall be delivered to the holder of the same, as provided for in the present regulation.

Article 44.- Collateral certificates over securities on Deposit

By request of the pledgee or the beneficial owner, and by means of the Direct Depositor whenever the same does not correspond to the pledgee or beneficial owner, the Corporation shall issue a pledge certificate over securities in deposit, which shall be delivered by means of the Direct Depositor.

The aforementioned certificates shall be issued on behalf of specific persons, non-transferable and non-negotiable, which shall serve only to legitimize the rights of the pledgee and shall remain valid during the term provided for in the respective certificates.

Article 45.- Cancellation of collateral

In order to cancel collateral, antichresis or beneficial interests, the pledgee or the holder or beneficial owner of the respective security shall order its release and, the Corporation, pursuant to the aforementioned instructions, shall perform the respective account entry and shall inform the Direct Depositor about such event by means of the system.

CHAPTER IV – SEIZURE, ENCUMBRANCE, FUNDS FREEZING, EVICTION ORDERS AND OTHER SIMILAR AUTHORITY MEASURES OVER DEPOSITED SECURITIES

Article 46.- Registration and execution of seizure, encumbrance, funds freezing, eviction orders and other similar authority measures:

46.1 Account entry of measures and impact of the same

Registration of seizure, encumbrance, eviction orders and other similar measures of competent authority over securities in deposit shall be executed by means of account entry of the respective order in the systems managed by the Corporation.

The aforementioned order shall be recorded for the amount of the security indicated by the respective legal or administrative authority, no later than within the three (3) days following the corresponding receipt of the order, pursuant to the terms provided for in Article 2.12.1.1.10 of Decree 2555 of 2010 or in the relevant rules of the civil or administrative procedure. The account entry shall be performed in accordance with the internal procedures of the Corporation and in compliance with the account entry principles contained in Law 964 of 2005 and in Article 2.14.1.1.1 of Decree 2555 of 2010, as amended from time to time.

Whenever the seizure order is received in first instance by the issuer entity or by the Direct Depositor, the same shall inform such fact to the Corporation, pursuant to Law 27 of 1990 and Article 2.14.4.1.5. of Decree 2555 of 2010, by means of the authorized officers, to the electronic mail directed to the address indicated in the web page of the Corporation accompanied by the digitalization of the order, or by physical means to the address of the Corporation, or by means of fax, notwithstanding the subsequent delivery of the original document.

The same security may be subject to other seizures, over which, the Corporation shall order their account entry; however, the same shall become effective to the extent that the competent authority should notify the cancellation of the seizure which is currently valid.

Registrations by means of account entry shall be performed in the same order of preference of their corresponding receipt, which shall be determined on the basis of their respective filing in the offices of the Corporation.

Registration of seizure, encumbrance, eviction orders and other similar measures of competent authority shall be reported by the Corporation to the authority that ordered the same, within the legal term provided for such purposes by means of guideline.

In order that the Corporation may apply the account entry related to any seizure order, the same must contain clear instructions, i.e., full identification of one of the depositors, i.e., name and identity, and that the measure falls over a number of units in case of equity securities, or over a specific amount in case of fixed income securities, and that the balance of securities should be available.

Whenever the seizure exceeds the obligation of the defendant, the corresponding release of the surplus shall apply only by order of competent authority in accordance with the guidelines provided for in the civil procedure code.

46.2. Effects over orders in progress subject to account entry related to seizure, encumbrance, funds freezing, eviction orders and other similar authority measures.

Upon the execution, by means of account entry, of any seizure, encumbrance, funds freezing, eviction orders and other similar authority measures, there may be no performance of any other transfer, replacement request or constitution of any other lien over the funds or securities subject to seizure.

The transfer orders which should not be accepted in the clearing and settlement systems of the Corporation at the time when the legal representative should be personally notified about any measure concerning suspension of payments, compulsory winding-up or any other similar measures, shall be put at the disposal of the Financial Superintence of Colombia or at the disposal of the respective receiver or special agent, as the case may be, in order that the same may decide about the compliance or not of such orders, as provided for in Law 964 of 2005 and pursuant to Article 2.12.1.1.9 of Decree 2555 of 2010, or any other rules which may amend, supplement or substitute it.

Once the special agent or the person in charge of performing the corresponding ownership takeover of properties and assets, the voluntary or compulsory wind-up, or any other bankruptcy proceeding or universal proceeding related to debts restructuring, should assume his/her office before the competent entity and should fulfill the registration and identification formalities before the Corporation, the Corporation shall receive the orders given by such Depositor or by the negotiation or registration external systems, as the case may be.

Upon notification of the suspension of payments order derived from the ownership takeover of properties and assets and the respective filing of the voluntary or compulsory wind-up or any other bankruptcy proceeding or universal proceeding related to debts restructuring, the Corporation shall abstain from receiving new transfer orders on account of the depositor subject to the same, excluding such orders derived from the External System and which should have been previously accepted by the clearing and settlement systems managed by the same.

46.3. Effects of seizure, encumbrance, eviction orders and other similar authority measures over repo and simultaneous transactions

In the event that, during the term of any repo transaction, the Corporation should receive any seizure order against the purchaser, the corresponding securities which should have been received and kept by the same, shall be subject to the aforementioned order. In such case, the purchaser may fulfill the transaction with equivalent securities which should have been timely deposited in its deposit account or sub-account, as provided for in Decree 2555 of 2010, and any other rules which should amend, supplement or substitute the same.

In the event that, during the term of any simultaneous transaction, the Corporation should receive any seizure order against the purchaser, the corresponding securities which should have been received and kept by the same, shall be subject to the aforementioned order.

Regarding registration of seizure, eviction and other similar orders, the repo, simultaneous and temporary securities transfer transactions shall be settled as provided for in Article 2.12.1.1.9 of Decree 2555 of 2010 and any other rules which should amend, supplement or substitute the same.

46.4. Expiration of securities

If, during the validity of the seizure order, the affected securities should expire or any yields should arise from the same, the Corporation shall deposit the corresponding resources to the order of the respective competent court of authority in an entity authorized to manage legal resources; provided, however, the issuer of said securities should have supplied the corresponding resources on a timely basis. Any amounts which exceed the amount of the preventive measure shall be delivered to the Direct Depositor pursuant to the terms provided for in the present regulation.

Article 47.- Registration of seizure, encumbrance, eviction orders and other similar authority measures over securities subject to clearing and settlement.

The confirmation of transfer orders does not imply protection of assets. Accordingly, upon receipt and confirmation of any instruction to perform the corresponding settlement by means of other clearing and settlement external systems, or by means of registration and negotiation systems, or directly by the Direct Depositors, in the cases expressly indicated herein, but before such transfer orders should have been accepted for settlement by the systems managed by the Corporation, any order or preventive measure which should have been received or notified to the Corporation in the meantime, shall prevail over any other transfer order which should have been received and confirmed but not accepted pursuant to the operating regulation. Therefore, the Corporation shall comply with the order and shall keep the corresponding securities to the order of the Court which issued the same by means of seizure, as applicable.

Upon acceptance of the transaction ordered by the registration or negotiation systems or, as the case may be, by the Direct Depositor whenever the same should be legally entitled, or by external clearing and settlement systems pursuant to the terms of the present regulation, the preventive measure shall not be recorded in account and the Corporation shall notify the aforementioned circumstance to the competent authority.

Article 48.- Seizure, encumbrance, eviction orders and other similar authority measures over securities in process of securities management

Whenever the Corporation should comply with the securities management duty (collection of equity rights) and should receive seizure, encumbrance, eviction orders and other similar authority measures, the Corporation shall retain received payments in process to be delivered to the Direct Depositor and shall put the same to the order of the entity entitled for such purposes or to the order of the competent authority or shall request directly to the issuer or its agent to deposit the aforementioned resources to the order of the competent authority in the event that the latter should have not received the same.

Article 49.- Registration of seizure, encumbrance, eviction orders and other similar authority measures over securities in process of withdrawal

If, after the electronic registration of any withdrawal of securities, but before its physical delivery, the Corporation should be notified about any preventive measure or limitation of ownership over the entirety or part of the same, the Corporation shall comply with such order and shall keep the corresponding securities to the order of the Court which issued the same or shall give effect to the respective seizure, as appropriate. Upon the physical withdrawal of securities, the Corporation shall limit itself to notify such circumstance to the competent authority.

Article 50.- Release regarding registration of seizure, encumbrance, eviction orders and other similar authority measures over deposited securities.

Upon receipt of any order intended to release seizure, encumbrance, eviction orders and other similar measures on part of the competent authority, the Corporation shall comply with the same by cancelling the blocked position of the corresponding securities subject to such measure in the account of the affected depositor.

Article 51.- Eviction of Securities on Deposit

Eviction of securities on deposit shall be executed by means of account entry of the seizure, encumbrance, eviction orders and other similar measures of the competent authority. As long as the competent authority does not notify the appointment of any receiver, the Corporation shall act as manager of the respective securities and shall keep the corresponding proceeds of such management to the order of the respective court, as provided for in Law 27 of 1990.

In the event that other person or entity should be appointed as receiver, the Corporation shall materialize the respective securities and shall deliver the same to the appointed receiver. Likewise, the Corporation shall keep evidence of the aforementioned and shall notify the respective authority which ordered the measure.

If, due to the securities' characteristics, their materialization is not be feasible, the Corporation shall transfer the securities subject to seizure to the deposit account opened for such purposes by the receiver, in his capacity of Direct Depositor whenever the same should be entitled as such, or to the sub-account which should be opened by such receiver whenever the same should act by means of a Direct Depositor.

The procedure provided for in the present article shall apply, as appropriate, to the freezing, eviction, immobilization or other similar orders issued by the competent administrative or legal authorities; provided, however, the same should not contradict the special instructions indicated by the respective authority or the nature of the issued measure.

Article 52.- Securities on Deposit subject to auction proceedings

When any legal or administrative proceeding should order the auction of securities on deposit in the Corporation, the Corporation shall order its sale through the negotiation systems or using a stock broker for such purpose. The appointment of the stock broker shall be performed in accordance with the guideline published in the web page of the Corporation.

The sale price shall intend to obtain the best bid pursuant to the average price of the day and, upon receipt of the respective resources and once the stock broker's fees should be deducted, the Corporation shall deposit the corresponding proceeds in an entity entitled to receive legal deposits, within the term provided for in the legal notice.

Regarding securities which should not circulate in the stock market, the transfer procedure shall be performed pursuant to the terms which should be ordered by the competent authority. Regarding equity securities, the Corporation shall notify the issuer in order to comply with the preference right.

CHAPTER V – MANAGEMENT OF SECURITIES ON DEPOSIT

Article 53.- Purpose of securities management and certificates for the exercise of equity rights

53.1. Purpose of securities management

The management on part of the Corporation of securities on deposit is intended to exercise the rights derived from the same, such as to attend the public offer regarding subscription and payment of securities on behalf of the depositors, as well as to collect and receive amortizations, interest, dividends and benefits pertaining to the depositors, to subscribe preference rights of new issuances, etc. In any event, whenever such management should require the prior supply of funds, as long as the Corporation should not receive the same, it shall not be enforced to comply with the corresponding behaviors.

The Corporation may not represent the Direct or Indirect Depositors in the meetings of shareholders or holders, shall not exercise any inspection rights on behalf of the same, and shall not undertake any similar behaviors. Its duty in such case, pursuant to the applicable regulation, shall be limited to provide electronic processes intended to channel the voting intentions of Colombian investors and deliver the same abroad, as the case may be, as well as to appoint an attorney in the country where the meeting takes place; or in such case, to channel, pursuant to instructions of the custodian or foreign securities depository acting as Direct Depositor of the Corporation, the voting intention of foreign investors in local issuances and to appoint an attorney in order to represent the latter in the country, intended to ensure the exercise of corporate rights pertaining to Colombian investors abroad, as well as of foreign investors in Colombia.

The management of securities on the part of the Corporation shall be expressly evidenced in the depository agreement or in any annex to the same.

53.2. Certificates of equity rights

In order to exercise the equity rights contained in the deposited securities, the Corporation shall issue representative certificates of the same which shall legitimize the holders and, which, accordingly, shall serve as full evidence for the Issuers. The aforementioned certificates shall be enforceable pursuant to the terms provided for in Article 13 of Law 964 of 2005 and in Article 2.14.4.1.5 of Decree 2555 of 2010, and any rules which should amend or supplement the same.

In the event that the securities management should be exercised directly by the depositors, the corresponding certificate which should be issued by the Corporation for such purposes shall entitle the aforementioned depositors to exercise the respective equity rights. Such certificates shall be issued by request of the depositor no later than on the following day on which the same should be requested by means of the Direct Depositor, which in turn, shall be responsible of delivering the same to the Indirect Depositor.

In any case in which the equity right should be exercised directly by the Direct or Indirect Depositor before the issuer, the same shall retain the corresponding certificate and shall notify the Corporation about the exercise of the respective right in order that the Corporation may include the corresponding note in its records. In case that the Corporation should exercise the right directly, the issuer shall be released by depositing the corresponding resources in the respective account. In the event that the Corporation should not be in charge of the management and should receive a seizure order, the Corporation shall notify the issuer as soon as practicable for the purposes provided for in the Civil Procedure Code.

