

# Main corporate obligations for year 2023

As we look to contribute to the annual planning of your company or branch legal obligations in Colombia, Dentons would like to share with you a general description of the main corporate duties that must be complied with during 2023.

## 1. Prepare Financial Statements with cut-off date December 31, 2022

Prepare the Financial Statements with cut-off date December 31, 2022, which must be signed by the Legal Representative, Accountant and/or Statutory Auditor, the latter if applicable. The parent or controlling company, in addition to preparing individual Financial Statements, must prepare consolidated Financial Statements presenting the financial status of both the parent or controlling company and its subsidiaries, under the terms of Article 35 of Law 222 of 1995. When the parent or controlling company is not domiciled in Colombia, the consolidation shall only be done for the subordinated entities in Colombia and, in accordance with the Basic Legal Bulletin of the Superintendence of Companies, the recommendation is to consolidate through the subordinate company with the highest equity (*patrimonio*).

The obligation to prepare Financial Statements is also applicable to branches of foreign companies located in Colombia.

## 2. Verify the compliance with the requirements of an ongoing business (*hipótesis de negocio en marcha*) as of April 16, 2022

The cause of dissolution for losses (impairment) that reduce the equity below 50% of the capital was replaced by a new cause consisting in the non-compliance with the requirements of an ongoing business (Article 4 of Law 2069 of December 31, 2020). The new dissolution cause was **suspended until April 16, 2022**, by virtue of Article 15 of Decree 560 of 2020 and Article 16 of Legislative Decree 772 of 2020 and considering the provision established in Law 2069 which indicates that "the references made in any regulation to the cause of dissolution for losses shall be understood as referring to the new cause".

Whenever there is reasonable cause to conclude that the company is not complying with the requirements of an ongoing business (*hipótesis de negocio en marcha*), the administrators must (i) refrain from performing any acts not related to the ordinary course of business; and (ii) immediately summon the Shareholders' Assembly to inform such circumstance. The administrators must also summon the Shareholders' Assembly whenever there is an equity impairment and an insolvency risk. If the administrators fail to summon the Shareholders' Assembly in such events, they will be jointly and severally liable for the damages caused to the shareholders or third parties.

Decree 854 of August 2021 establishes that cause for dissolution due to non-compliance with the requirements of an ongoing business will be verified by the administrators when preparing the Financial Statements at the end of the fiscal year. If management concludes that the requirements of an ongoing business are not met, the financial statements must be prepared on that basis. Thus, if the Financial Statements are prepared considering that the ongoing business assumption is not met, they must be submitted to the Shareholders' Assembly at the ordinary meeting, with the complete and documented information supporting the management's assessment, so that the shareholders adopt the relevant decisions.

The administrators shall establish the existence of equity impairment and insolvency risks, applying the relevant financial ratios or indicators, according to the business model and the sectors in which the company develops its corporate purpose. The directors, however, shall use at least the following indicators as a reference:

INDICATOR	EFFECT	FORMULA
Negative equity	Equity Impairment	Total equity < \$0
Consecutive losses in two closing periods or several monthly periods depending on the business model	Equity Impairment	(Year income < 0) and (income of the previous year < 0)
Net working capital over short-term debt (<0,5)	Insolvency Risk	(Accounts receivable from clients + current inventory - accounts payable)/Current liabilities
UAI/Total Assets<Liabilities	Insolvency Risk	(Earnings before interest and taxes/total assets) < Total liabilities

This obligation is also applicable to branches of foreign companies located in Colombia.

### 3. Renew the Commercial Registry and file the Financial Statements before the Chamber of Commerce

The **renewal of the commercial registry** of a company and the commercial establishments must be done before the Chamber of Commerce where the office is registered before March 31, 2023. Failure to comply with this obligation may result in fines up to 17 legal monthly minimum wages ("MMW") (COP\$17.000.000 approx. US\$4,358).

The company must file **the Financial Statements** before the Chamber of Commerce of the registered office, along with the notes and the corresponding opinion of the Statutory Auditor, if applicable, within 30 days following the date of approval by the Shareholders' Assembly. If the company is obligated to submit the Financial Statements to the Superintendence of Companies, it does not have to file them before the Chamber of Commerce (see Section 8 below).

