



## **Addendum No. 5 to the Public Debt Bonds Issue and Placement Schedule Empresas Públicas de Medellín E.S.P (Medellin Public Companies)**

### **PURPOSE**

This Addendum No. 5 is intended to extend the global issue and placement quota the Public Debt Bonds Issue and Placement Schedule of Empresas Públicas de Medellín E.S.P. by additional 1.5 trillion Pesos (COP 1,500,000,000.000), with which the Schedule would reach a global total authorized quota of 4.5 trillion Pesos (COP 4,500,000.000,000), the replacement of Fiduciaria Corficolombiana S.A. by Alianza Fiduciaria S.A. as Legal Representative of the Bondholders of the Schedule and the substitution of the cover, Summary, Chapter 1 “TERMS AND CONDITIONS OF BONDS”, and Chapter 5 “GLOSSARY,” as well as the back cover of the Schedule Informative Brochure, pursuant to the modifications made to the Schedule, such as, the extension of the term of redemption of Bonds and the inclusion of series F: Bonds in Pesos at variable bank reference indicator (BRI) rate.

The terms of this Addendum No. 5 shall bear the same meaning as the Brochure, unless specifically otherwise stated.

**NOTE:** This Addendum 5 replaces only the cover, Summary, Chapter 1, “TERMS AND CONDITIONS OF BONDS”, Chapter 5, “GLOSSARY”, and the back cover of the back cover of the original Informative Brochure of the Public Debt Bonds Issue and Placement Schedule of Empresas Públicas de Medellín E.S.P., and leaves some of the other constituting sections unchanged. The updated financial information and relevant Issuer information, which faithfully reflect their legal, economic and financial situation, are available to the interested parties in the National Registry of Values and the Issuers, RNVE, and in the company's webpage, [www.epm.com.co](http://www.epm.com.co), in the section Investors.

### **AMENDMENTS**

Below the sections of the Informative Brochure subject to modifications, as established in the purpose of this Addendum No. 5, which shall govern as of the last date of approval of the authorized agencies, that is to say, September 10, 2015.

## INFORMATIVE BROCHURE



*estamos ahí.*

### Public Debt Bonds Issue and Placement Schedule of Empresas Públicas de Medellín E.S.P. Global quota of up to COP 4,500,000,000,000

#### **Schedule and Bonds Overview**

Issuer .....	Empresas Públicas de Medellín E.S.P (Medellin Public Companies)
Address .....	Carrera 58 No. 42-125, Medellín
Main Business.....	Empresas Públicas de Medellín E.S.P. provides home utilities services consisting of water, sewage system, power and combustible gas distribution.
Security class .....	Public debt bonds
Circulation regime.....	To the order
Global quota of the Schedule.....	Up to COP 4,500,000,000,000
Placement Period and Term of Offering.....	See Chapter 1, section 1.4.2, of this Informative Brochure.
Series .....	A: Bonds in Pesos at variable CPI rate; B: Bonds in Pesos at variable fixed term deposit (FTD) rate; C: Bonds in Pesos at fixed rate; D: Bonds in real value unit (RVU) at fixed rate; E: Bonds in Dollars at fixed rate; F: Bonds in Pesos at variable bank reference indicator (BRI) rate
Minimum Investment.....	Equal to the value of one (1) Bond
Face Value per Bond .....	COP 10,000,000 for A, B, C and F Series; RVU 100,000 for D Series; and USD 5,000 for E Series
Subscription price.....	See Chapter 1, section 1.3.10, of this Informative Brochure.
Redemption Period .....	Between one (1) and forty (40) years as from the Date of Issue
Amortization of Capital .....	The Issuer shall establish the corresponding Public Offer Notice in the amortization schedule for the securities offered.
Rights incorporated by the securities.....	See Chapter 1, section 1.9.2, of this Informative Brochure.
Addressees of the Offerings .....	Natural persons, legal persons, institutional investors, official entities, and, in general, the investing public
Listing Modality.....	Automatic listing
Offering Modality .....	Public offering
Bond Yields.....	The Bonds shall bear a yield in Pesos based on the series under which they are issued. The maximum return rate shall be established by the Ministry of the Treasury and Public Credit.
Commissions and incidental charges for underwriters.....	The Investors shall not pay commissions nor incidental charges for the subscription of Bonds, as long as such Bonds are acquired in the primary offering.
Placement Agents.....	The Issuer shall establish the corresponding Public Offer Notice to the Placement Agents of the securities offered.
Bonds Managing Agent.....	Depósito Centralizado de Valores de Colombia, Deceval S.A.
Legal Agent of Bondholders.....	Alianza Fiduciaria S.A.
Stock Exchange in which they are listed.....	Bolsa de Valores de Colombia S.A.
Risk Rating.....	The Bonds have been rated AAA by Duff and Phelps de Colombia S.A., currently Fitch Ratings Colombia S.A., qualification that is granted to Issues that show the highest credit quality and that keep almost zero risk factors. See full rating report in the Rating granted under Chapter 4, section 4.1, of this Informative Brochure.
Market for the Bonds .....	Main Market