For the exercise of equity rights over deposited securities which management should not have entrusted to the Corporation, within a five (5) days term before the expiration of the aforementioned rights, the Corporation shall put to the disposal of the issuers, by means of suitable means, a document which shall serve as basis in order to issue the final equity rights certificate. Such certificate shall detail the respective rights and financial conditions and shall include full identification of the holder of the same. Any claim related to differences in the settlement of such rights shall be addressed during the aforementioned term.

For such purposes, the Corporation shall reconcile with the Issuer the corresponding payments to be made on the expiration date. Upon confirmation of the payments to be made on part of the Issuer, the Corporation shall issue the Equity Rights Certificate in order to legitimize the corresponding collection before the Issuer. The aforementioned certificate may be issued by physical or electronic means.

During the collection process before the Issuer, whenever the Corporation should be entrusted, the respective securities may remain blocked during two (2) days before the payment in such cases which should be considered convenient by the Corporation and which should be indicated in the present Regulation.

The corresponding resources collected by the Corporation shall be delivered to the holder with respect to which the collection should have been performed.

53.3 Certificates for the exercise of corporate rights

In the case of certificates which should be issued in order to exercise the rights contained in shares or bonds in any meeting of shareholders or holders of bonds, the Corporation shall abstain from recording transfers over such securities, until the corresponding certificate has been restored to the Corporation or until the issuer entity or the representative of the holders should inform the Corporation that the meeting was held.

Whenever the Direct Depositor, whether acting on its own behalf or on behalf of third parties, should request to the Corporation the corresponding certificates in order to exercise any political rights, it shall request to the Corporation the issuance of the respective certificate for the exercise of corporate rights, indicating for such purpose, the respective securities related to such certificate, the date on which the meeting is going to take place, the rights to be exercised in the same, and the type of meeting to be held.

The respective certificate, which is issued in such sense, shall remain valid only for the exercise of the rights in one meeting, including any adjournments of the same.

Intended to ensure the exercise of corporate rights pertaining to Colombian investors abroad, as well as to foreign investors in Colombia, the Direct Depositors with an account opened in the central securities system managed by the Corporation may exercise rights over equity securities abroad or in the local market by means of attorney-in-fact appointed by the Corporation. Likewise, the Corporation shall provide an electronic process service in order to channel decisions taken by depositors with respect to proposals contained in the meeting agendas of the issuers and shall deliver, by electronic means, the relevant documentation for the due representation and exercise of the depositors' rights.

The procedure for the exercise of rights shall be regulated by means of guideline which shall be published in the web page of the Corporation, the same as the scope and conditions of the mandate which should be subscribed by the Corporation with qualified entities for the rendering of the service.

Article 54.- Scope of the securities management duty

The Corporation shall perform an extra-legal securities' management duty, which shall obligate it to submit the application for the payment of equity rights over issued securities pursuant to the terms provided for by the Issuer in the placement regulation or in the corresponding security.

Whenever the rights could not be exercised pursuant to the terms provided for in the placement regulation or in the corresponding security, the Corporation shall notify said situation to the Direct Depositor by suitable means, in order that the same may exercise the relevant legal actions before the Issuer.

Article 55.- Payment of equity rights and negotiation of securities in process of management.

55.1. Payment of equity rights

The issuer entities shall perform the payment of equity rights by means of wire transfer to the deposit account for the management of securities which should be opened by the Corporation in the deposit accounts system of the Central Bank, either directly or by means of a Settlement Bank, regarding yields, dividends or capital. The aforementioned amounts shall be put at the disposal of the Corporation no later than on the same day of its expiration, prior to the banking closure, pursuant to the terms which should be determined for such purposes by the Central Bank and/or the Corporation.

In accordance with the procedures provided for in the present regulation, the Corporation shall perform the corresponding payments by means of deposit to the holders of securities issued by the respective issuer by means of the Direct Depositors. In the event that, due to reasons beyond the reasonable control of the Corporation, it should not be possible to transfer the aforementioned resources within the terms provided for herein, and it should not be possible to deliver said resources on the same day of the expiration due to facts attributable to the issuer, the same shall assume the costs of said resources.

In any event, the Corporation shall be obligated to act with due diligence in the process related to management of securities and shall comply with the procedure established in the operating regulation and in the respective manuals. Any amounts corresponding to the exercise of the rights under its management shall be deposited in the settlement accounts of the respective Direct Depositors with respect to which the Corporation should have performed its collection, which shall be deposited on the same day of the aforementioned collection, or not later than on the following day. Payments to Indirect Depositors shall be channeled by means of the Direct Depositors or in the accounts of the indirect depositor which should be indicated by the Direct Depositor pursuant to the terms provided for by the Central Bank or the Corporation. The Direct Depositor shall transfer the aforementioned funds on the same day of their receipt.

Once the aforementioned payments or deposits have been accepted by the Corporation pursuant to the terms of the present regulation, the same shall be final and irrevocable, except for such cases in which, due to error, the issuer should have performed payments for different amounts as the ones to which the depositor should be legally entitled. In such cases, the issuer or the depositor shall submit sufficient evidentiary support in order to enable the Corporation to recover any amounts, which have been paid or deposited by error. In any event, the issuer shall be ultimately responsible for the aforementioned collection.

Deposits in the settlement accounts of the Direct Depositors shall be performed whenever the issuer or payor entities should have provided sufficient resources on a timely basis.

The Corporation shall not assume any responsibility in the event that the Issuer should not perform timely payment corresponding to the equity rights of its own issuances.

Regarding the exercise of subscription rights, the Direct Depositors shall deliver the necessary amounts of money to the Corporation, no later than on the same day of expiration of the payment period, pursuant to the terms provided for in the present regulation.

With respect to securities under international custody with custodians, securities depositories in other countries, or international securities depositories, the Corporation shall exercise the equity rights by means of the latter and the corresponding payments shall be channeled to the Direct Depositors by means of payment in the foreign deposit accounts in accordance with the applicable exchange legislation. The Direct Depositor shall be responsible for the registration of foreign accounts which should be opened for such purposes.

The Corporation shall not assume any responsibility in the event that a foreign issuer should not perform the timely payment corresponding to the equity rights of its own issuances abroad.

55.2.- Negotiation of securities in process of management

The process intended to collect equity rights shall imply a cut-off with respect to the situation of rights pertaining to securities on deposit on the date on which the Corporation should submit the final certificate of equity rights to the respective issuer within the time established for such purposes by means of guideline. Subsequent to the aforementioned collection, any securities which should be under the securities management process described in the present regulation shall become free and may be subject to transfers, with the exceptions provided for in the present regulation. Legitimation shall be fulfilled pursuant to the terms of the present regulation and only such holders which capacity should have been certified by the Corporation before the issuer by means of the equity rights certificate shall be entitled to enforce its fulfillment.

Securities on collection which certifies for the exercise of equity rights should have been issued during this process may be negotiated, even on the same date of expiration of the equity right, except whenever the same should include partial amortizations or capitalizations.

The aforementioned, because the payment obligation in favor of the beneficiary, shall be recorded in the books of the Corporation at the closure of transactions, at midnight (24:00) of the day before the payment date.

In any event, the payments derived from securities management which should be received by the Corporation, shall be recorded in accordance with such conditions which should be certified by the same before the issuers.

Article 56.- Management of corporate events

Corporate events shall refer to such agreements which should be adopted by the issuer with its investors and which should affect securities recorded in account, including, but not limited to, the delivery of benefits in securities or in cash, exchange of securities with respect to their par value, mergers, spin-offs, preference subscription processes, among others.

The Issuer or its representative or sponsor in the country shall notify the aforementioned events to the Corporation or to the depositor, whenever regarding securities abroad, as the case may be, in order that the Corporation may perform the respective process with the Direct Depositors which act before the Corporation on their own behalf or on behalf of third parties, pursuant to the regulation which should be determined by the respective government to the Financial Superintence of Colombia or to the National Government.

Corporate events shall be executed on the registration and enforceability date which should be informed by the issuer, provided such date should have been informed on the previous business day to the relevant information system of the Securities Market Information Integral System (SIMEV, as per its Spanish acronym) and the holder should have obtained the respective right.

In the event that the issuer should not inform such corporate events on a timely basis, the Corporation shall notify the same to the Direct Depositors and to the Financial Superintence of Colombia.

The Corporation shall process and record the corporate events in its system and shall affect its transactions' registries according to the corresponding conditions provided for in the corporate event notice. With respect to transactions related to fixed term securities, simultaneous transactions and temporary transfers of securities and repos, the same shall be processed and recorded by means of account entry reflecting in the initial transaction the corporate event which affected the same.

In the event of special corporate events which may significantly affect any transactions related to fixed term securities, simultaneous transactions and temporary transfers of securities and repos, the Corporation may require the Depositors to perform early fulfillment of the respective transaction in order to facilitate the appropriate exercise of the respective event, subject to the Regulations of the Infrastructure Suppliers which should be involved.

Regarding securities under international custody with custodians, securities depositories of other countries or international securities depositories, the Corporation shall exercise the corporate events by means of the latter, and the corresponding results shall be registered in the deposit accounts opened by the Direct Depositors in the Corporation. In the event that a corporate event over securities should require the decision of the Direct or Indirect Depositor for its exercise, the same shall be enforced to inform such decision to the Corporation on the date which should be previously determined by the Corporation. In case that the exercise of the corporate event should require the transfer of funds to deposit accounts abroad pursuant to the applicable exchange legislation, the Direct Depositor shall be responsible for the corresponding transfer and availability of the same in order to perform the respective fulfillment and settlement of such transactions in the international market.

Article 57.- Payment non-fulfillment on part of the Issuer

57.1. Definition of Non-fulfillment

The obligations of the Issuer shall be deemed as non-fulfilled whenever the settlement of the corresponding funds were not performed on the date provided for in the mutual agreement subscribed with the investors. In such case, the Corporation shall notify the aforementioned situation to the Direct Depositor and to the competent authorities no later than on the following business day. The aforementioned notice must be objective and clear and shall include actual facts.

57.2. Partial payments

Partial payment of the obligation shall apply in the rendering of the securities management service; the Corporation shall receive the payment pursuant to the offered conditions, however, by means of notice to the Issuer, the Corporation shall indicate that the aforementioned situation shall not release the same from the total payment and the delay interests which should apply. The aforementioned, notwithstanding any notice to the contrary submitted by the Direct Depositor.

The collected funds shall be distributed among the holders in compliance with the corresponding instructions of the Issuer. In the absence of such instructions, the Corporation shall distribute the respective funds among the Direct Depositors on a pro rata basis.

Partial payments understood as such shall be deemed as a non-fulfillment.

57.3. Consequence of non-fulfillment

Any non-fulfilled payment or deposit shall be reported as such to the parties, as well as to the competent supervisory authority and to the entity or authority which should have issued the order or which should be in charge of the bankruptcy proceedings, as the case may be.

Upon non-fulfillment of the payment and by request of the holder, the Corporation shall issue the respective certificate of equity rights in order that the latter may file the legal or extra-legal collection, or the corresponding claim related to the wind-up or bankruptcy proceedings intended to request the recognition and payment of its credits, pursuant to the applicable rules and procedures.

In case of any event which should give rise to any non-fulfillment such as suspension of payments, seizure of funds, eviction, forfeiture, confiscation, freezing or blocking of funds, retention order or any other precautionary measure, among others, the Corporation shall block the corresponding securities which should be subject to redemption derived from payment of capital once the aforementioned situation should be informed to the market by means of the National Registry of the Stock Exchange Agents (RNAMV, as per its Spanish acronym).

The aforementioned blocking of securities shall not allow the receipt of transfer orders which may involve the issuer subject to the same. Likewise, such transfer orders regarding securities or funds which should have been delivered to the system prior to the aforementioned notice and which should have not been accepted by the clearing and settlement systems, shall be rejected.

Regarding such cases in which the normal course of the corporate purpose of the issuer should not be affected and it should be possible to establish new payment dates, the respective securities shall be maintained free for circulation and the Direct Depositors shall assume the responsibility related to the collection and negotiation of the same.

With respect to securities under international custody with the international custodians appointed by the Corporation, any non-fulfillment on part of a foreign securities issuer shall be notified to the Direct Depositor in order that the same may act as it may consider it convenient. The Corporation shall request certification of any non-fulfillment to the appointed custodians, as well as the corresponding extra-legal collection actions provided for in the corresponding custody agreement.

CHAPTER VI.- CLEARING AND SETTLEMENT MECHANISMS RELATED TO SECURITIES ON DEPOSIT

Article 58.- Notion

Clearing and settlement mechanisms is understood herein as any activities intended to determine and comply with the obligations related to the delivery of funds and/or securities between the counterparties of any transaction or between the Direct Depositors and/or issuers in the local and foreign market.

The Direct Depositors, whether on their own behalf or on behalf of third parties, as well as the issuers which should have entered into any issuance deposit agreement, shall perform the corresponding clearing and settlement of their own transactions in accordance with the regulation provided for in the clearing and settlement systems.