These obligations are also applicable to branches of foreign companies located in Colombia.

### 4. Hold the ordinary meeting of the Shareholders' Assembly

The Shareholders' Assembly **ordinary meeting** of **2023**, as related to fiscal year 2022, must be held on the date established in the company bylaws, which generally is, within the first 3 months of each year, to approve the Financial Statements with cut-off date December 31, 2022, and the reports of the administrators.

For that purpose:

- a) The Legal Representative must summon each of the shareholders registered in the company's stock ledger in the way and term set forth in the company bylaws. Within the summoning term, the books and records of the company must be kept at the disposal of the shareholders so that they can exercise their right of inspection referred to in Article 48 of Law 222 of 1995. To comply with the term of the summons, the day of the notice and the day set to hold the meeting are not counted.
- b) The Legal Representative must submit the following documents to the Shareholders' Assembly for approval:
  - A Management Report that, in accordance with Article 47 of Law 222 of 1995, must contain a faithful statement on the evolution of the businesses, the legal, economic and administrative situation of the company. In addition, it must report important events that occurred after the

financial year (if any), the foreseeable evolution of the company and the transactions carried out with shareholders and administrators. The Management Report must also indicate that:

- a. The company's Legal Representative submitted for consideration of the Shareholders' Assembly a certification, together with the corresponding evidence, which allows him/her to affirm that the inquiries and verifications that objectively and truthfully indicate that the company is complying with the intellectual property and copyright regulations (Law 603 of 2000 and External Bulletin No. 300-000002 issued by the Superintendence of Companies on May 6, 2010)
  - b. The free circulation of invoices issued by vendors or suppliers was not hindered (Article 87 of Law 1676 of 2013).
- The special report, if applicable (see section 5 below).
  - The Financial Statements through December 31, 2022, along with their notes which must be accompanied by the documents indicated in numeral 3 of Article 446 of the Commercial Code.
  - The full detail of the Profit and Loss Account for the fiscal year of 2022, specifying the appropriations made for depreciation of assets and amortization of intangibles.
  - The Project for the Distribution of Profits, with the deduction of the calculated amount for the payment of income tax and related taxes for the fiscal year of 2022.
  - The opinions on the Financial Statements and the other reports issued by the Statutory Auditor, if applicable, as ordered by Article 38 of Law 222 of 1995.
  - List of the main and alternate members of the Board of Directors, if applicable, as well as the Statutory Auditor to be elected, if applicable.
  - Additional proposals, such as an amendment of the bylaws, etc.
- c) If the company has a Board of Directors, the Management Report must be approved by the Board prior to the Shareholders' Assembly ordinary meeting.

The Shareholders' Assembly and Board of Directors meetings may be held virtually or by written consent, according to the provisions set forth in Articles 19 and 20 of Law 222 of 1995 and Decree 398 of 2020.

This obligation is **not** applicable to branches of foreign companies.

## 5. Prepare Special Report - Business Group

Whenever there is a Business Group (*grupo empresarial*) in the terms set forth in Article 28 of Law 222 of 1995, the administrators of the controlled company(ies) and of the controlling company(ies) must prepare a Special Report to the Shareholders' Assembly describing the level of economic relationships existing between the parent company and its subsidiaries or affiliates with the company in question (Article 29 of Law 222 of 1995).

The Special Report shall be submitted on the dates indicated in the bylaws or the law for ordinary meetings and must account, at least, the following aspects:

- a. The most important transactions that occurred during the corresponding fiscal year, directly or indirectly, between the parent company or its subsidiaries or affiliates with the company in question;
- b. The most important transactions that occurred during the corresponding fiscal year, between the controlled company and other entities, by influence or in the interest of the parent company, as well as the most relevant operations that occurred during the corresponding fiscal year between the parent company and other entities, in the interest of the company in question; and
- c. The most important decisions that the controlled company has taken or failed to take due to the influence or in the interest of the controlling company, as well as the most important decisions that the controlling company has taken or failed to take in the interest of the controlled company.

