

GRUPO  
**BOLÍVAR**



**GENERAL ASSEMBLY OF SHAREHOLDERS  
RULES**

**GRUPO BOLÍVAR S.A.**



## GRUPO BOLÍVAR S.A.'S GENERAL ASSEMBLY OF SHAREHOLDERS RULES

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## GRUPO BOLÍVAR S.A.'S GENERAL ASSEMBLY OF SHAREHOLDERS RULES

Without prejudice to the provisions contained in the law and the bylaws related to the Assembly of Shareholders, the shareholders of GRUPO BOLÍVAR S.A. have approved these Rules, in such terms set forth below.

### Preliminary Title. PRELIMINARY ASPECTS

**ARTICLE 1. Composition.** According to the Company's bylaws, the General Assembly of Shareholders of GRUPO BOLÍVAR S.A. shall be composed by the shareholders or their representatives gathered with such quorum and such conditions provided in the Law and the corporate Bylaws.

**ARTICLE 2. Chairman.** The General Assembly of Shareholders shall be chaired by the Chairman of the Board of Directors or whoever takes his place, or in failure thereof, by one of the Board members present in alphabetical order by the last name, or lastly by the shareholder or individual appointed by the Assembly.

**ARTICLE 3. Meetings.** The meetings of the General Assembly of Shareholders shall be regular or special<sup>1</sup>. Regular meetings shall be held once a year, at the head office of the Company within the first three (3) months each year, at such date and time pointed out by the Board of Directors. If the Regular Meeting of the Assembly is not called in due time, it shall automatically hold a meeting on the first business day of April at ten in the morning (10:00 a.m.), at the head office where the Company's management operates.

Special meetings shall take place at such time when GRUPO BOLÍVAR S.A. deems it is convenient, by call made by the Board of Directors, or by the Chairman of the Board of Directors, or by the Company's President or by the Legal Representatives, the Statutory Auditor, as they deem convenient.

Any of the aforementioned bodies must call the General Assembly to special meetings whenever it is requested by a singular or plural number of Shareholders representing at least 25% of the subscribed shares<sup>2</sup>, whenever there are elements to reasonably believe that such Assembly is required to guarantee their rights or to provide them with information they do not hold, to which they are legally entitled to.

However, the General Assembly may hold meetings without prior call at any place if all subscribed shares are represented.

On the other hand, the Financial Superintendence may also order the call of the Assembly to special meetings or call them directly in the following cases:

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<sup>1</sup> Articles 181 and 182 of the Code of Commerce provides the types of meetings to be held by shareholders and expressly provides such matters that may be discussed and decided at special meetings.

<sup>2</sup> Article 182 of the Code of Commerce provides that the Assembly may be called when requested by a number of associates representing the fourth portion or more of the capital stock.



- 3.1. If the meetings have not been held within such opportunities provided by the law or the bylaws.
- 3.2. If serious irregularities have been committed at the management that should be informed or remedied at the Assembly. The order to call the Assembly shall be followed by the legal representative or the statutory auditor.
- 3.3. When requested by a group of shareholders of the Company representing an amount of shares not greater than 10% of the outstanding shares and having no representation within the Company's management, provided it is believed that their rights have been undermined<sup>3</sup>.

Likewise, there may be non-face meetings of the General Assembly of Shareholders under such terms provided by the law.

**ARTICLE 4. Call.** The call for regular meetings shall be made with at least fifteen (15) business days in advance. Other meetings shall only require five (5) common days in advance to the meeting.

Also, in order to facilitate the making of decisions informed at the Assembly, any documentation required for due information to shareholders on the topics to discuss shall be made available within the term of the Call at the corporate domicile of GRUPO BOLÍVAR S.A.,

**ARTICLE 5. Notice.** Shareholders shall be informed by communication to each shareholder sent to the last addressed registered or by one (1) announcement published at one (1) or more nationwide distribution newspaper at the corporate domicile. The notice for the call of special meetings shall point out the matters to be discussed and decided, without being allowed to discuss other topics unless the majority of shares represented in the meeting so decide, once the agenda of the meeting is exhausted.

In addition to the above, the website of GRUPO BOLÍVAR S.A. [www.grupobolivar.com.co](http://www.grupobolivar.com.co) shall have a special section with information of interest for shareholders. Also, the website shall be used to inform about the calls to the meetings of the Assembly.

**ARTICLE 6. Agenda.** The agenda of the meetings of the Assembly should be clear and properly differentiated so as not to be confused with others, and giving shareholders full knowledge of the matters to be to be addressed.

