



Relevant excerpt of Minutes 1.344 dated March 18, 2002, whereby the regulations to implement the provisions of Resolution 116 of 2002 issued by the Superintendence of Securities (currently held in Chapter II Title X of Legal Basic Circular by the Financial Superintendence of Colombia) were approved

(...)

The General Manager, Mr. José Antonio Vargas Lleras, hereby submits the topic in the following terms:

Background:

Last February 27, the Superintendence of Securities issued Resolution 0116 whereby companies with shares subscribed at the National Securities Registration –such as the Company– were instructed on the procedures to empower proxies of shareholders for general assembly meetings and on the actions of administrators and officials at the assemblies.

The resolution contains, on the one hand, a catalogue with the procedures to grant powers and the conducts of employees and administrators that are qualified as unsafe or unauthorized practices and, on the other, it requires the adoption of measures to avoid prohibited practices, which is the responsibility of the Chairman of the Board of Directors, under the following premises:

- a) The Board of Directors is required to establish in writing measures that are appropriate and sufficient, aimed at ensuring the enforcement of the provisions of the resolution. These measures should target legal representatives, administrators and other officials of the respective company, in order to guarantee fair treatment of all its shareholders.
- b) The Board of Directors must adopt in writing control mechanisms, as well as design and enforce specific procedures by appointing officials responsible for verifying proper compliance of said procedures.
- c) Members of the Board of Directors must require prior to each assembly meeting that officials responsible for verifying compliance of adopted procedures deliver a compliance report thereof, and shall take the actions needed to rectify potential failures detected by the mentioned officials in charge of verification.
- d) Measures and mechanisms must be informed by the Chairman of the Board of Directors to the general market, via the Deputy Superintendent of Issuers prior to holding the respective shareholder assembly.

The practices sanctioned by the Resolution refer to requirements of powers foreseen in Articles 184 and 185 of the Code of Commerce and prohibitions to administrators and employees contained in Article 185 of the Code of Commerce, and apply to administrators and employees of the company, both directly or through an intermediary. These are:

- 1.- Encourage, promote or suggest to shareholders the granting of powers in which the name of the proxy for shareholder assembly meetings of the respective companies is not clearly defined.
- 2.- Receive from shareholders powers for assembly meetings in which the name of the proxy is not clearly defined.
- 3.- Accept as valid the powers vested by shareholders, failing to fully comply with the requirements of Article 184 of the Code of Commerce, to participate in shareholder assembly meetings.
- 4.- Suggest or determine the name of the persons who will act as proxies of shareholders at assembly meetings, in the case of individuals who according to the bylaws are entitled to exercise the legal representation of the company and of all other officials thereof.

5.- Recommend to shareholders to vote for a certain list, in the case of individuals who according to the bylaws are entitled to exercise the legal representation of the company and of all other officials thereof.

6.- Suggest, coordinate or agree with any shareholder or with any proxy thereof, the presentation in the assembly of proposals to be submitted to its consideration, in the case of individuals who according to the bylaws are entitled to exercise the legal representation of the Company and of the publicly traded company.

7.- Suggest, coordinate or agree with any shareholder or with any proxy thereof, voting in favor or against any proposal submitted during the assembly, in the case of individuals who according to the bylaws are entitled to exercise the legal representation of the company and of all other officials thereof.

Therefore, particularly in the case of administrators and employees, it has been clearly established in the resolution that they are entitled to exercise political rights inherent to their own actions and to the actions they represent when acting in their capacity as legal proxies.

Current Situation:

The Company's position vis-à-vis conducts indicated in the resolution has been to prevent all of them and, in fact, the General Secretariat has always taken the pertinent measures to do so.

We must emphasize therefore that since the issue of shares in favor of workers, the Company has initiated the contracting process with a trust company to control the powers of representation and the attendance to general assembly meetings. The Trust has been continuously provided with express instructions on the formal requirements for powers of representation and has exercised the control thereof.

Summons to assembly meetings explicitly advise shareholders on the fact that powers should meet the requirements of Article 184 of the Code of Commerce and, more importantly, on the prohibition for employees and administrators of representing shareholders other than themselves, except in cases of legal proxies. The trust company engaged has instructions on this matter.

Request:

We request the Board of Directors to issue regulations in accordance with the requirements of Resolution No. 116 of February 27, 2002 of the Superintendence of Securities.

Legal Grounds:

The legal grounds used to issue these measures, in addition to Articles 184 and 185 of the Code of Commerce is Resolution 0116 itself issued by the Superintendence of Securities.

Resolution No. 116 of February 27, 2002 issued by the Superintendence of Securities makes an integral part of the minutes.

Decision:

The Board of Directors considering Resolution 116 of February 27, 2002 issued by the Superintendence of Securities adopted the following regulations:

1. The General Secretariat shall be the area in charge of managing and controlling the powers of representation and for ensuring that these practices prohibited by the Resolution do not happen during general assembly meetings.
2. The General Secretariat shall order and incorporate, as an instruction of the trust, the obligation of returning to their principals the powers that could breach conducts prohibited by the Resolution.
3. We will continue enforcing the practice of informing shareholders, in the summons, that powers cannot be vested on Company administrators or employees, and shareholders will be prevented from vesting them on individuals associated with the administration or with employees.
4. The Company cannot receive special powers prior to the summons whereby it is informed on the topics to be addressed in the respective assembly meeting.
5. The administrators must take the necessary measures in order for officials to act with neutrality vis-à-vis shareholders.

6. The administrators must adopt, prior to holding a shareholders assembly meeting, all measures that are appropriate and sufficient to ensure the effective participation of shareholders in the assembly meeting and their exercise of political rights.
7. The General Secretariat shall inform the Board of Directors, prior to every assembly meeting, about compliance with the measures herein provided.