## 6. Appoint Statutory Auditor

Companies must appoint a Statutory Auditor if by December 31 of 2022 its gross assets are or exceed the equivalent of 5.000 MMW (COP\$5.000.000 approx. US\$1,041,666) and/or whose gross income during the preceding year is or exceeds the equivalent of 3.000 MMW in force (COP\$3.000.000.000 approx. US\$625,000).

Branches of foreign companies are required to permanently have a Statutory Auditor.

## 7. Branches belonging to the special regime must submit the Equity Reconciliation Form to the Colombian Central Bank

Branches of the special regime (oil, natural gas, coal, ferronickel or uranium and branches exclusively dedicated to render services inherent to the hydrocarbon sector), must report the update of the equity accounts through the transmission of the form "*Equity Reconciliation - Special Regime*" and the registration of the supplementary investment to the assigned capital with the Form "*Declaration of Registration of Supplementary Investment to the Assigned Capital*", through the New Exchange Information System of the Central Bank. **In any case, the branch must update the equity accounts, even if there was no supplementary investment during the reporting period.**

**The deadline to inform the update of the accounts is of 6 months following the closure of the accounts on December 31 of the preceding year, and in any case, no later than June 30, 2023.**

## 8. Submit Financial Information with the Superintendence of Companies

In addition to the special grounds for surveillance provided for in Chapter 1 of Title 2 of Decree 1074 of 2015, in 2023, companies and branches of foreign companies that as of December 31, 2022, have the following assets or income thresholds will be subject to the supervision of the Superintendence of Companies:

- a. Total assets greater than the equivalent of 30.000 MMW established on 2023 (COP\$34.800.000.000 approx. US\$7,250,000).
- b. Total income greater than the equivalent of 30.000 MMW established on 2023 (COP\$34.800.000.000 approx. US\$7,250,000).

The supervision will begin on the **first business day of April** of the following year to which the respective accounts closing corresponds. Therefore, if in April 2023 it is verified that any of the thresholds is met, according to the closing of fiscal year 2022, the company or branch of foreign

company will be subject to the surveillance of the Superintendence of Companies and must comply with the obligations of a supervised company.

By mandate of Article 289 of the Commercial Code, companies, and branches of foreign companies subject to **supervision** or **control** must submit the Financial Statements with cut-off date December 31, 2022, to the Superintendence of Companies, even if they do not receive a special order from this entity.

By mandate of Article 83 of Law 222 of 1995, companies and branches of foreign companies subject to **inspection** that receive a special order from the Superintendence of Companies, are obligated to submit the Financial Statements with cut-off date December 31, 2022.

The Financial Statements requested must be submitted certified and audited, with the scope provided in Articles 37 and 38 of Law 222 of 1995.

Business entities subject to **supervision** or **control** that, as of December 31, 2022, determine that they do not comply with the requirements of an ongoing business or are undergoing a voluntary liquidation process, must comply with the provisions of External Bulletin 100-000006 of November 9, 2018.

The submission of the information must be done through the business portal of the Superintendence of Companies. **The filing dates begin on April 11, 2023** and are established in accordance with the last 2 digits of the companies and branches of foreign companies Tax ID (NIT) (without including the verification digit (DV)), as set forth in External Bulletin No. 100-00012 of 2022 of the aforementioned Superintendence. **These deadlines are non-extendable.**

Companies and branches of foreign companies must submit the year-end Financial Statements with the following **additional documents**, which must be filed on the dates set forth in the External Bulletin:

- a. Document in which the Legal Representative and Public Accountant certify that the Financial Statements with cut-off date December 31, 2022 comply with the provisions of Article 37 of Law 222 of 1995, additionally signed by the Statutory Auditor, if any.
- b. Management Report that must be submitted to the Shareholders' Assembly in accordance with Article 446 of the Commercial Code and Article 46 of Law 222 of 1995. This is **not** applicable to branches of foreign companies.
- c. Opinion of the Statutory Auditor.
- d. Complete notes to the Financial Statements which must contain the relevant information of the: (i) financial situation; (ii) comprehensive income of the year; (iii) components of other income; (iv) changes in equity; and (v) cash flow.
- e. Copy of the minutes of the Shareholders' Assembly in which the Financial Statements were considered and approved. This is **not** applicable to branches of foreign companies.