The legal conditions with respect to unconditionality, irrevocability and purpose protection of transactions in the local market shall apply only for such entities which should be entitled to act in the clearing and settlement systems pursuant to the terms provided for in Law 964 of 2005 and in Article 2.12.1.1.3 of Decree 2555 of 2010 and any other rules which should amend or supplement the same.

Regarding foreign securities under custody of international custodians, securities depositories in other countries and international securities depositories, the purpose of the corresponding transactions shall be

performed pursuant to the rules which should apply for the international markets where such transactions should take place. At the time of entering into the respective securities depository agreement, the Direct Depositors shall expressly accept therein that the clearing, settlement and purpose of the respective transactions shall be performed pursuant to the international market laws, procedures and rules.

Article 59.- Principles of the clearing and settlement service

The following principles shall govern the clearing and settlement process regarding transactions over securities on deposit:

59.1. Principle of universality

The Corporation shall intend to have a securities settlement system in compliance with the international standards which may apply to the several categories of securities and transactions which should be performed in the same in order to settle the corresponding transactions which should be ordered to the clearing and settlement system managed by the Corporation.

59.2. Principle of impartiality regarding settlement

The corresponding settlement shall be performed pursuant to the modality which should be agreed between the parties within the term determined by the same, or pursuant to the modality provided for in the applicable regulations. The term between the clearing date and the settlement date, regarding each security or transaction, shall be always the same and as short as practicable. The clearing and settlement date and time shall begin upon receipt of the transfer orders of the registration and negotiation systems by means of the interconnected clearing and settlement systems and, occasionally, by the Direct Depositors in the clearing and settlement systems managed by the Corporation, who shall assume the responsibility of the respective instructions which should be given.

59.3. Principle of financial neutrality

The corresponding charges and deposits of funds which should be performed by the Corporation as a result of the transfer orders shall be performed in the corresponding deposit accounts opened in the Central Bank for settlement on the same day in order to ensure the price of the same day. The Corporation shall not obtain any profits derived from any funds which should be managed in order to perform the clearing and settlement transactions or from securities management.

TITLE VI.- TRANSACTIONS CLEARING AND SETTLEMENT SYSTEMS

CHAPTER I.- GENERAL CONSIDERATIONS

Article 60.- Clearing and settlement systems

As of the entry into force of Law 964 of 2005 and its regulatory decrees, the central securities depositories became authorized to manage clearing and settlement systems related to transactions over market securities.

The mechanisms provided for in the aforementioned regulation allow the interaction between the registration and negotiation systems and the several external clearing and settlement systems required in order to comply fully with the corresponding obligations of the counterparties of any transaction.

The services rendered by means of the clearing and settlement system are as follows: confirmation; clearing; acceptance and settlement of transactions transmitted by the registration and negotiation systems, by other

external clearing and settlement systems, or directly by the Direct Depositors, whenever applicable, pursuant to the effective regulations and the present regulation.

Intended to ensure that the settlement of the corresponding transactions, the liquidity, counterparty, operating, legal and systemic risk management mechanisms shall be considered for the rendering of the aforementioned services.

Article 61.- Types of orders which may be received

In accordance with the applicable regulation, any spot, forward, repo or simultaneous transaction, as well as any temporary transfer of securities, must be performed by means of a negotiation system, or in the over-the-counter market, in which case, the corresponding transactions shall be registered subsequently in a registration system. Accordingly, any orders which should be delivered to the system managed by the Corporation for clearing and/or settlement shall be delivered exclusively by the negotiation or registration systems.

Such instructions which do not imply transfer of securities between Depositors, but any limitation regarding the circulation of the same, as well as any transfers derived from legal acts or agreements which, pursuant to the effective regulations, should not be entered or registered in any registration or negotiation system, such as donations, contributions in partnerships, mercantile trusts, assets foreclosure in lieu of payment, movements between portfolios of the same depositor, change of Direct Depositor, mergers, spin-offs, assignment of assets, liabilities and agreements, fulfillment of legal judgments, among others; must be identified and notified to the Depository as such, and shall be included directly in the system managed by the Corporation on part of the Direct Depositors, which shall be settled under the modality known as delivery without payment or delivery-vs-payment, as required. It shall be the exclusive responsibility of the Direct Depositor to ensure that such transactions which should be directly included, correspond to any of the aforementioned events or to any other event authorized by the effective legal rules, the Financial Superintence of Colombia and by Law.

The transfer orders may deal with any of the following modalities:

- Entry of primary placement.
- Spot transactions.
- Forward transactions.
- Repos, simultaneous, temporary transfer of securities.

Article 62.- Opening of deposit accounts in the Central Bank in order to use the clearing and settlement service

Settlement of funds regarding transactions which should be transmitted by the registration and negotiation systems or by other clearing and settlement systems to the clearing and settlement system managed by the Corporation shall be settled only by means of the deposit accounts system managed by the Central Bank in order to mitigate the liquidity, counterparty and systemic risks. However, any entity without an account in the Central Bank may designate a Settlement Bank in order to comply with the obligation of delivery of funds by means of its account.

The mechanism in order to transfer funds related to the transactions referred to in the present article shall be performed under two modalities.

62.1. Automatic debit

Any transmission of transfer orders given by the registration or negotiation systems or by any external clearing and settlement system or, exceptionally, by the Direct Depositors, pursuant to the legal possibility

as the case may be, and accepted by the clearing and settlement system managed by the Corporation, shall be settled by means of automatic debit in the account opened by the involved parties in the deposit accounts system of the Central Bank, in accordance with the regulation which should be issued for such purposes by the Central Bank.

Account opening or cancellation shall be performed as provided for by the Corporation and the Central Bank.

62.2. Debit with prior approval

Notwithstanding the above numeral 62.1, and whenever expressly indicated, the Corporation may authorize that the corresponding debit of funds related to transactions ordered by the registration or negotiation systems or by any external clearing and settlement system, or exceptionally, directly by the Direct Depositors, may be approved previously by the payor of such resources.

By means of guideline published in the web page of the Corporation, the Corporation shall indicate for which events shall apply the aforementioned debit with prior approval, as well as the persons entitled to perform the same.

Upon receipt of the corresponding instruction on the part of the clearing and settlement system managed by the Corporation, the deposit accounts system of the Central Bank shall grant to the respective transactions which should be ordered by the Corporation the corresponding protection and priority provided for in the effective legal rules and, in particular, as provided for in Law 964 of 2005 and in Article 2.12.1.1.6 of Decree 2555 of 2010, or in any other rules which should amend or supplement the same. The aforementioned means that the Central Bank shall initiate the settlement process based on the transfer order which should be given by the Corporation, which shall not mean to ensure such settlement with the priority provided for in the applicable legislation.

Regarding transactions related to Direct Depositors without direct account in the deposit accounts system of the Central Bank and which should use a Lead Bank in order to perform the corresponding payments, the same may request the Lead Bank to approve the payment transactions related to settlement of securities. In the event that the Lead Bank should authorize to perform automatic debit in its deposit account in the Central Bank, this method shall be used in order to settle the respective transactions.

CHAPTER II.- PARTICIPATION AND ACCESS TO THE CLEARING AND SETTLEMENT SYSTEMS

Article 63.- Entities subject to the rules provided for in Law 964 of 2005 and regulatory decrees

As provided for in Law 964 of 2005 and in Article 2.12.1.13 of Decree 2555 of 2010 and in any rules which should amend the same, only the entities supervised by the Financial Superintence of Colombia, as well as public entities and state entities of national and territorial nature which should be legally entitled to perform treasury transactions by means of the registration systems, foreign entities which should develop activities in the clearing and settlement system in the respective country, international organizations, and foreign central banks, may participate directly in the securities transactions clearing and settlement system.

Any other entities which should not be supervised or controlled by the Financial Superintence of Colombia such as securities issuers or Direct Depositors which should not operate in the stock market shall be subject to the rules provided for in the present operating regulation, with the exception of the firmness principle provided for in Article 10 of Law 964 of 2005, which reads as follows: “the orders related to transfer of funds or securities derived from transactions over securities shall be firm, irrevocable, enforceable and objectable before third parties as of the time on which such orders should be accepted by the clearing and settlement system” and, therefore, the same shall not enjoy of the protection provided by law.

CHAPTER III. – INTERACTION BETWEEN THE CLEARING AND SETTLEMENT SYSTEMS

Article 64.- General conditions

In accordance with Article 2.12.1.1.6 of Decree 2555 of 2010, the clearing and settlement system managed by the Corporation shall initiate interaction with other systems only as of the time on which the transmission of a transfer order should have been confirmed (either regarding securities or funds), for its acceptance and further settlement.

Article 65.- Interaction with other systems

The Corporation shall interact directly with the following systems qualified in Colombia as infrastructure suppliers of the securities market: negotiation and registration systems, counterparty central risk houses, foreign currency settlement houses and payments systems managed by the Central Bank. The aforementioned, notwithstanding any agreements entered into with international clearing and settlement systems, in which case, its interaction shall be described in the respective agreements and operating manuals.

The corresponding relationships and interactions with the aforementioned systems are described hereinafter.

65.1. Interaction with negotiation systems

Any orders received from the negotiation systems related to shares, bonds convertible into shares, fixed income securities, securities listed in the stock exchange quotation system of foreign securities of the Colombian global market and other securities or markets which should be subsequently authorized to be negotiated under the aforementioned systems, shall be subject to the following interactions:

- I. To receive the corresponding transmission of transfer orders related to securities negotiated and listed in the aforementioned systems under the delivery-vs-payment and delivery-vs-delivery settlement modalities, whenever applicable, pursuant the respective provisions of the present regulation.
- II. To receive, substitute, adjust and execute the corresponding instructions regarding constitution and release of stock market guarantees over deposited securities.
- III. To provide information regarding compliance of transfer orders and settlement status of the same.
- IV. To control the settlement cycle with respect to transactions over securities, whenever the Corporation should render such service.
- V. To provide information regarding status of guarantees and constitution fulfillment.
- VI. To put at the disposal of the negotiation system the confirmation of orders related to settlement of funds or securities transfers corresponding to transactions performed in the System by transmitting the same to the negotiation systems.
- VII. To keep full information and records with respect to received orders.
- VIII. To adopt and maintain efficient mechanisms and procedures in order to monitor the corresponding transactions which should be performed in the negotiation system, and to establish mechanisms intended to enable the traceability of the same.

Types of transactions which may be settled are, among others, the following: spot, repo, forward, simultaneous and temporary transfer of securities, which shall be performed considering the type and quality of the respective security.

65.2. Interaction with the registration systems in the primary market and securities transactions performed in the secondary market

Transmission of orders received from the registration systems related to public and private debt securities which should be listed in the Issuers and Securities National Registry (RNVE, as per its Spanish acronym), excluding shares listed in the stock exchange, mandatory convertible bonds listed in the stock exchange, derivative financial instruments which underlying instrument should correspond to shares listed in the stock exchange and any other equity securities which should be listed in the stock exchange.

Any transactions related to primary placement of TD's and renewal of TD's which should be performed by credit establishments with entities other than stock brokers shall be exempted from the registration obligation, as provided for in the effective rules and in any other rules which should substitute or amend the same.

Interactions shall be as follows:

- I. To receive the corresponding transmission of settlement orders over securities under the delivery vs. payment modality.
- II. To confirm settlement orders regarding transfer of funds or securities, corresponding to transactions registered in the System by transmitting the same to the registration systems.
- III. To receive, substitute, adjust and execute the corresponding instructions regarding constitution and release of guarantees over deposited securities associated to transactions registered in the systems.
- IV. To provide information regarding fulfillment of settlement orders and status of the same, as provided for in the applicable rules and in the present regulation, to the registration systems, as well as to the competent authorities and to the Direct Depositors which should order the same.
- V. To keep full information and records with respect to received orders.
- VI. To adopt and maintain efficient mechanisms and procedures in order to monitor the corresponding transactions which should be registered by means of the registration system, and to establish mechanisms intended to enable the traceability of the same.

Types of transactions which may be settled are the following: spot and forward, including purchase and sale agreements, simultaneous transactions, temporary transfer of securities, and other related transactions.

The registration systems may not order any transactions under the modality without payment, which shall apply only for Direct Depositors whenever the same should operate directly in the system.

65.3. Interaction with Counterparty Central Risk Chambers

Interactions regarding securities which should be negotiated or registered in the negotiation or registration systems shall be as follows:

- I. To receive and execute transfer orders regarding securities which should have been accepted for clearing, settlement and substitution by the Counterparty Central Risk Chamber. Such orders may be processed under the following modalities, among others: delivery vs. payment, payment vs. payment and delivery vs. delivery.
- II. To receive, substitute, adjust and execute the corresponding instructions regarding constitution and release of guarantees in favor of the Counterparty Central Risk Chamber, in order to ensure the respective fulfillment of such transactions which should be cleared and settled by the same and which should require securities deposited in the Corporation.
- III. To provide information regarding fulfillment of transfer orders and settlement status of the same.
- IV. To provide information regarding status of guarantees, as well as fulfillment related to the constitution, release and management of the same.
- V. To confirm the corresponding settlement regarding transfer of funds or securities corresponding to transactions registered in the System by transmitting the same to the Counterparty Central Risk Chamber.
- VI. To keep full information and records with respect to received orders.
- VII. To adopt and maintain efficient mechanisms and procedures in order to monitor the corresponding transactions which should be performed by means of the Counterparty Central Risk Chamber, and to establish mechanisms intended to enable the traceability of the same.