The foregoing is without prejudice to the power of the Assembly to address additional matters. The notice of call for special meetings shall specify the matters to be discussed and decided, without having other matters unless decided by the majority of shares represented, once the agenda is exhausted.

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<sup>3</sup> Law 446 of 1998 in regard to protection of minority shareholders provides: "For a group of shareholders of issuing companies that represent a number of shares not exceeding 10% of the outstanding shares and having no representation within the Company's management, they may request the Superintendence to intervene if they believe that their rights have been undermined" (Art. 141 and 142 Law 446/98).



Subject to the laws on the matter, when the meeting of the Assembly is to consider for decision any segregation operations, changes of corporate purpose, waiving to the right of preference, the change of the registered office and the early dissolution, the agenda shall expressly include these situations.

In order to add transparency of the decision-making process during the General Assembly, besides the agenda of the meeting with the statement item by item of the topics that will be discussed, the Company has provided that concurrently with the call, shareholders are to be informed of the Proposed Resolutions, if any, for each item of the Agenda that will be submitted by the Board of Directors to the General Assembly of Shareholders.

**ARTICLE 7. Inclusion of topics on the agenda of the Assembly.** Shareholders who individually considered are holders of five percent (5%) or more of the capital stock are entitled to propose the inclusion of one or more items to be discussed in the Agenda of the Ordinary General Meeting of Shareholders and submit Proposed Resolutions in connection with such items provided for in the Agenda.

The Proposals for Additional Items to be included in the Agenda as Propositions Resolutions should be sent to the General Secretary by writing filed with the Investor's Assistance Office within five (5) calendar days following the publication of the respective call, who shall inform accordingly to the Board of Directors.

In the event that the Board of Directors accepts the request, no later than one day after the Board's meeting to consider the Proposals for Additional Items to be included in the Agenda as Proposed Resolutions, a supplement to the call will be published on the website of Grupo Bolivar S.A. whereby it includes the new items of the Agenda proposed by the Shareholders.

In the event that the Board does not consider appropriate to accept the Proposals for Additional Items to be included in the Agenda or Proposed Resolutions, the Board through the General Secretary shall respond in writing explaining the reasons for its decision and informing Shareholders of the right they have in any case to present their proposals during the meeting of the Assembly in accordance with the provisions of Article 182 of the Code of Commerce.

**ARTICLE 8. Request for information about items on the agenda of the Assembly.** Up to 5 business days prior to the date set for the holding of the Regular Meeting of the General Assembly of Shareholders, Shareholders may, by notice to the Investor's Assistance Office, make requests concerning the matters contained in the Agenda, without prejudice to the corresponding right of inspection.

Grupo Bolivar S.A. will address such requests accordingly and it shall refrain from providing confidential and/or privileged information or which may be classified as: i) unreasonable; ii) irrelevant to know the progress or the interests of the Company; iii) such which disclosure may seriously and imminently endanger the competitiveness thereof.

If answer is delivered to the interested party, it shall be made available to all shareholders on equal opportunities and conditions through the channels that the management considers suitable for such purpose.



**ARTICLE 9. Right of Inspection.** GRUPO BOLIVAR S.A. shall facilitate the decision-making process to its shareholders by making available to them within the term of the call and at the corporate domicile, such information required by the legal provisions to exercise the right of inspection and the proposed integration of the Board of Directors, including the most relevant data of the résumé and professional profile of the candidates, provided that the Management has such information when making the call.

This rights shall in no case be extended to documents related to trade secrets or in the case of data that if being disclosed, could be used in detriment of the company.

**ARTICLE 10.- Special Report.** In such operations that can lead to the dilution of minority shareholders' capital (if a capital increase takes place with waiver of preemptive rights in the subscription of shares, a merger, demerger or segregation, among others), Grupo Bolivar S.A. shall explain them in detail to shareholders in a previous report from the Board of Directors, and with the opinion on the terms of the transaction, from an independent external adviser with recognized solvency (fairness opinion), appointed by the Board.

These reports are made available to shareholders in advance of the Assembly within the terms for exercising the right of inspection.

**ARTICLE 11. Secretariat.** The Secretary of the General Assembly of Shareholders shall be the Legal Vice-President - General Secretary of the Company and in failure thereof, subject to any other decision made by the Assembly.

**ARTICLE 12. Minutes of the Assembly.** All meetings of the General Assembly of Shareholders shall be recorded in minutes including the signatures of the Chairman of the relevant meeting and the Secretary thereof and shall be included in a duly registered Book of Minutes, when approved. The minutes so authorized shall be full evidence as to the contents thereof<sup>4</sup>.