Failure to provide the additional documents within the established deadlines will give rise to the pertinent penalties, to the extent that the Financial Statements will only be deemed to have been received if submitted with all the additional documents mentioned above.

The business entities that are parent or controlling companies and that are required to report year-end financial information, must also submit the **Consolidated Financial Statements**, as well as the **additional documents** to the Consolidated Financial Statements.

## 9. File Report 42- Corporate Practices before the Superintendence of Companies

Companies subject to **surveillance** or **control** must submit the Business Practices Report 42 corresponding to the year 2022 on the due dates established in the aforementioned External Bulletin 100-00016 of November 17, 2021, according to the last 2 digits of the NIT (without the verification digit). **The filing dates begin on May 16, 2023.**

This is **not** applicable to branches of foreign companies.

## 10. Adopt the Self-Control and Risk Management System for Money Laundering, Terrorism and Proliferation of Weapons of Mass Destruction Financing – SAGRILAFT or Minimum Measures Regime, as applicable

### a. Adopt SAGRILAFT

Companies, sole proprietorship companies and branches of foreign companies located in Colombia that as of December 31, 2022, have complied with the requirements listed below and are subject to the **surveillance** or **control** of the Superintendence of Companies are obligated to adopt a SAGRILAFT under the terms of numeral 5 of Chapter X of the Basic Legal Bulletin of the Superintendence of Companies, as long as they are not supervised by another entity and have a special surveillance regime due to their activity.

Companies that by December 31, 2022, acquire the obligation to implement the SAGRILAFT in accordance with the provisions of this section, shall implement it **no later than May 31, 2023.**

Sector	As of Dec 31, 2022, have a Total Income equal to or greater than	Activity
Real estate agents	30.000 MMW (COP\$30.000.000.000/approx. US\$6,250,000)	That under its corporate purpose includes real estate activity (understood as the provision of brokerage services in the purchase, sale, exchange or lease of real estate for their clients) and that in the preceding calendar year they have carried out business or transactions in connection with such activity, with national or foreign individuals or legal entities under public or private law, equal to or greater than (100 MMW. (COP\$100.000.000/approx. US\$20,833.33).
Precious metals and precious stones	30.000 MMW (COP\$30.000.000.000/approx. US\$6,250,000)	That are habitually engaged in the commercialization of precious metals and stones.
Legal services	30.000 MMW (COP\$30.000.000.000/approx. US\$6,250,000)	That its economic activity registered with the commercial registry or the economic activity that generates for the company the highest Ordinary Activity Income according to the applicable laws is the one identified

Sector	As of Dec 31, 2022, have a Total Income equal to or greater than	Activity
		with the code 6910 of the ISIC Rev. 4 A.C.
Accounting services	30.000 MMW (COP\$30.000.000.000/approx. US\$6,250,000)	That its economic activity registered with the commercial registry or the economic activity that generates for the company the highest Ordinary Activity Income according to the applicable laws is the one identified with the code 6920 of the ISIC Rev. 4 A.C.
Building construction and civil engineering works	30.000 MMW (COP\$30.000.000.000/approx. US\$6,250,000)	That its economic activity registered with the commercial registry or the economic activity that generates for the company the highest Ordinary Activity Income according to the applicable laws is the one identified with the codes 4111,4112,4210,4220 or 4290 of the ISIC Rev. 4 A.C.
Virtual Assets Services*	Total Income equal to or greater than 3,000 MMW (COP\$3.000.000.000/approx.US\$625,00) or Assets equal to or greater than 5,000 MMW (COP\$5.000.000.000/approx.US\$1,041,666).	<p>That the Company performs, for or on behalf of another individual or company, one or more of the following activities or operations equal to or greater than (individually or jointly) to 100 MMW (COP\$100.000.000/approx.US\$20,833).</p> <ol style="list-style-type: none"> <li>1. exchange between Virtual Assets and fiat currency;</li> <li>2. exchange between one or more forms of Virtual Assets;</li> <li>3. transfer of Virtual Assets;</li> <li>4. custody or administration of Virtual Assets or instruments that allow control over Virtual Assets;</li> <li>5. participation in and provision of financial services related to an issuer's offering or sale of a Virtual Asset; and</li> <li>6. in general, services related to Virtual Assets* Virtual Asset is the digital representation of value that can be traded or transferred digitally and can be used for payments or investments.</li> </ol> <p>** In this case, it is not required that the company be subject to the surveillance or control of the Superintendence of Companies, as long as it is not supervised by another entity and has a special surveillance regime due to its activity.</p>
Companies receiving contribution	N/A (The criteria is set forth in the next column).	Companies that, as of December 31 of the immediately preceding year, had received one or more