Types of transactions which may be settled are the following: spot, forward, repo, simultaneous transactions and temporary transfer of securities.

65.4. Interaction with Foreign Currency Clearing Chamber

Transfer orders with respect to securities listed or not in the Issuers and Securities National Registry (RNVE, as per its Spanish acronym) and which should be admitted as guarantees in the Chamber shall be subject to the following interactions:

- I. To receive and execute the corresponding orders regarding constitution and management of guarantees in favor of the Foreign Currency Clearing Chamber, in order to ensure the respective fulfillment of such transactions which should be cleared and settled by the same and which should require securities deposited in the Corporation.
- II. To provide information regarding status of guarantees, as well as fulfillment related to the constitution, release and management of the same.

Types of transactions which may be settled are the following: spot, forward, repo, simultaneous transactions, temporary transfer of securities and other related transactions.

65.5. Interaction with the deposit accounts system of the Central Bank

Transfer orders with respect to securities before the deposit accounts system of the Central Bank in the delivery vs. payment processes shall be subject to the following interactions:

- I. To execute orders regarding transfer of funds which should be given by the Corporation to the deposit accounts system of the Central Bank intended to channel cash flows and payments derived from transactions related to securities management, cash guarantees management and

transactions clearing and settlement by means of delivery vs. payment mechanisms in compliance with the respective regulation of the Bank.

- II. To receive the corresponding reports related to movements and balances of the deposit accounts of the Corporation in the system managed by the Central Bank.
- III. To open such accounts which should be necessary in order to perform the corresponding transactions related to its several services, in compliance with all the requirements provided for by the Central Bank.

The mechanisms in order to settle payment transactions are performed by means of the gross settlement system in real time. However, the Corporation may implement netting mechanisms intended to optimize liquidity and shall deliver to the Bank the corresponding instructions in order to settle the corresponding financial net amounts which shall be subject to protection and priority as provided for in the applicable legislation.

The payment transactions shall be performed by means of automatic debit mechanisms and, occasionally, by means of explicit approval of the owner of the deposit account. With respect to the second mechanism, the approving entity shall have a specific time in order to approve the corresponding transaction, which may not exceed from one (1) hour as of the time and date on which the respective order should be received by the negotiation and registration systems and by other clearing and settlement systems.

Types of transactions which may be settled are the following: spot, forward, repo, simultaneous transactions and temporary transfer of securities.

65.6 Interaction with international securities custody systems, securities deposits in other countries and international securities deposits.

Orders received by the negotiation systems related to international securities listed in the negotiation systems or under custody in the Corporation, as well as securities listed in the stock exchange quotation system of foreign securities of the Colombian global market and other securities or markets which should be subsequently authorized to be negotiated under the aforementioned systems, shall be subject to the following interactions:

- I. To perform the custody of foreign securities by means of sub-custody in the international custodians appointed for such purposes by the Corporation. Therefore, it shall settle the respective international transfers of foreign securities to be credited in the accounts of the Corporation in the international markets.
- II. To receive transfer orders regarding securities which should be negotiated and listed in the negotiation systems and Stock Exchanges in order to process the same under the following modalities, among others: delivery vs. payment and delivery vs. delivery.
- III. To receive, substitute, adjust and execute the corresponding instructions regarding constitution and release of guarantees over deposited securities.
- IV. To provide information regarding fulfillment of transfer orders and settlement status of the same.
- V. To control the settlement cycle with respect to transactions over securities, whenever the Corporation should render such service.
- VI. To provide information regarding status of guarantees and constitution fulfillment.

- VII. To put at the disposal of the negotiation system the confirmation of orders related to settlement of funds or securities transfers corresponding to transactions performed in the System by transmitting the same to the negotiation systems.
- VIII. To keep full information and records with respect to received orders.
- IX. To adopt and maintain efficient mechanisms and procedures in order to monitor the corresponding transactions which should be performed in the negotiation system, and to establish mechanisms intended to enable the traceability of the same.

Types of transactions which may be settled are the following: spot, forward, repo, simultaneous transactions and temporary transfer of securities, among others.

CHAPTER IV.- CONFIRMATION OF ORDERS

Article 66.- Confirmation of orders over securities

Pursuant to the applicable regulation, the confirmation of transfer orders over securities shall be fulfilled at the time on which the intervening parties should have transmitted the corresponding data to the system managed by the Corporation and the same should have received and matched such orders.

The confirmation of transfer orders corresponding to any transaction performed in a negotiation system, or registered in a registration system, shall be understood as produced and accordingly accepted, by virtue of the transmission of the information regarding award or closing of the respective transaction which should be performed by the corresponding system to the system managed by the Corporation, whether directly or by means of any external system.

The confirmation of transfer orders regarding cash or securities which should not be registered or performed in the systems, shall occur as soon as practicable once the corresponding transaction should be performed and, in any case, on the same day, i.e., (t+0), except whenever the final client should correspond to a foreign indirect participant authorized to operate, in which case, the confirmation may be performed in (t+1).

Article 67.- Rules and procedures for the confirmation of orders over securities

The confirmation of orders over securities shall be subject to the following general rules:

- I. The confirmation of transfer orders does not grant protection to securities related to transactions performed in the Over the Counter (OTC) market referred to in Title IX of the Legal Basic Public Notice issued by the Colombian Supervisory Body or any other rules which should amend or substitute the same. It shall be understood that the order was submitted to the clearing and settlement system managed by the Corporation at the time on which the intervening parties in the transaction which gave rise to the same should transmit the data of the aforementioned transaction to the system managed by the Corporation and the same should receive such data, in full compliance of the minimum requirements provided for in the present regulation and in the operating manuals.
- II. Any transactions which should be performed in the negotiation systems or which should be registered in the registration systems, shall be deemed as confirmed once the corresponding information related to the award or closing of the same should be transmitted by means of the aforementioned systems to the clearing and settlement system managed by the Corporation, in full compliance of the minimum requirements provided for in the present regulation and in the operating manuals.

- III. The ordering party may not annul or amend any transfer orders which should have been already confirmed, except as authorized by the Corporation by virtue of material error, technical problems or similar facts.

It shall be deemed that there was material error whenever the amount of the transfer should exceed the outstanding amount of the security subject to the transaction, or in the event of technical problems such as defects related to the software of the information system which may prevent the ordinary course of the same.

- IV. The confirmation system used by the Corporation follows the entry model of the main data concerning the transfer order of funds and securities by the selling party, and confirmation by the purchasing party, except whenever said transmission should be performed by the negotiation or registration systems, in which case, the same shall submit the entire information for the confirmation of the respective transactions.
- V. The Corporation shall inform to the negotiation and registration systems, as well as to the external clearing and settlement systems, and to the Direct Depositors, whenever the same should give the corresponding orders, about the confirmation of orders and any amendments to the same, with consultation option regarding the settlement date of the respective transaction.

Article 68.- Data required for the confirmation of transactions

68.1 Data required for the confirmation of transactions transmitted by the securities negotiation or registration systems

Regarding transactions transmitted by the negotiation or registration systems, the same shall be deemed confirmed upon validation of the information by the system provided by the Corporation.

In addition to the data and information required in Title IX of the Legal Basic Public Notice, as well as in Article 2.15.1.5.3. of Decree 2555 of 2010, the following information shall be submitted:

- Accounts of Direct Depositors
- Accounts of the selling and purchasing investors
- ISIN identification
- Type of transaction
- Transaction settlement modality
- Number of units or face value of transaction
- Amount in Colombian Pesos of the transaction, whenever applicable.
- Transaction date
- Date of settlement (spot transactions)
- Date of settlement (forward transactions)
- Information of rate or price
- Full information of disposal evidence, whenever applicable.
- Registration of deposit accounts and/or securities in the systems of the Central Bank, which shall be used for the settlement of securities.
- Any additional information which should be indicated by means of guideline of the Corporation.

68.2. Data required for the confirmation of transactions ordered directly by the clearing and settlement system managed by the Corporation

The selling party shall inform the following data:

- ISIN or identification of the specie in the system of the Corporation.
- Identity code in the securities deposit of the Central Bank.
- Account of the purchasing Direct Depositor
- Accounts of the selling investors
- Type of transaction
- Date of transaction (day of negotiation)
- Date of settlement (spot transactions)
- Date of settlement (forward transactions)
- Transaction settlement modality: without payment, delivery vs. payment, delivery vs. delivery and any other eligible transactions.
- Registry of the selling investor account.
- Face value of security (balance to be transferred).
- Amount in Colombian Pesos of the transaction, whenever applicable.
- Rate or price
- Deposit account to be credited, whenever applicable
- Registry of disposal evidence, whenever applicable.
- Date of disposal evidence, whenever applicable
- Price of disposal, whenever applicable.
- Identification of the negotiation or registration system where the transaction took place.
- Any additional information which should be required pursuant to the operating manual.

The purchasing party shall include the following data:

Registration of transaction number. Once the transaction number should be entered, the purchasing party may verify and confirm all the data provided by the selling party. Upon review of the aforementioned data by the purchasing party, the same shall perform the input of the relevant information with respect to the corresponding beneficiaries of the transaction and amounts to be transferred:

- Account or accounts of the purchasing investors.
- Nominal amounts to be transferred by each investor
- Amount in Colombian Pesos of transfer per each investor
- Registry of disposal evidence per each investor, if any.
- Date of disposal per each investor
- Deposit account to be debited.

Article 69.- Annulment or amendment of confirmed orders

69.1. Received and confirmed orders by the negotiation and registration systems

The ordering party may not annul or amend any transfer orders which should have been already confirmed, except as authorized by the Corporation by virtue of material error, technical problems or similar facts.

It shall be deemed that there was material error whenever the amount of the transfer should exceed the outstanding amount of the security subject to the transaction, or in the event of technical problems such as defects related to the software of the information system which may prevent the ordinary course of the same.

In all cases, the Corporation shall maintain a complete log of all the modifications related to transfer orders. Therefore it shall maintain available the corresponding information, which may be consulted in all cases, informing about the date of modification, the modified fields and the user who modified the same.

69.2. Orders performed directly in the system of the Corporation

Any entitled Direct Depositor may use the service of the clearing and settlement systems in order to modify the orders which should be given directly to the system managed by the Corporation, provided the same should have not been confirmed, and in full compliance of the corresponding requirements, times and terms which should be indicated in the operating manual for such purposes.

The ordering party may not annul or amend any transfer orders which should have been already confirmed, which shall continue with the settlement process, except as authorized by the Corporation by virtue of material error, technical problems or similar facts.

It shall be deemed that there was material error whenever the amount of the transfer should exceed the outstanding amount of the security subject to the transaction, or in the event of technical problems such as defects related to the software of the information system which may prevent the ordinary course of the same.

In all cases, the Corporation shall maintain a complete log of all the modifications related to transfer orders. Therefore it shall maintain available the corresponding information, which may be consulted in all cases, informing about the date of modification, the modified fields and the user who modified the same.

69.3. Annulment of transactions

The Corporation may annul any transfer orders which should have been already confirmed by virtue of material error, technical problems or similar facts, pursuant to the following rules:

- I. Such annulment may be *ex-officio* or by request of the negotiation or registration systems, or by request of any external clearing and settlement system authorized by the Colombian Financial Supervisory Body.
- II. The annulment of any transactions which should have been already confirmed in the Corporation shall be subject to prior authorization, in accordance with the corresponding procedure which should be established by means of guideline.
- III. Such annulment shall be of mandatory fulfillment, non-subject to appeal, and shall be notified to the intervening parties or to the clearing and settlement system which should have ordered the respective transaction which gave rise to the confirmed transaction, as the case may be.

In any case, the Corporation may reject the annulment of any confirmed transaction whenever, at its absolute discretion, the aforementioned annulment should affect the market or should cause damages to third parties, or whenever such annulment should not correspond to material error, technical problems or similar facts.

CHAPTER V. – TRANSACTIONS CLEARING

Article 70.- Transactions clearing service

70.1. Applicability

Exceptionally and for the cases indicated herein, and based on the information received from the Direct Depositors, the Corporation shall perform the transfer orders which should be confirmed, shall calculate the delivery and payment obligations of each of the counterparties in the transaction and shall inform to the intervening parties about the fulfillment and settlement obligations which should be pending.

Regarding forward transactions, and whenever the Corporation should be in charge of such duty, the Corporation shall notify on a daily basis to its depositors the balance related to the transactions to be settled, as well as the status of available securities in order to continue with the settlement of the corresponding transaction.

The aforementioned information shall be submitted within the times and terms provided for in the present regulation and in the applicable guidelines.

