

The Superintendence of Companies established the Normalization Plan for those entities that have not registered control situation or business group

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Article 30 of Law 222 of 1995 establishes the obligation for controlling companies to request the registration of the control or business group situation, within 30 business days following its establishment or amendments. According to Article 86, paragraph 3 of Law 222 of 1995, the Superintendence of Companies has the power to impose sanctions or fines of up to 200 legal monthly minimum wages to those who fail to comply with its orders, the law or the bylaws. Therefore, failure to register the control situation or business group, or its extemporaneous registration, may result in the imposition of the fines set forth in Article 86 of Law 222 of 1995.

The Normalization Plan of control and business group situations established by the Superintendence of Companies through Circular 100-000003 of March 26, 2021 aims to encourage compliance with the rules relating to the registration of control and business group situations, based on the compliance with the registration by the obligated parties and their compliance in the course of administrative investigations.

The Superintendence of Companies urges those who have not complied with the obligation of registering the situation of control and business group (when applicable) in the commercial registry (i) in case the Superintendence has not formally opened the administrative investigation, proceed with the registration, correction or voluntary modification, taking into account the criteria established in numeral 1 of the Circular and voluntarily inform the Superintendence in order to formally open the investigation, and to accept the allegations formulated by the Entity before the decree of evidence, and; (ii) in case the Superintendence has formally opened the administrative investigation, to accept the allegations formulated by the Superintendence before the evidentiary order.

The Circular establishes (i) the method for assessing the fine; (ii) the payment deadline; and (iii) the alternative fines to commute the payment of the monetary fines depending on the amount involved.

The amount of the fine, which is assessed in Tax Value Units (UVT), will be equivalent to the sum of: (i) the corresponding value according to the range of assets of each of the controlled entities or belonging to the business group; and (ii) the amount that results for the delay in the registration, which will vary depending on the period in which the delay persists (for example, 0 to 6 months of delay in the registration result in an additional 15 UVT fine). The fine will be calculated for each registration omitted by the parent or controlling company, which will include each of the controlled entities or belonging to the business group. In any case, the penalty cannot exceed 750 UVTs (COP\$27.231.000 for year 2021).

The provisions of this Circular will be applicable during the enforceability term of this Circular (from March 26, 2021 and until December 31, 2021) (i) to those who voluntarily register, correct or modify the control situations or business group and are formally investigated and; (ii) in those investigations that are ongoing or that are opened.

You may consult the Circular [here](#)

Should you have any questions, please do not hesitate to contact us.

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