Sector	As of Dec 31, 2022, have a Total Income equal to or greater than	Activity
s in Virtual Assets		contributions of Virtual Assets equal to or greater than (individually or jointly) 100 MMW (COP\$100.000.000/approx.US\$20,833).
Sectors under special supervision or special regimes	N/A (Applies to all companies in this sector).	a. Commercial Self-financing Plans Administration Companies (CSPAC). b. Libranza Operating Companies, supervised by the Superintendence of Companies. c. Companies that carry out Multilevel Marketing Activities. d. Livestock funds. e. Companies that carry out factoring activities, supervised by the Superintendence of Companies.
All other sectors	40.000 MMW (COP\$40.000.000.000/approx.US\$8,333,333).	N/A

**b. Adopt Minimum Measures Regime**

Companies, sole proprietorship companies and branches of foreign companies belonging to the following sectors and that meet the listed below requirements are obligated to adopt a Minimum Measures Regime under the terms of numeral 6 of Chapter X of the Basic Legal Bulletin of the Superintendence of Companies.

Companies that by December 31, 2021, acquire the obligation to implement the Minimum Measures Regime in accordance with the provisions of this section, shall implement it **no later than May 31, 2023**.

Sector	Total Income equal to or greater than; or Assets equal to or greater than	Activity
Real estate agents	Income: 3.000 MMW (COP\$3.000.000.000/approx.US\$625,000) or Assets: 5.000 MMW (COP\$5.000.000.000/approx.US\$1,041,666).	Habitually engaged in the provision of brokerage services in the purchase or sale of real estate on behalf of their clients.
Precious metals and stones	Income: 3.000 MMW (COP\$3.000.000.000/approx.US\$625,000) or Assets: 5.000 MMW (COP\$5.000.000.000/approx.US\$1,041,666).	Habitually engaged in the commercialization of precious metals and precious stones.
Legal services	Income: 3.000 MMW (COP\$3.000.000.000/approx.US\$625,000) or Assets: 5.000 MMW (COP\$5.000.000.000/approx.US\$1,041,666).	That its economic activity registered in the commercial registry or the economic activity that generates for the company the highest Ordinary Activity Income according to the applicable laws is the one identified with the code 6910 of the ISIC Rev. 4 A.C.
Accounting services	Income: 3.000 MMW (COP\$3.000.000.000/approx.US\$625,000) or	That its economic activity registered in the commercial



	Assets: 5.000 MMW (COP\$5.000.000.000/approx.US\$1,041,666).	registry or the economic activity that generates for the company the highest Ordinary Activity Income according to the applicable laws is the one identified with the code 6920 of the ISIC Rev. 4 A.C.
--	---	---

**c. Reports to the Financial Information and Analysis Unit - UIAF**

All companies, sole proprietorship companies and branches of foreign companies bound by Chapter X of the Basic Legal Bulletin in the terms indicated above, must **immediately** report to the Financial Information and Analysis Unit-UIAF all suspicious operations that they detect in the ordinary course of their business or activities (Suspicious Operations Report - "ROS").

Whenever a quarter lapses without the company making a ROS, the Compliance Officer, , must submit a report of "Absence of ROS", within 10 calendar days following the expiration of each quarter, in the online reporting system (SIREL) administered by the UIAF, in the corresponding form and terms, in accordance with the instructions of that platform.

For more information on Chapter X of the Basic Legal Bulletin, please consult External Bulletin No. 100-000016 of December 24, 2020 of the Superintendence of Companies.

**d. Reports to the Superintendence of Companies**

- Report 50 about the compliance of SAGRILAFT

All companies, sole proprietorship companies and branches of foreign companies bound by Chapter X of the Basic Legal Bulletin in the terms indicated above, must immediately report to the Superintendence of Companies, compliance with SAGRILAFT, in the terms and dates mentioned by the Superintendence. As of the date of publication of this bulletin, the reporting dates for 2023 have not been published.