The Direct Depositors shall ensure the availability of securities or funds to be transferred for the fulfillment and settlement of their transfer orders and must be able to obtain the necessary liquidity in order to avoid any non-fulfillment of the transactions on account of the same.

Clearing shall be carried out only with respect to such transactions which should have been already confirmed as provided for in the present regulation.

70.2. Transactions that may be subject to direct clearing in the systems of the Corporation

The following transactions may subject to direct clearing in the system managed by the Corporation:

- I. Transactions which should be registered by issuers or Direct Depositors regarding securities which should not be negotiated in the stock market. The aforementioned transactions shall be subject to the rules provided for in the present operating regulation, with the exception of the firmness principle provided for in Article 10 of Law 964 of 2005, which reads as follows: “the orders related to transfer of funds or securities derived from transactions over securities shall be firm, irrevocable, enforceable and objectable before third parties as of the time on which such orders should be accepted by the clearing and settlement system” and, therefore, the same shall not enjoy of the protection provided by law.
- II. Any transactions which may not imply transfer of securities between Depositors such as the constitution or release of pledges, as well as any transfers derived from transactions which, pursuant to the effective legislation, should not be entered or registered in any negotiation or registration system, such as donations, contributions in partnerships, mercantile trusts, assets foreclosure in lieu of payment, movements between portfolios of the same depositor, change of Direct Depositor, mergers, spin-offs, assignment of assets, liabilities and agreements, fulfillment of legal judgments, among others, must be identified and notified to the Deposit as such, and shall be included directly in the system managed by the Corporation on part of the Direct Depositors, which shall be settled under the modality known as delivery without payment.
- III. Any transactions which should be performed by entities non supervised by the Colombian Financial Supervisory Body issuers of securities (i.e., securities which should not circulate in the stock market), as well as any transactions related to primary placement of TD's and renewal of TD's which should be performed by credit establishments with entities other than stock brokers, as provided for in Title IX of the Legal Basic Public Notice issued by the Colombian Financial Supervisory Body and in any other rules which should substitute or amend the same.

The finality principle shall apply for the respective transactions described above in (iii), provided the same should comply with Article 2.12.1.1.3 of Decree 2555 of 2010.

It shall be the exclusive responsibility of the Direct Depositor to ensure that any transactions which should be included directly correspond to any of the aforementioned events.

CHAPTER VI.- ACCEPTANCE AND SETTLEMENT OF ORDERED TRANSACTIONS

Article 71.- Acceptance of transfer orders for the settlement of transactions

The mechanism used by the Corporation in order to comply with transfer orders for the settlement of transactions is the real time gross settlement mechanism which means, transaction by transaction on a continuous basis. The settlement modalities permitted by the system managed by the Corporation, according to the nature and origin of the respective transaction, are included hereinafter:

- I. Delivery-vs-payment: modality intended to ensure that the transfer of securities in the clearing and settlement system managed by the Corporation, from a seller Depositor to a purchaser Depositor, may occur only subject to the availability of the agreed amount as consideration or guarantee, which is transferred on a simultaneous and asynchronous basis, from the purchaser to the seller, with the respective transfer of securities from the seller to the purchaser.
- II. Delivery without payment: modality by means of which, in order to perform the respective transfer of securities to the purchaser Direct Depositor, it shall be enough that the securities balance to be transferred should be available in the account of the depositor who orders the same, based on the corresponding instructions which should be given by the external clearing and settlement systems and by the direct depositors, whenever applicable.

The aforementioned modality is authorized only for the cases expressly indicated by law, which means, transactions in the primary market of securities referred to in Title XI of the Legal Basic Public Notice, transactions related to securities which should be issued and negotiated abroad and provided the legislation of the respective country should authorize to carry out the corresponding settlement in such terms, and regarding Direct Depositors which should not make part of the clearing and settlement system in light of Article 2.12.1.1.3 of Decree 2555 of 2010.

- III. Delivery-vs-delivery: modality intended to ensure that the transfer of securities in the clearing and settlement system managed by the Corporation, from a seller Depositor to a purchaser Depositor, may occur only subject to the availability of the agreed securities as consideration or guarantee, and the same are transferred on a simultaneous basis between the purchasing and selling depositors.
- IV. Payment-vs-payment: the payment-vs-payment modality implies that the payment from seller to purchaser shall be performed, if and only if, the purchaser pays to the seller the respective funds agreed in the transaction.

On the settlement date, the corresponding transactions ordered by the registration or negotiation systems, or in the OTC market, whenever applicable, managed by the Corporation, shall be performed on an automated basis, in strict compliance with the orders given by the intervening depositors. In any case, the opening time of the intraday cycle shall initiate with the settlement process.

In order to consider that their transfer orders were accepted by the system, the Direct Depositors, as well as the negotiation and registration systems, and the external clearing and settlement systems shall comply with the corresponding requirements indicated herein as follows:

71.1. Acceptance of transfer orders derived from spot transactions

The transfer orders related to cash or securities derived from spot transactions settled under the gross settlement scheme shall be accepted upon confirmation of the same. The acceptance process for the corresponding settlement shall be performed upon verification of the respective existence of available balances in the securities and/or resources accounts of the selling depositor and sufficiency in the cash

deposit accounts of the intervening purchaser in the Central Bank and/or securities in the respective account managed by the Corporation. The aforementioned, without prejudice to the corresponding fulfillment of the remaining operating requirements and risk controls provided for in the present regulation.

71.2. Acceptance of transfer orders derived from forward transactions

The transfer orders related to cash or securities derived from forward transactions, as well as from repos or repurchase agreements, simultaneous transactions and temporary transfer of securities with securities deposited in the system managed by the Corporation shall be transmitted for the clearing and settlement process managed by the same, on the fulfillment date of each of the transfer orders which should be involved in the respective transaction. Such transfer orders shall be accepted and settled, whenever the corresponding conditions provided for in the present numeral should exist.

Regarding forward transactions, as well as repos or repurchase agreements, simultaneous transactions and temporary transfer of securities, the Corporation shall control the cycle related to transactions over fixed income securities. Accordingly, based on the information transmitted by the negotiation or registration systems, or the respective information which should be entered directly by the Direct Depositors, as the case may be, the system managed by the Corporation shall perform automatic reversal or return on the date which should be agreed between the parties.

No partial transactions shall be performed due to insufficiency of balance in the securities and/or funds deposit accounts.

The respective amounts of securities transfers shall correspond to the ones indicated by the external systems or by the registration and negotiation systems or by the Direct Depositor who should order the clearing and settlement of the corresponding transaction, as the case may be, subject to the minimum amounts and multiples provided for in the regulation of the respective security.

71.2.1. Acceptance of transfer orders derived from repo transactions or repurchase agreements

Any transactions related to repos or repurchase agreements which should be ordered by means of the negotiation or registration systems or by means of the external clearing and settlement systems shall imply the transfer of ownership over delivered securities and the restriction to the mobility of the same and in addition, the same shall comply with the following general conditions:

The expiration date of the respective repo may not exceed from one (1) year and must be prior to the expiration and payment date of the corresponding securities subject to the same.

The return transaction shall be performed on the expiration date of the agreed term.

The term of the repo shall be agreed in common or calendar days and its expiration shall occur on a business day in order that the Corporation may comply with the reconveyance instructions as agreed to by the Direct Depositors. In the event that, notwithstanding the aforementioned, the parties should agree the expiration of the respective transaction on a non-business day or whenever the same should be declared as such in the city of Bogotá or in Colombia, the Corporation shall perform the corresponding reconveyance or return on the following business day, in the same conditions indicated by the Direct Depositors, as if the corresponding transaction should have been performed on the expiration date.

Payments related to financial yields which are accrued during the term of the repo and which should be derived from the corresponding securities subject to the same, shall be credited directly to the transferor in its deposit account, provided the Corporation should be in charge of the management of the same and the issuer should deliver the corresponding resources on a timely basis.

If during the term of the repo the Corporation should receive any seizure order against the purchasing party, the corresponding securities which should have been received and kept by the Corporation shall be subject to the aforementioned order. In such case, the purchasing party may perform the respective transaction with equivalent securities which should have been deposited, on a timely basis, in its securities deposit account or sub-account, as provided for in Decree 2555 of 2010, and any rules which should amend, supplement or substitute the same.

In order to perform the corresponding payment of the initial and final amount to be delivered in consideration of the respective securities subject to the transaction, both the transferor and the purchaser must have the necessary securities and/or funds in their respective deposit accounts in order that the settlement may be executed on the fulfillment date and on the refund date which should be agreed, as the case may be. In the event that the aforementioned securities and/or funds should not be available, the Corporation shall notify immediately to the parties and, in case of refund, it shall release the corresponding securities in favor of the purchaser, which shall be enforced to deliver directly to its counterparty, no later than within the five (5) business days following the date of the aforementioned non-fulfillment, the difference between the agreed price and the market price of the respective security on the non-fulfillment date.

Likewise, the Corporation shall notify such non-fulfillment to the negotiation or registration system or to the external clearing and settlement system by means of which the respective transaction should have been transmitted, as well as to the Financial Superintence of Colombia and to the corresponding self-regulation entities. The aforementioned, notwithstanding the remaining consequences derived from such non-fulfillment, which shall be the entire responsibility of the intervening parties.

In the repo transactions, it shall be necessary to inform the term, as well as the exact initial and final amount, and the remaining conditions and special characteristics of the respective transaction.

During the validity of the repo transaction, the corresponding securities which should have been initially delivered by the transferor may be substituted by other securities.

The corresponding securities subject to the repo transaction shall have, in first instance, restriction to the mobility of the same. However, the Corporation may offer the possibility to the purchaser and to the transferor, to perform the respective transaction by means of negotiation or registration systems which should not imply any restriction to the mobility. The specific conditions of a repo transaction without restriction to the mobility shall be indicated in the operating manual which should be issued by the Corporation and which should be published in its web page.

71.2.2. Acceptance of transfer orders derived from simultaneous transactions

The Corporation shall perform settlement of simultaneous transactions over securities which should be carried out by the Direct Depositors by means of a negotiation system or by means the OTC market and registered in a registration system, provided such systems are interconnected to the clearing and settlement systems managed by the Corporation and the respective transaction should involve securities deposited in the same. Such transactions shall imply the transfer of ownership over delivered securities and in addition, the same shall comply with the following general conditions:

The expiration date of the respective simultaneous transaction may not exceed from one (1) year and must be prior to the expiration and payment date of the corresponding securities subject to the same.

The return transaction shall be performed on the expiration date of the agreed term.

The term of the simultaneous transaction shall be agreed in common or calendar days and its expiration shall occur on a business day in order that the Corporation may comply with the return instructions as

agreed to by the Direct Depositors. In the event that, notwithstanding the aforementioned, the parties should agree the expiration of the respective transaction on a non-business day or whenever the same should be declared as such in the city of Bogotá or in Colombia, the Corporation shall perform the corresponding return on the following business day, in the same conditions indicated by the Direct Depositors, as if the corresponding transaction should have been performed on the expiration date.

If during the term of the simultaneous transaction the Corporation should receive any seizure order against the purchasing party, the corresponding securities which should have been received and kept by the Corporation shall be subject to the aforementioned order. In order to perform the corresponding payment of the initial and final amount to be delivered in consideration of the respective securities subject to the transaction, on the fulfillment or expiration date of the simultaneous transaction, the transferor/purchaser must have in its deposit account the necessary resources and the purchaser/transferor must have the necessary securities in order to execute the settlement on the agreed date. In the event that the aforementioned securities and/or resources should not be available, as the case may be, the Corporation shall declare such transaction as non-fulfilled. Regarding expiration of the simultaneous transaction, the purchaser shall be enforced to deliver directly to its counterparty, no later than within the five (5) business days following the date of the aforementioned non-fulfillment, the difference between the agreed price and the market price of the respective security on the non-fulfillment date. Likewise, the Corporation shall notify such non-fulfillment to the negotiation or registration system or to the external clearing and settlement system by means of which the respective transaction should have been transmitted, as well as to the Financial Superintence of Colombia and to the corresponding self-regulation entities.

The aforementioned, without prejudice to the remaining consequences derived from such non-fulfillment, which shall be the entire responsibility of the intervening parties.

In the simultaneous transactions, it shall be necessary to inform the remaining conditions and special characteristics of the respective transaction to the Corporation.

The corresponding securities concerning the simultaneous transaction shall not be subject to the mobility restrictions.

Upon expiration of the term agreed between the parties, the Corporation shall perform the respective reversal or return by transferring the corresponding securities to the transferor and the simultaneous transfer, from the deposit account of the transferor to the deposit account of the purchaser, of the capital amount plus the respective interest agreed to in the transaction, provided the aforementioned balances should be available.

71.3. Acceptance of transfer orders related to transactions over fixed income securities which specie do not allow balances below one Colombian Peso

The following methodology shall apply in order to fulfill any transactions related to the purchase and sale of securities which should be performed by means of the negotiation and registration systems managed by the Colombian Stock Exchange corresponding to securities which, pursuant to regulation of the issuer, do not allow balances below one Colombian Peso (\$1) or one (1) unit:

Upon receipt of the corresponding information by means of the negotiation and registration systems managed by the Colombian Stock Exchange which should be duly authorized, the Corporation shall validate if the specie allows or not balances below one Colombian Peso or one unit. In the event that the specie should not allow balances below one Colombian Peso or one unit, it shall transfer to the purchaser the units which should be registered in the respective transaction, plus any additional decimals comprising the aggregate balance.