#### Title I. QUORUM

**ARTICLE 13. Deliberative quorum.** The plural number of shareholders representing at least one half plus one of the subscribed and paid-in shares shall represent a deliberative quorum at the meetings of the General Assembly, unless the law or the bylaws require a special majority for certain acts, in which case such majority shall be required.

If a meeting is called but not held due to the lack of quorum, a new meeting shall be called which shall be held and validly decide with a plural number of associates whichever is the amount of shares being represented. The new meeting shall not be held before ten (10) business days or after thirty (30) business days computed as from the first meeting.

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<sup>4</sup> Article 189 of the Code of Commerce provides that the copy of the minutes approved by the Assembly is sufficient evidence of the events recorded therein.



For this effect, such proxies granted for the first meeting, shall be in effect for the following meeting, unless they are revoked.

**ARTICLE 14. Deciding quorum.** The decisions of the General Assembly shall be made with a plural number of shareholders representing the absolute majority of shares represented at the meeting, except in such cases where the Law or the bylaws require a greater majority, in which case such majority shall be required.

**ARTICLE 15. Quorum for the Amendment of bylaws.** The General Assembly of Shareholders shall approve the amendment of bylaws pursuant to the majorities provided in the Law and the bylaws.

## Title II. SHAREHOLDERS' REPRESENTATION

**ARTICLE 16. Proxies.** Any shareholder may be represented at the meetings of the General Assembly of Shareholders by power of attorney granted in writing<sup>5</sup> pointing out the name of the proxy, the individual who may replace the same and the date of the meeting or meetings for which it was granted. It is understood that the power of attorney granted for one meeting shall be valid for the number of sessions of the corresponding Assembly for the same meeting. Principals and agents shall be identified pursuant to the legal provisions<sup>6</sup>.

**ARTICLE 17. Prohibition for representation.** Except in cases of legal representation, managers and employees of GRUPO BOLIVAR S.A. may neither represent at meetings of the General Assembly of Shareholders any shares other than their own while in performance of their duties, nor substitute the powers of attorney granted to them. They may not vote on the balance sheets and year-end accounts or the liquidation accounts.

No officer of the Company by himself or through third parties, may solicit or collect powers of attorney for regular and special meetings of the General Assembly of Shareholders, or recommend or induce by any process to grant them in favor of certain candidates.

## Title III. FUNCTIONS OF THE ASSEMBLY

**ARTICLE 18. Functions of the Assembly.** In accordance with the Bylaws, the functions of the General Assembly of Shareholders shall be as follows:

- 18.1. To issue its own rules;
- 18.2. To amend the bylaws in compliance with the legal requirements;
- 18.3. To order the merger, transformation or demerger of the Company;
- 18.4. To appoint for the corresponding periods the members of the Board of Directors and fix their remuneration.

<sup>5</sup> Article 184 of the Code of Commerce provides the mechanisms for shareholders to be represented through written power of attorney.

<sup>6</sup> Article 185 of the Code of Commerce provides that managers and employees of the company may not represent at meetings of the assembly any shares other than their own, while in exercise of their positions, and may neither substitute the powers of attorney being conferred.



- 18.5. To appoint for the corresponding periods, the Statutory Auditor, with his alternate, accept their resignation as the case may be and set their fees;
- 18.6. To approve the remuneration and succession policy of the Board of Directors.
- 18.7. To examine, approve or disapprove, at each year-end closing, the inventory, the balance sheet, the accounts, the reports from the Manager and the Board of Directors on the status of the Company and the project for profit distribution submitted by the Board of Directors.
- 18.8. To fix the amounts from the profits to be used for the payment of dividends, prior increase of the legal reserve as the case may be and the creation or increase of other reserves ordered by the Assembly for the good operation of the Company;
- 18.9. To decree the early dissolution of the Company, as well as the extension thereof;
- 18.10 Fully decide as supreme authority on all interests of the Company;
- 18.11 Exercise as supreme authority of the Company any other functions not assigned by these bylaws to other bodies or individuals.

For the purposes of approval of amendments to the Bylaws, each group of articles that are materially different may be voted separately. In any case, separately voting an article is made if any shareholder or group of shareholders representing at least five percent (5%) of the capital stock, so requests during the meeting of the Assembly, which right is to be previously disclosed to shareholders.

**ARTICLE 19. Remuneration of Board members.** The General Assembly of Shareholders shall annually approve the fees and maximum costs payable as remuneration to the members of the Board of Directors for attending the meetings of the Board and its Support Committees.