- Report 58 on the appointment of the compliance officer for SAGRILAFT

All companies, sole proprietorship companies and branches of foreign companies bound by Chapter X of the Basic Legal Bulletin in the terms indicated above, must immediately report to the Superintendence of Companies, the appointment or change of the compliance officer for SAGRILAFT, in the terms and dates mentioned in the External Bulletin No. 100-000016 of December 24, 2020 of the Superintendence of Companies and within the **15 following business days of such appointment or change**.

**11. Adopt Transparency and Business Ethics Programs ("PTEE")**

On August 9, 2021, the Superintendence of Companies issued Bulletin 100-000011 that: (i) modified the criteria to determine which companies are obligated to implement a PTEE, and (ii) modified the requirements to be considered by such entities when implementing a PTEE. The above, through the addition of Chapter XIII to the Basic Legal Bulletin of the Superintendence of Companies, enforced since January 1, 2022.

**a. Companies required to implement a PTEE**

The bulletin has differentiated between Corruption Risks and Transnational Bribery Risks, so that each type of entity is assigned the obligation to identify and evaluate either Corruption Risks (the

possibility that, by action or omission, the purposes of public administration are diverted or public assets are affected for private benefit) or Transnational Bribery Risks (the possibility that a company, directly or indirectly, gives, offers or promises a Foreign Public Servant sums of money, objects of pecuniary value or any benefit or utility in exchange for said public servant to perform, omit or delay any act related to his/her functions and in connection with an International business or transaction), or they could meet the requirements that obligate them to cover both types of risks. The requirements on which this obligation is calculated is based on the MMW established on 2022.

Thus, the entities obligated to implement a PTEE are the following:

Type of Company and Economic Sector	Criteria	Threshold MMW (Equal or Over)	Threshold \$ as of 31 Dec. 2022 (Equal or Over)	Type of Risk
<b>Any Economic Sector</b> Companies, sole proprietorship companies and branches of foreign companies subject to the surveillance of the Superintendence of Companies	International Business Transaction, <u>and</u>	100	COP\$100.000.000/approx. US\$20,833	Transnational Bribery
	Income <u>or</u> Assets	30.000	COP\$30.000.000.000/approx. US\$6,250,000	
<b>Any Economic Sector</b> Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control of the Superintendence of Companies	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income <u>or</u> Assets	30.000	COP\$30.000.000.000/approx. US\$6,250,000	
<b>Pharmaceutical</b> (CIU 2011, 2100, 3250 y 4645 CIU Rev. 4 A.C). Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control of the Superintendence of Companies	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income	3.000	COP\$3.000.000.000/approx. US\$625,000	
	<u>or</u> Assets	5.000	COP\$4.542.630.000/approx. US\$1,164,776.	
<b>Construction and Infrastructure</b> (4111,4112, 4210, 4220 o 4290 CIU Rev. 4 A.C) Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income	3.000	COP\$3.000.000.000/approx. US\$625,000	
	<u>or</u> Assets	5.000	COP\$5.000.000.000/approx. US\$1,004,166	

Type of Company and Economic Sector	Criteria	Threshold MMW (Equal or Over)	Threshold \$ as of 31 Dec. 2022 (Equal or Over)	Type of Risk
of the Superintendence of Companies				
<b>Manufacturing</b> (1020, 1030, 1040, 1051, 1063, 1071, 1072, 1081, 1082, 1083, 1084, 1089, 1090, 1391, 1399, 1410, 1420, 1430, 1512, 1521, 1522, 1701, 1640, 2013, 2014, 2030, 2219, 2410 y 2651, 2826 CIU Rev. 4 A.C; or that its commercial activity is the transformation of raw material into final products). Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control of the Superintendence of Companies.	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income	3.000	COP\$3.000.000.000/approx. US\$625,000	
	<u>or</u> Assets	5.000	COP\$5.000.000.000/approx. US\$1,004,166	
<b>Mining and Energy</b> (B05, B07, 4662 CIU Rev. 4 A.C) Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control of the Superintendence of Companies	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income	3.000	COP\$3.000.000.000/approx. US\$625,000	
	<u>or</u> Assets	5.000	COP\$5.000.000.000/approx. US\$1,004,166.	
<b>Communication and Technologies</b> (6120, 6130, 6190, 6209, CIU Rev. 4 A.C). Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control of the Superintendence of Companies	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income	3.000	COP\$3.000.000.000/approx. US\$625,000	
	<u>or</u> Assets	5.000	COP\$5.000.000.000/approx. US\$1,004,166	