In case there should be one seller and several purchasers, the balance shall be distributed in proportion to the share of each purchaser.

The Corporation shall identify the carry forward of the decimals by means of a movement in the corresponding account entry.

Rules:

- Such methodology shall be used only for transactions which should be transmitted by the Colombian Stock Exchange.
- The carry forward of decimals shall be used whenever the security subject to negotiation should correspond to the aggregate balance of the investor.
- Regarding transactions which should involve one seller and several purchasers, the decimals of the same are transferred in proportion to the share of each purchaser.
- In the event that after the aforementioned proportional distribution the decimals should not match, the difference shall be allocated to the last purchaser.
- The number of decimals shall be settled according to the capacity of the data base.
- Regarding securities subject to amortization, the decimals to be used shall correspond to those which should result after applying the prepayment factors.

The aforementioned registration scheme shall remain valid during the time which should be required by the Colombian Stock Exchange. Once the two systems are adjusted, the present article shall cease to be in force, the circumstance shall be promptly informed by means of guideline.

Article 72.- Risk management

The transfer orders related to securities and/or funds which enter to the system managed by the Corporation shall be subject to the following risk controls in order to be deemed as accepted:

Credit:

By means of the delivery-vs-payment and the delivery-vs-delivery modalities, ensuring that the transfer of securities in the clearing and settlement system managed by the Corporation, from one Depositor to other Depositor, shall occur subject to prior validation of the availability of sufficient balances in the Securities and/or Funds deposit accounts of the parties, as the case may be, and that the transfer of funds and securities is performed on a simultaneous but asynchronous basis between the Depositors involved in the respective transaction.

Sufficient balances in the securities and/or cash deposit accounts of the parties, as the case may be, are required. The securities and/or funds transfer orders may not be processed on a partial basis.

Legal:

- The parties ordering securities and/or funds transfers must be enrolled to the central securities depository as Direct Depositors, whether on their own account or on account of third parties.
- The securities and/or funds transfer orders derived from negotiation or registration systems must correspond to systems authorized by the Financial Superintence of Colombia.

- With respect to transfer orders involving indirect depositors, it shall be the responsibility of the Direct Depositor to ensure that such orders are duly authorized by the indirect depositors and in furtherance of the corresponding agreements subscribed by the parties.
- Regarding the underlying assets of the transaction, there is no measure intended to restrict their free circulation and availability.

Operating:

- The securities and/or funds transfer orders shall identify the origin and destination account or sub-account. Therefore, the Direct Depositor shall keep the records corresponding to third parties separately from the records corresponding to its own position.
- Any orders corresponding to transactions which are performed in an organized market or in the over-the-counter market, shall be transmitted by means of the existing interface in the clearing and settlement system managed by the Corporation.
- The transfer orders, which should be included directly in the system managed by the Corporation, shall be performed by means of segregation of duties.
- The transfer order over securities shall correspond to securities deposited in the central securities depository systems managed by the Corporation.
- The operators of the system must be expressly authorized by the legal representative of the Direct Depositor.
- The respective orders shall be processed within the times established by the Corporation for each type of transaction, functionality or service as provided for in the Operating Manual and in the guidelines published in the web page of the Corporation.
- The corresponding securities and/or funds shall be available and without any restriction in the respective securities and/or cash deposit accounts managed by the Corporation and by the Central Bank.

Systemic:

The clearing and settlement system managed by the Corporation operates ordinarily, pursuant to legal provision, under the modality known as delivery-vs-payment and delivery-vs-delivery, as required by the respective transaction, with on-line balance control and in real-time, intended to mitigate the impact in the event of any non-fulfillment on part of the Direct Depositor, by means of automated settlement mechanisms in order to manage the available balances in the cash and securities accounts of the Direct Depositors and to speed the settlement process of the corresponding transfer orders.

Pursuant to the guidelines issued by the Financial Superintence of Colombia, the clearing and settlement system managed by the Corporation has the necessary contingency and business continuity plans intended to mitigate any outage or failure of the system, as well as to facilitate the receipt of transfer orders and to comply with the obligations of the Direct Depositors.

Article 73.- Transactions settlement modality

73.1 Delivery without Payment

The following transactions may be settled under the modality known as delivery without payment: transactions which may imply the transfer of ownership regarding securities settled by other external clearing and settlement systems such as settlement of shares and any transactions which should be ordered directly to the Corporation by the depositors, whenever the same should be legally authorized. In addition, the following transactions may be settled under the modality known as delivery without payment: constitution or release of pledges, as well as any transfers derived from transactions which, pursuant to the effective legislation, should not be entered or registered in any negotiation or registration system, such as donations, contributions in partnerships, mercantile trusts, assets foreclosure in lieu of payment, movements between portfolios of the same depositor, change of Direct Depositor, mergers, spin-offs, assignment of assets, liabilities and agreements, fulfillment of legal judgments, among others, which must be identified and notified to the Depository as such, and shall be included directly in the system managed by the Corporation on part of the Direct Depositors.

Rules and procedure:

- I. The process in order to settle the corresponding transaction shall initiate only when the transfer orders should have been confirmed, cleared and accepted for settlement by each of the counterparties involved in the same.
- II. On the settlement date which should be established in the corresponding transaction, the Corporation shall initiate, on an automatic basis, the settlement process by searching the available balance of securities to be transferred in the account of the seller.
- III. Whenever the corresponding securities should be available in the account of the seller – sub-account of the holder, the transfer order shall be accepted and settled on a simultaneous basis, by transferring the corresponding securities from seller to purchaser in the respective sub-account of the holder.
- IV. In the event that there are not sufficient securities in the account of the seller – sub-account of the holder, the transfer order shall be deemed as non-accepted and shall remain pending for settlement waiting for available balance. The Depository shall perform new searching intended to find the available balance, which enables the same to accept and settle the respective transaction. In the event that at the closing of the day which should be established for its settlement there does not exist the necessary available balance in the account of the seller – sub-account of the holder, the transaction in question shall be declared as non-fulfilled and the same shall be notified to the intervening parties.
- V. The irrevocability or finality over securities, which should be transferred under the aforementioned modality, is achieved immediately by means of the registration and account entry of the corresponding securities from seller to purchaser. The securities account of the seller depositor – sub-account of the seller holder who ordered the delivery of securities shall be debited and, on a simultaneous basis, the account of the purchaser holder shall be credited. Any transfer which should be performed as aforementioned shall grant to the purchaser full availability over the respective securities and shall have finality.
- VI. Whenever the transfer order should require the constitution of guarantees on part of the obligor pursuant to the agreed conditions, the corresponding transaction shall be accepted upon constitution of the respective guarantees and therefore, the transfer orders shall be transmitted to the Corporation on a simultaneous basis.

Paragraph: With respect to transactions involving securities under international custody and which should be performed in the international custody systems with which the Corporation should operate, the same shall be settled under the modality known as delivery without payment, provided the international link is not be by means of delivery-vs-payment mechanisms and it shall be the responsibility of the Direct Depositor to ensure the availability of securities in order to settle the corresponding transactions in the international markets, according to the terms and amounts which should be required by the clearing and settlement systems with which the Corporation should operate.

73.2. Delivery-vs-payment, delivery-vs-delivery and payment-vs-payment

The transfer orders regarding securities and/or cash which should arise from transactions transmitted by the negotiation or registration systems or by external clearing and settlement systems, shall be settled by means of the following modalities: delivery-vs-payment, delivery-vs-delivery or payment-vs-payment.

Rules:

The delivery-vs-payment, delivery-vs-delivery and payment-vs-payment modalities in the systems managed by the Corporation require the availability of funds and/or securities in order to settle the corresponding transaction, as well as that the aforementioned assets are under the control of the Corporation. The aforementioned availability means blocked securities in the accounts of the sellers – sub-accounts of the seller holders and/or funds in the settlement deposit account of the Central Bank provided by the purchasers. Whenever the two aforementioned conditions should be fulfilled, the transaction settlement may be performed.

The Corporation may compare at any time the information of its databases with the local and international public listings of persons investigated due to Money Laundering or Terrorism Financing. In the event that the aforementioned investigation should indicate positive results, the Corporation shall adopt the relevant decisions jointly with the Direct Depositor, in furtherance of the Policies for the Prevention and Control of Money Laundering and Terrorism Financing.

Procedure:

Once the respective transaction is confirmed with the system managed by the Corporation, directly by the seller and purchaser, whenever possible, as well as by the negotiation and registration systems, and by the external clearing and settlement systems, the corresponding settlement shall initiate under the delivery-vs-payment, delivery-vs-delivery or payment-vs-payment modalities in the system managed by the Corporation, pursuant to the following procedure:

73.2.1. Delivery vs. payment

Any transactions which are transmitted by the negotiation and registration systems and by the external clearing and settlement systems, pursuant to their regulations duly approved by the Financial Superintence of Colombia, shall be settled under this modality.

- I. The Corporation shall perform the corresponding settlement under the gross modality of securities and funds, as provided for in the procedure established by the Corporation by means of guideline published in its web page.
- II. The Depository shall perform a new search intended to find available securities and/or funds in the deposit accounts managed by the Corporation and by the Central Bank.

- III. Once the corresponding securities are blocked in the securities account of the seller, an automatic debit order shall be created and transmitted to the deposit accounts system of the Central Bank, except whenever such transaction should be fulfilled under the functionality and value requirements subject to prior approval in order to perform the aforementioned debit. If the funds are available in the account to be debited, it shall be performed the automatic debit of the same, which shall be transferred to the settlement account of the Corporation in the Central Bank.
- IV. Pursuant to its regulation and internal procedures, the Central Bank shall receive the respective transaction for settlement.
- V. It shall be understood that in the event that the Corporation should have the control of the two assets (securities and funds), blocked and available, the respective transaction shall be accepted and settled up to the final transfer of the same.
- VI. In the event that the response to the automatic debit of funds should indicate that there is no availability of the same for such debit, the Corporation, upon receipt of such confirmation, shall release the corresponding securities within the term provided for by means of guideline published in the web page of the Corporation, and the settlement process shall be performed again pursuant to the terms provided for in the aforementioned guideline. For such purpose, the Corporation shall implement a new search of funds and when the same should be available, it shall perform the corresponding settlement pursuant to the aforementioned terms.
- VII. Once the corresponding securities and funds are blocked and available in the respective securities and funds accounts, the securities settlement process shall be performed. The corresponding securities shall be transferred by means of account entry, from seller to purchaser, in the books of the Depository and, on a simultaneous basis, it shall be ordered to transfer the corresponding funds in the deposit accounts system of the Central Bank, to the deposit account of the seller which should be indicated by the Direct Depositor.
- VIII. Such securities which have been recorded in account and such funds which have been debited and credited, as aforementioned, in the cash deposit accounts managed by the Central Bank, shall be final and irrevocable as provided for in the applicable legal rules. The availability of securities and/or funds shall arise by means of the account entry of securities and the transfer of funds.
- IX. With respect to transactions involving securities under international custody and which should be performed in the international custody systems with which the Corporation should operate, it shall be the responsibility of the Direct Depositor to ensure the availability of securities and funds in order to settle the corresponding transactions in the international markets, according to the terms and amounts which should be required by the international systems.

73.2.2. Delivery-vs-delivery

In this modality, the control of the acceptance cycle is carried out in the securities deposit accounts of the Corporation or in the securities deposit of the Central Bank. The delivery-vs-delivery modality implies that the securities from seller to purchaser shall be delivered, if and only if, the purchaser delivers to the seller the respective securities agreed in the transaction. The acceptance of such transaction is performed following the same procedure provided for in numeral 73.2 with respect to availability of securities. The purpose of the aforementioned orders shall arise by means of the account entry regarding the interchange of securities between purchaser and seller.

With respect to transactions involving securities under international custody and which should be performed in the international custody systems with which the Corporation should operate, it shall be the responsibility of the Direct Depositor to ensure the availability of securities in order to settle the

corresponding transactions in the international markets, according to the terms and amounts which should be required by the clearing and settlement systems with which the Corporation should operate.

73.2.3. Payment-vs-payment

In this modality, the control of the acceptance cycle is carried out in the funds deposit accounts held by the Direct Depositors and the Corporation in the cash deposit accounts system of the Central Bank.

The payment-vs-payment modality implies that the payment from seller to purchaser shall be performed, if and only if, the purchaser pays to the seller the respective funds agreed in the transaction. The acceptance of the transfer orders is performed following the same procedure provided for in numeral 73.2 with respect to availability of securities, applied to the funds. The acceptance in order to settle such transfer orders shall arise by means of the account entry regarding the interchange of funds between purchaser and seller.

In the event that a transfer order could not be settled on the agreed date, the clearing and settlement system managed by the Corporation shall declare the same as non-fulfilled and shall notify such circumstance to the intervening parties and systems. The non-fulfilled transactions shall be subject to the procedure provided for in Article 76 et. seq. of the present regulation.