**ARTICLE 20. Election of Statutory Auditor.** The Statutory Auditor and his alternate shall be elected by the General Assembly of Shareholders for periods of two (2) years. Similarly, the Assembly shall have the power to set their remuneration and freely remove the same when necessary. The election of the Statutory Auditor shall be held based on an assessment conducted by the Audit Committee, after analysis of at least two alternatives in areas such as experience, time availability, human and technical resources necessary to perform its tasks, services offered, costs and fees, industry knowledge, among others.

In its capacity as parent company, Grupo Bolívar S.A. shall seek that the Statutory Audit firm appointed by the General Assembly of Shareholders also performs Auditing duties in the other Group companies, particularly those subject to inspection and surveillance from the Financial Superintendence of Colombia and its counterparts in other countries.

#### **Title IV. CONDUCTION AND DEVELOPMENT OF THE ASSEMBLY**

**ARTICLE 21. Intervention of Shareholders.** After the interventions that may be established by the President of the Assembly directly related to the agenda, shareholders may be allowed to speak in order to ask questions or make proposals.





Shareholders who wish to speak out shall identify themselves indicating their name, last names and number of shares they hold or represent, and whether they desire that their intervention to be fully recorded in the minutes of the Assembly or attached thereto, in which case they shall provide them to the Secretary of the Assembly prior to their intervention, in writing and signed. After the round of speeches, answers to the shareholders shall proceed.

To facilitate the development of the votes those shareholders who desire to record their abstention vote, negative vote or opposition to the agreements reached by the Assembly shall be requested to provide such decision in writing and signed, prior to their intervention, to the Secretary of the Assembly.

**ARTICLE 22. Temporary Suspension.** Exceptionally, if there is a fact that substantially alters the good order of the General Assembly of Shareholders, or other extraordinary circumstances that prevent its normal development, the President of the Assembly may order its suspension during the time necessary to restore the conditions to continue. If such abnormal conditions persist, the adjournment of the Assembly for the next day shall be proposed, if decided by any plural number of assistants representing fifty-one percent, at least, of the shares represented at the meeting. In any case, discussions shall not extend for more than three days, if all shares are not represented<sup>7</sup>.

**ARTICLE 23. Adoption of Resolutions.** Resolutions shall be adopted by the majorities required by law and the bylaws. Each shareholder attending the Assembly shall have one vote per share held or represented.

The Chair of the Assembly shall inform the shareholders about the approval or not of the proposed resolutions submitted to the General Assembly if there are sufficient votes to reach the majority required in each of the resolutions.

**ARTICLE 24. Information about relevant findings made by the Auditor.** If there are qualifications in the Auditor's report, these and the actions proposed by the Company to remedy the situation, will have a statement made by the Chairman of the Audit Committee to shareholders gathered in General Assembly.

When the Board believes that its opinion must prevail over the qualifications and/or paragraphs of emphasis made by the Statutory Auditor, this Board position should be adequately explained and justified by a written report to the General Assembly, specifying the content and scope of the discrepancy.

**ARTICLE 25. Compulsory Decisions.** Such decisions made by the General Assembly of Shareholders in accordance with the bylaws and the Law, are binding for all shareholders, even those absent and dissident.

**ARTICLE 26. Information on the development of the Assembly.** In order to keep those shareholders unable to attend the General Assembly of Shareholders duly updated, GRUPO BOLÍVAR S.A. shall inform through the company's website, during the time such meeting is held, a summary of the major items giving

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<sup>7</sup> Article 430 of the Code of Commerce allows temporary suspension; however, it provides a restriction of discussions on amendment to bylaws and creation of privileged shares which shall always require the quorum set forth in the law or the bylaws.



rise to the Assembly, such as the time on which it started, the place of the meeting of the Assembly, deliberative quorum, and main topics to be addressed during the development thereof, among others.

#### **Title V. FINAL PROVISIONS**

**ARTICLE 27. Approval.** These Rules shall be approved by the General Assembly of Shareholders, and shall be informed to the market as relevant information.

**ARTICLE 28. Interpretation and amendment.** These Rules are made in furtherance of the provisions contained in the bylaws and the Corporate Governance Code of GRUPO BOLÍVAR S.A. in connection with the General Assembly of Shareholders; the interpretation and amendment thereof shall be in charge of the Assembly.

**ARTICLE 29. Approval and effectiveness.** These Rules, which are part of the System of the Corporate Governance provisions of GRUPO BOLIVAR S.A., shall apply to the meeting of the Assembly following such meeting on which this document is approved.