Type of Company and Economic Sector	Criteria	Threshold MMW (Equal or Over)	Threshold \$ as of 31 Dec. 2022 (Equal or Over)	Type of Risk
<b>Sale of Vehicles</b> (4511, 4512, 4530 y G4541 CIU Rev. 4 A.C). Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control of the Superintendence of Companies	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income	3.000	COP\$3.000.000.000/approx. US\$625,000	
	<u>or</u> Assets	5.000	COP\$5.000.000.000/approx. US\$1,004,166.	
<b>Ancillary financial Services</b> (6619 CIU Rev. 4 A.C). Companies, sole proprietorship companies and branches of foreign companies subject to inspection, surveillance, or control of the Superintendence of Companies	Agreements with public entities, <u>and</u>	500	COP\$500.000.000/approx. US\$104,166	Corruption
	Income	3.000	COP\$3.000.000.000/approx. US\$625,000	
	<u>or</u> Assets	5.000	COP\$5.000.000.000/approx. US\$1,004,166	

**b. Term for implementing**

Companies that meet the above requirements by December 31, 2022, must adopt their respective PTEE **no later than May 31, 2023**.

It should be noted that if a company already had the obligation to implement a PTEE, for having complied with the requirements and thresholds established in the previous regulations, this deadline would not apply since it should have implemented the PTEE according to the deadlines established in such regulations.

**c. Reports before the Superintendence of Companies**

▪ **Report 52 regarding compliance with the PTEE**

All companies obligated under Chapter X of the Basic Legal Bulletin in the terms indicated above must report to the Superintendence of Companies compliance with the PTEE, in the terms and dates indicated by this Superintendence. As of the date of publication of this bulletin, the reporting dates for 2023 have not been published.

▪ **Report on the designation of the PTEE Compliance Officer.**

All companies, sole proprietorships and branches of foreign companies obliged under Chapter XIII of the Basic Legal Circular under the terms indicated above must certify to the Superintendency of Companies that the PTEE Compliance Officer complies with the requirements demanded and must provide the information requested, in accordance with External Circular 100-000011 of August 09, 2021 of the same Superintendency, within 15 business days following the designation or change.

- **Report on the status of Obligated Entity**

The entities required to have a PTEE must send an official letter to the Superintendency of Companies within 15 business days following the expiration of the term for the adoption of the PTEE, informing about their status as an Obligated Entity.

## **12. Obligations before the National Registry of Databases**

According to the Sole Bulletin of the Superintendence of Industry and Commerce, all companies and non-profit entities that have total assets exceeding 100,000 Tax Value Units (UVT), which is equivalent to approximately COP\$4.241.200.000 (approx. US\$883,583) by 2023, and all Legal Entities of a public nature, that process personal information as data Controllers under the scope of application of Law 1581 of 2012, are required to **register their databases with the Superintendence of Industry and Commerce**. Specifically, they must register their databases with the National Registry of Databases (“RNBD”).

In addition, the Superintendence of Industry and Commerce established the following obligations related to RNBD:

- a. The registry must be updated annually between January 2 and March 31; and
- b. Within the first 15 working days of the months of February and August of each year, the information of any claims submitted by the Data Holders must be reported and/or updated.

In view of this, we remind you that the deadline for reporting any complaint or claim from the data Subjects expires **on February 21, 2023**, and the deadline for the annual update expires on **March 31, 2023**.

Thus, we recommend those who are required to comply with these obligations to carry out the corresponding procedures as soon as possible to avoid investigations and penalties for non-compliance with the regulations applicable to personal data protection.

---

Should you have any questions or should you require our assistance with any of the above matters, please do not hesitate to contact us.