In the event that one transaction should involve two transactions, one forward transaction and one spot transaction, such as repos, simultaneous transactions and temporary transfer of securities, the Direct Depositors of the OTC market and the negotiation and registration systems, shall record both transactions in the clearing and settlement system managed by the Corporation, even whenever each of the aforementioned transactions should be final with respect to the settlement process.

With respect to transactions involving securities under international custody and which should be performed in the international custody systems with which the Corporation operates, it shall be the responsibility of the Direct Depositor to ensure the availability of securities in order to settle the corresponding transactions in the international markets, according to the terms and amounts which should be required by the clearing and settlement systems with which the Corporation should operate.

CHAPTER VII – HEDGING MECHANISMS

Article 74.- Risk hedging mechanisms for the settlement of transactions

The Corporation shall implement mechanisms in order to record the corresponding guarantees or hedging related to transactions which should be ordered by the registration and negotiation systems or by external clearing and settlement systems to the clearing and settlement systems managed by the Corporation, in which case, the systems which ordered the corresponding transfers shall notify about the guarantees or hedging pertaining to the aforementioned transactions.

The aforementioned guarantees may be with or without possession on the part of the guarantor.

Pursuant to Article 2.12.1.1.8 of Decree 2555 of 2010, as of the time of their constitution, increase or substitution, and up to the time on which the obligations derived from the guaranteed transactions should be fulfilled, the guarantees shall be subject to the protection provided for in Article 10 of Law 964 of 2005.

74.1 Guarantees with tenure on part of the guarantor

In such cases, the systems or directly the Direct Depositors, whenever applicable, shall submit the following information:

- ISIN or identification of the specie in the system of the Corporation
- Account of the guarantor Direct Depositor
- Accounts of the guarantor investors
- Type of transaction to be guaranteed
- Date of transaction (date of negotiation)
- Face value of security or value of number of units (balance in order to guarantee the respective transaction).
- Identification of the negotiation or registration system where the transaction was performed.
- Any additional information which should be required pursuant to the operating manual.

74.2 Guarantees without possession on the part of the guarantor

In such cases, the systems or directly the Direct Depositors, whenever applicable, shall submit the following information:

- ISIN or identification of the specie in the system of the Corporation
- Account of the guarantor Direct Depositor and of the manager of the guarantee
- Accounts of the guarantor investors and of the secured party
- Type of transaction to be guaranteed
- Date of transaction (date of negotiation)
- Face value of security or value of number of units (balance in order to guarantee the respective transaction).
- Identification of the negotiation or registration system where the transaction was performed.
- Any additional information which should be required pursuant to the operating manual.

Article 75.- Substitution of guarantees

Regarding hedging mechanisms related to any transaction which should be ordered by the registration and negotiation systems or by external clearing and settlement systems to the clearing and settlement systems managed by the Corporation, the corresponding guarantees which should be granted in order to warrant the same may be substituted by means of the systems managed by the Corporation, whether directly by the intervening depositors whenever the same should be legally entitled, or by virtue of orders transmitted by the registration and negotiation systems or by external clearing and settlement systems to the clearing and settlement systems managed by the Corporation. In such cases, it shall be necessary the acceptance of such substitution by the clearing system of the Corporation pursuant to the terms provided for herein. The aforementioned substitution of guarantee shall not imply any amendment to the conditions of the guaranteed transaction, and neither of the intervening depositors.

Therefore, it shall be necessary to obtain the confirmation of the substitution transaction order according to the procedure provided for in Chapter IV of Title V – Confirmation of transactions, Article 66 et. seq. of the present regulation, by informing the new conditions of the guarantee. The deposit system shall verify the availability of the substitute balance, and accordingly, shall block the substitute guarantee and shall release the substituted guarantee. In the event that the substitute balance should not be available, the system managed by the Corporation shall prevent the corresponding transaction, maintaining the initial conditions of the same, and shall notify such circumstances to the registration and negotiation systems or to the external clearing and settlement systems which ordered the same, and directly to the respective depositors.

CHAPTER VIII- NON-FULFILLMENT OF TRANSACTIONS AND SANCTIONS

Article 76.- Non-fulfillment of transactions

Any transaction which should be ordered by the registration and negotiation systems or by the external clearing and settlement systems to the clearing and settlement systems managed by the Corporation, shall be subject to confirmation and, once the control processes for its acceptance should have been performed in the clearing system, whenever applicable, the same shall be settled in the systems managed by the Corporation.

Any transactions which should have been confirmed and cleared in the systems of the Corporation, as applicable, but which could not be settled as provided for in Chapter VI of the present regulation, shall be declared as non-fulfilled.

Any non-fulfillment shall be notified to the registration and negotiation systems or to the external clearing and settlement systems which should have order the respective transaction, as well as to the intervening parties, to the Colombian Financial Supervisory Body, and to the self-regulation entities.

Article 77.- Consequences derived from measures intended to mitigate transaction settlement risks

In order to comply with the obligation of the clearing and settlement systems as part of the infrastructure of the market, and intended to mitigate the liquidity, counterparty and systemic risks, the Corporation may apply the following measures: a fee, as well as the suspension or termination of the clearing and settlement service agreements in the event of any non-fulfillment related to the settlement of any transaction which should have been ordered by the registration or negotiation systems or by the external clearing and settlement systems to the clearing and settlement systems managed by the Corporation.

77.1 Fee due to non-fulfillment

In the event of any non-fulfillment with respect to the settlement of one (1) transaction ordered by the registration or negotiation systems, or by the external clearing and settlement systems, to the clearing and settlement systems managed by the Corporation, which should have been confirmed, but which may not be settled as ordered, the Direct Depositor responsible of such non-fulfillment shall pay to the Corporation the corresponding fee provided for in the fees guideline of the Corporation, depending on the settlement modality, due to non-fulfillment.

The aforementioned, without prejudice to the contractual, civil, administrative, criminal, disciplinary or counterparty responsibility which may arise from the non-fulfillment related to the transaction settlement.

77.2. Suspension of the service

In the event of any non-fulfillment with respect to the settlement of two (2) through five (5) transactions ordered by the registration or negotiation systems or by the external clearing and settlement systems to the clearing and settlement systems managed by the Corporation, which should have been confirmed, but which may not be settled as ordered, the Direct Depositor responsible of such non-fulfillment shall pay to the Corporation the corresponding fee provided for in the fees guideline of the Corporation, depending on the settlement modality, per each non-fulfillment, and, in the event of two (2) non-fulfillments, the access of the responsible Direct Depositor to the service shall be suspended during two (2) days, in the event of three (3) non-fulfillments, the access of the responsible Direct Depositor to the service shall be suspended during three (3) days within the aforementioned period, and so on, up to five (5) days of suspension due to five (5) non-fulfillments related to the settlement of transactions which should have been confirmed and settled during the same period.

The aforementioned, without prejudice to the contractual, civil, administrative, criminal, disciplinary or counterparty responsibility which may arise from the non-fulfillment related to the transaction settlement.

The procedure in order to notify the decision intended to suspend the service to the Direct Depositor due to the aforementioned grounds, shall be the one provided for in numeral 77.4 of the present regulation and the consequences shall be the ones provided for in numeral 77.5 of the present regulation.

The suspension of the service on part of the Corporation shall not release the Direct Depositor from its obligation of paying the fee which should be established in the fees guideline regarding the services which should be contracted by the same on that date.

In the event of suspension, the Corporation shall disable the access passwords in accordance with the internal procedures provided for in the Quality Management System of the Corporation.

77.3. Agreement termination

Notwithstanding the contractual, civil, administrative, criminal, disciplinary or counterparty responsibility which may arise from any non-fulfillment related to the settlement of transactions, whenever the service should be suspended for more than five (5) times during the last calendar year, the Corporation may terminate the clearing and settlement service deposit agreement, without prejudice to the fee for non-fulfillment regarding settlement of transactions which should be established in the fees guideline of the Corporation for the clearing and settlement service. In such cases, the Corporation shall disable the access passwords and shall remove the corresponding tools which should have been delivered in order to operate, as provided for in the internal procedure for such purposes.

The Direct Depositor which caused the agreement termination may request to the Corporation its readmission to the service after three (3) months following the agreement termination, and the Corporation shall evaluate such request and shall determine the acceptance or rejection of the same. In any event, the Direct Depositor which should request the aforementioned readmission must have complied with all the pending obligations at the time of the agreement termination and the reasons which gave rise to the same must have ceased. In the event that the Corporation should accept the readmission to the system, the Direct Depositor shall be subject to the enrollment procedures provided for in the present regulation, as well as in the operating manual and in the respective guidelines which should be published in the web page of the Corporation.

77.4. Procedure for the adoption of the measure

In order to adopt the measure which should apply, the President, or his alternates in the absence of the latter, shall inform to the Direct Depositor, within the following three (3) business days as of the date on which it should be evidenced the occurrence of any of the events indicated in the above numerals of the present article, about the measure adopted by the Corporation, as well as about the start date from which the same begins to run and about the fee to be paid due to the non-fulfillment of the transaction. The aforementioned decision shall not be subject to appeal and shall apply simply by virtue of the non-fulfillment.

The Corporation shall inform the aforementioned facts, simultaneously with the submission of the information to the Direct Depositor, to the other Direct Depositors, through the means provided for in the present regulation, as well as to the Colombian Financial Supervisory Body and to self-regulation entities of the stock market.

77.5. Effects of the measures

The suspension of the access to the clearing and settlement service, as well as the agreement termination, implies the inability to act, in the first case, on a transitory or temporary basis, and in the second case, on a final basis, as Direct Depositor in the securities centralized deposit and in the clearing and settlement systems of the Corporation. Notwithstanding the aforementioned, the affected Direct Depositor shall remain enforced to comply with the duties, obligations and responsibilities provided for in the present regulation, as well as in the corresponding guidelines, and in particular, but not limited to, with any commitments derived from the pending obligations.

In case of the indirect depositors which should operate with the Direct Depositor affected by the measure, the same may request to the Direct Depositor, to perform the prior transfer of their portfolio, by means of the option known as “change of depositor”. In the event that the aforementioned should not be possible, they may request it directly to the Corporation, by means of the customer service department, through the address indicated in the web page of the Corporation, prior certification of their capacity.

TITLE VII.- RELATIONSHIPS WITH OTHER CUSTODIANS AND INTERCONNECTION WITH CENTRAL SECURITIES DEPOSITORIES, CUSTODIANS AND SUB-CUSTODIANS

SINGLE CHAPTER

Article 78.- Purpose of the interconnection service

The Central Securities Depositories, by means of account entry, shall be entitled to record local or foreign securities authorized by the National Government or other similar securities which should be negotiated directly abroad or by means of the local exchange markets, by request of the issuer, or the local or foreign Direct Depositors which should be authorized by the National Government or the competent authority, as provided for in the regulation of the entity which should offer the custody of securities. The service shall be rendered by the Corporation, pursuant to the terms of the applicable legislation.

The corresponding relationships with the aforementioned entities shall be subject to service agreements, duly approved by the Board of Directors, and submitted to the Financial Superintence of Colombia for information purposes. Any agreement which should be subscribed shall be published in the web page of the Corporation for information of the users of the service.

Article 79.- Contents of the service agreements

The corresponding agreements which should be subscribed with the local securities deposits and the foreign clearing and settlement systems or other international custodians for the clearing and settlement of such transactions which should be performed in local or international systems shall contain, at least, the following, without prejudice to the regulation which should be issued by the Financial Superintence of Colombia:

- Purpose of agreement
- Conditions of the reciprocal service between the parties
- Procedures or mechanisms of the operation
- Obligations
- Payment of fees and charges by the parties
- Contingency plans
- Responsibilities
- Validity of the corresponding agreement.
- Conditions regarding termination of the corresponding agreement
- Applicable legislation
- Determination of the competent court in the event of any disputes or controversies.

Article 80.- Rules for the subscription of international custody covenants

The Board of Directors of the Corporation shall authorize the corresponding conditions and requirements of any agreements which should be subscribed for each particular case, in compliance with the effective legal provisions in Colombia and in particular, considering the risks control to which the Corporation and the Direct Depositors are exposed.

The corresponding conditions in order to perform the operation between custodians and depositories shall be contemplated in the respective agreements, which should be subscribed for such purposes, which shall contain the technical, operating, financial and legal conditions, as well as the scope of the obligations of the parties for the full rendering of the service.

The aforementioned agreements shall be submitted to the Financial Superintence of Colombia for information purposes, and shall be disclosed by means of the web page of the Corporation.

TITLE VIII.- INFORMATION TO DEPOSITORS, ISSUERS AND AUTHORITIES AND DISCLOSURE OF INFORMATION TO THE GENERAL PUBLIC

SINGLE CHAPTER

Article 81.-Disclosure of operating risk strategies

The Corporation shall submit to the public, by means of its web page, the necessary information in order that the Direct Depositors and the general public may evaluate the operating risk management strategies adopted by the Corporation, according to the volume, complexity and profile of risk. The contents of the information to be submitted shall be approved by the Board of Directors or the committee which should be appointed by the latter in order to perform such duty, which shall be reviewed from time to time or whenever there should be any significant changes related to the elements comprising the operating risk management as provided for in the relevant notices issued by the Financial Superintence of Colombia.

Article 82.- Information to depositors, issuers and authorities

The Corporation shall submit to the Financial Superintence of Colombia, as well as to the self-regulation entities of the stock exchange market and to the other competent authorities, all of the information that should be required by the same for the exercise of their duties.

Likewise, by means of the information system of the Corporation, the Direct Depositors shall have permanent on-line access to the status and movement of their deposit accounts and to any transactions which should be recorded by the Corporation. The aforementioned, without prejudice to the detailed listing of the corresponding securities which should be recorded in their respective accounts and sub-accounts managed by the Corporation which the Financial Superintence of Colombia should order to make available to the Direct Depositors according to the frequency which should be indicated by the same.

The aforementioned information shall be submitted also to the indirect depositor, by means of the Direct Depositor which should act as proxy, pursuant to the corresponding instructions which should be issued for such purpose by the Financial Superintence of Colombia.

The indirect depositors which should meet the corresponding conditions and requirements established by the Corporation may access also directly to the information related to their respective securities recorded in the system managed by the Corporation by means of the mechanisms and procedures which should be enabled by the Corporation, which shall be determined by means of guideline published in the web page of the Corporation.

TITLE IX.- SERVICE FEES

SINGLE CHAPTER

Article 83.- Definition

The fees correspond to the compensation received by the Corporation in consideration of the services rendered to the users (Direct and Indirect Depositors), which shall include the applicable taxes or any taxes which may apply in the future derived from the rendering of the services.

The aforementioned fees shall be determined on the basis of the technical procedures established by the Corporation and shall be the same which shall be supported in the budget and costs structure of the Corporation. The Board of Directors shall approve the policies intended to create fees.

The fees of the Corporation shall be published by means of a guideline in the web page of the Corporation, regardless that the Corporation may use other disclosure mechanisms.

The obligation of publishing the corresponding fees may be limited whenever the Corporation should compete on an arm's length basis with other entities which should render the same services and such competitors should not have the aforementioned obligation. In such cases, the Corporation shall reserve the disclosure of such information only for such entities with which the same should have entered into any agreements.

Article 84.- Purpose of fees

By means of the application of its fees, the Corporation intends to achieve the following purposes:

- I. To ensure the profitability and value required by its shareholders.
- II. To cover its operating costs considering the impact of the fees in the market.
- III. To allow its self-sustained development, as well as to comply with its purposes for the benefit of the market.

The Senior Management shall carry out comprehensive assessment of the fees, as provided for in the policies adopted by the Board of Directors, and shall determine the corresponding fees based on the guidelines and criteria of the same. In any event, the respective conditions of any new fees shall be submitted before the Financial Committee of the Corporation, which duties are contained in the Code of Good Governance published in the web page of the Corporation.

Any amendment to the fees shall be notified to the Direct Depositors and Issuers by means of guideline, at least fifteen (15) days before the same should enter into force.

Article 85.- Concepts

The Corporation shall establish fees for the services which should be rendered by the same, in accordance with the general guidelines determined by the Board of Directors and the Presidency, and pursuant to the corporate by-laws and the present operating regulation.

Article 86.-Criteria in order to determine Fees and Amendments

The Board of Directors shall establish the corresponding criteria and guidelines in order to determine the fees for the services. Whenever it should be determined, the service fees shall accrue on a daily basis.

The fees shall be determined on the basis of the following criteria:

- I. The application of a minimum net margin for each fee.
- II. The direct and indirect costs associated to the process, product or service shall be taken into account.
- III. The forecasted volumes may be considered in order to establish the reference price.
- IV. It shall be possible to develop fees intended to promote the launch and introduction of new products and services. Such fees may be subject to a profitability margin which contribution should not be defined by the Board of Directors. Therefore, any special fees which should be determined must be informed to the Financial Committee and to the Board of Directors.
- V. The fees of the services rendered by the Corporation which should have at least one competitor shall not be disclosed to the public by means of guideline.

Article 87.- Invoicing

The services rendered by the Corporation shall be invoiced on a daily or monthly basis, or whenever the service should be rendered, pursuant to the frequency provided for in the corresponding guideline according to the respective characteristics of the service.

Article 88.- Payment of services

Any amounts in favor of the Corporation derived from the rendered services shall be paid by the Direct Depositors, issuers and managers within the five (5) business days following the corresponding receipt of the respective invoice in the corporate domicile or in the address which should be recorded for the service of notices, in accordance with the payments system established by the Corporation. In the event that, upon expiration of the aforementioned term, the Direct Depositors, the issuers and the managers have not returned or submitted any written claim with respect to the invoices, it shall be understood that such invoices were received and accepted by the Direct Depositors, or the issuers or managers, as the case may be, and that the obligations contained therein were acknowledged by the same.

In the event that, upon expiration of the aforementioned term, the Corporation has not received the payment corresponding to the rendered services, the Direct Depositor shall be deemed in default without the need of any requirement and the same shall be subject to legal collection. As of the expiration date of the term in order to perform timely payment, the Corporation shall charge interests over the pending amounts, at the maximum rate permitted by law. The Corporation may also terminate the corresponding agreement due to non-fulfillment and may execute the respective promissory note as provided for in the letter of instructions.

Article 89.- Delay Interests

In the event that the Direct Depositors, issuers or managers should fail to pay the corresponding fees when due, the same shall pay delay interest to the Corporation over the owed amounts, provided they should have submitted the service order.

The aforementioned interest shall accrue as of the following day of the date on which the payment should be performed and up to the date on which the corresponding amount should be paid in full, including both days, at the maximum rate permitted by law.

Such interest shall be enforceable together with the respective capital and any partial payment shall be applied pursuant to the allocation rules provided for in the Commercial Code.

The collection process shall be established by means of guideline.

TITLE X.- RISKS MANAGEMENT AND BUSINESS CONTINUITY PLAN

SINGLE CHAPTER

Article 90.- Operating risk

90.1 Performance of the risk system of the Corporation

The Corporation has implemented a set of elements such as policies, procedures, documentation, organizational structure, recording of operating risk events, control bodies, technological platform, disclosure of information and training, intended to identify, measure, control and monitor the operating risk.

90.2. Security systems

The Corporation has in place and manages access control systems, data and software packages. Likewise, the Corporation makes use of protection measures such as data encryption and protection, perimeter protection, authentication systems, data integrity and confidentiality, wide availability and control of services and firewall resources, for its information systems.

90.3. Perimeter security

The information security area of the Corporation is in charge of planning, organizing, conducting and controlling work intended to implement information security strategies and policies according to the international best practices (BS7799//ISO27001), as well as of evaluating threats, impacts and vulnerabilities related to the information and recommending mitigation measures.

90.4. Control passwords and electronic signatures

The registration of any transactions ordered by the Direct Depositors by means of the information system of the Corporation shall be performed through the computer security system, which is established and installed for such purposes in the terminal of the Direct Depositors, issuers and managers.

90.5. On-line security system

The information system of the Corporation provided for the operation of its Direct Depositors, infrastructure systems and other external systems, uses an electronic certificate as main identification element for each user, which is stored in a cryptographic device that may be used only with an access password for the exclusive use of the respective user. The use of the aforementioned certificate in the balances system is intended to guarantee the following aspects related to the electronic transactions registered by the Direct Depositors:

- I. Authenticity of origin at the level of authorized entity and user with a specific profile.
- II. Information integrity.
- III. Information confidentiality and non rejection in order to guarantee that the respective transaction originated from the Direct Depositor.

90.6. Overview of the on-line system

The Direct Depositors, issuers and managers shall assume the responsibility of the security, handling, confidentiality and consequences of the security key where the digital certificate is stored, as well as of the proper use of the access password.

The Direct Depositors, as well as the issuers and managers shall have, to the extent of their capabilities, a security infrastructure, which shall include:

- I. Security policies based on the policies provided by the Corporation, in order to guarantee the security related to the access and management of information.
- II. Procedures establishing the way to comply with the security policies.
- III. Appointment and registration before the Corporation of a permanent manager and an alternate manager who shall be responsible of managing the variousl procedures of the system. The Corporation shall notify the security conditions by means of guidelines published in its web page.
- IV. Appointment and registration before the Corporation of an auditor who will ensure the corresponding fulfillment of the security procedures.

90.7. Information retention

The Corporation shall maintain at least the following standards:

- I. Evidence (log) of the orders given by the negotiation and registration systems or by the external clearing and settlement systems and, exceptionally, by the Direct Depositors (expressed in terms of year, month, day, hours, minutes and seconds).
- II. The Corporation shall retain any and all documents which should include the corresponding commitments with its Direct Depositors, the respective conditions in order to render the service, as well as the acceptance of the same on part of the Direct Depositors. Such information shall be retained at least for five (5) years as of the date on which the contractual relationship is terminated, or in the event that such information should be subject of, or should support any claim or complaint or any legal proceeding, up to the time on which the same should be resolved.
- III. The premises devoted to the storage of files shall comply with the environment, security and maintenance conditions intended to guarantee the proper safekeeping of the documents. In the event of inquiries, the Corporation shall maintain control over the person who removes any file, the status of the same and the number of pages.
- IV. For the management and retention of files, the Corporation may use technologies or any other technical, electronic, computer, optical or on-line means, provided the same should guarantee the safekeeping, security, durability and accessibility to the information, and shall develop inventories or other archive tools in order to ensure the control of the corresponding documents in their several phases.
- V. The Corporation shall implement a Comprehensive Plan regarding Preventive Safekeeping of Filing Documents, intended to establish the necessary procedures and measures for the preservation of filing documents in the event of any emergencies derived from Acts of God, terrorism, influence of physical, chemical or biological agents, or by direct involvement of the users of the information.

Article 91.- Business continuity plan

In the execution of the operating risk control, the Corporation implemented a business continuity plan intended to maintain the functioning of the service, which includes the following features:

The Corporation has a support mechanism in the event of failures in the main equipment devoted to operate the system managed by the same, which comprises the use of a contingency data center in order to replicate the database on an automatic basis and may resume the corresponding transactions of the system. The Direct Depositors will be able to connect themselves to the aforementioned support mechanism. In the event of simultaneous failure of the main equipment and the contingency data center, as well as communications outage at the same time, the Corporation may suspend the service without prior notice to the Direct Depositors, until the event that gave rise to the service outage has been resolved.

The Direct Depositors shall be informed about the aforementioned situation, as well as about the normal resumption of the service, by means of e-mail, telephone or any other means which should be at the disposal of the Corporation at the time on which the event should occur.

In addition, the plan comprises the use of alternate operating headquarters in passive/active status in order to operate until the service returns to its normal operational status. In the event of outages in the facilities of the Direct Depositors, the same may access to the balance system by means of terminals located in the Corporation.

TITLE XI.- SPECIAL PROVISIONS

SINGLE CHAPTER

Article 92.- Resolution of disputes

Any disputes which may arise between the Direct Depositors or between the Direct Depositors and the Management of the Corporation, by virtue of the service order which should be given over the service offer submitted by the Corporation, its interpretation, execution, termination or development, or during the termination of the corresponding relationship, shall be resolved by an Arbitration Court. The aforementioned arbitration shall extend also to the obligation related to compensation for damages, as well as to the respective quantification.

In the event that the amount of the claims should be above one thousand (1000) effective monthly legal minimum wages in Colombia, the Arbitration Court shall be constituted by three (3) arbitrators who shall be appointed by mutual agreement between the parties, or otherwise, by the Mercantile Conciliation and Arbitration Center of the Chamber of Commerce of Bogotá or by the Conciliation and Arbitration Center of the Self-Regulator of the Stock Exchange Market ((AMV) – MARCO, as per its Spanish acronym). In the event that the amount of the claims should be equal to or below one thousand (1000) effective monthly legal minimum wages in Colombia, the Arbitration Court shall be constituted by one (1) arbitrator who shall be appointed by mutual agreement between the parties, or otherwise, by the Mercantile Conciliation and Arbitration Center of the Chamber of Commerce of Bogotá.

The appointed arbitrator or arbitrators shall correspond to qualified and registered lawyers, who shall decide according to law and shall be subject to the fees provided for by the Mercantile Conciliation and Arbitration Center of the Chamber of Commerce of Bogotá or by the Conciliation and Arbitration Center of the Self-Regulator of the Stock Exchange Market ((AMV) – MARCO, as per its Spanish acronym), as the case may be. The headquarters of the Arbitration Court shall be the city of Bogotá, which shall be governed pursuant to Colombian laws.

The aforementioned, without prejudice to such agreements which should be subscribed with foreign central depositories or other similar entities, which resolution of disputes shall be subject to the terms agreed by the parties.

Article 93.- Transitional article

The present Regulation shall enter into force immediately, upon approval by means duly enforceable administrative act issued by the Financial Superintence of Colombia, by virtue of authorization granted by Article 4 of the present regulation, without the need of expiring any term.