Empresas Públicas de Medellín has a Code of Good Governance adopted by the Board of Directors of the company, which is mentioned in the chapter Issuer General Information of this Informative Brochure and which is available to all investors in the company's webpage [www.epm.com.co](http://www.epm.com.co). Additionally, the Issuer reports annually on the Corporate Governance Practices contained in the Code of Best Corporate Practices of Colombia (Country Code), in accordance with Regulation Letter 028 of 2014, that superseded Regulation Letter 028 of 2007, as amended by Regulation Letter 056 of 2007 and Regulation Letter 007 of 2011, of the Financial Superintendence of Colombia (Superintendencia Financiera de Colombia.) This document can also be found by the investors in the company's webpage [www.epm.com.co](http://www.epm.com.co).

The financial information contained in this brochure is updated as of March 31, 2007. As of that date, the financial information and all relevant information are available for the interested parties in the National Registry of Securities and Issuers and/or in the Bolsa de Valores de Colombia S.A. and/or it may be consulted in the webpage of the Financial Superintendence of Colombia, [www.superfinanciera.gov.co](http://www.superfinanciera.gov.co).

The whole Issue shall be advanced in non-material form, thus purchasers waive the possibility of evidencing their securities by certificates.

The listing in the National Registry of Securities and Issuers and the authorization of the Public Offering do not imply rating nor responsibility whatsoever by the Financial Superintendence of Colombia in connection to the natural or legal persons registered, to the price, fitness or negotiability of the securities, as well as in connection to the corresponding Issue or ability to pay of the Issuer.

The listing of the Bonds in the Bolsa de Valores de Colombia S.A. does not imply any certification of the securities or the corresponding Issue, neither does it imply certification in connection to the ability to pay of the Issuer made by Bolsa de Valores de Colombia S.A.

Reading this Informative Brochure is considered crucial for the potential investors to properly assess the convenience of the investment.

*This brochure does not constitute an offer nor an invitation by or on behalf of the Issuer, Structuring Agent, Placement Agent(s) to underwrite or buy any of the securities treated herein.*

*Structuring Agent*

*June, 2007*



Citivalores S.A.  
Comisionista de Bolsa

## SUMMARY

The final terms and conditions of the Bonds to be issued under the Schedule, including but not limited to, the series to be issued, the amortization schedule, the Date of Issue, the Redemption Period and the yield, shall be specified in the corresponding Public Offer Notice, and correspond to the authorized agents in the issue and placement regulation, and as established herein.

Issuer .....	Empresas Públicas de Medellín E.S.P. (“Empresas Públicas de Medellín”, “EPM”, “EE.PP.M.” or the “Issuer”)
Security class.....	National Debt Bonds (the “Bonds”, each a “Bond” or “Security”)
Circulation regime .....	To the order.
Series .....	The Bonds may be issued in six (6) series, thus: 1. A Series: Bonds in Pesos at variable CPI rate 2. B Series: Bonds in Pesos at variable fixed term deposit (FTD) rate 3. C Series: Bonds in Pesos at fixed rate 4. D Series: Bonds in real value unit (RVU) at fixed rate 5. E Series: Bonds in Dollars at fixed rate 6. F Series: Bonds in Pesos at variable bank reference indicator (BRI) rate
Global quota of the Schedule .....	The global quota of the Schedule is of up to 4.5 trillion Pesos (COP 4,500,000,000,000) which could be extended upon the corresponding authorizations. The Bonds of the Schedule may be offered in one or several issues and these, in turn, could be placed in one or several Lots.
Interests .....	The Bonds of each sub-series shall accrue interests to the Coupon Rate established at the time of the first awarding of this sub-series within a same Issue. The Coupon Rate is the interest rate based on which the Issuer will pay interests on the current capital of the securities to the Investor. The Coupon Rate shall be unique for each sub-series of the same Issue.
Bond Yields.....	The A, B and F Series Bonds shall bear a yield in Pesos at the reference CPI, FTD, and BRI rates, respectively, plus a spread, and C Series Bonds a fixed rate in Pesos. D Series Bonds shall bear a yield in RVU at a fixed rate. E Series Bonds shall bear a yield in Dollars at a fixed rate. The Maximum Return Rate shall be established by the Ministry of Treasury and Public Credit, and, based on this, the yield of Bonds shall be calculated (Cutoff Rate) after the awarding process. This yield (Cutoff Rate) shall be the one used for the calculation of the Subscription Price.
Denomination of the Bond .....	The Bonds denomination shall be in the Colombian legal currency (“Colombian Pesos” or “Pesos”), in Real Value Units (“RVUs”) or in Dollars (“USD”).
Face Value.....	The Bonds shall issued in denominations of ten million Pesos (COP 10,000,000) each for the A, B, C and F Series; one-hundred thousand RVU (100,000) each for the D Series; and five-thousand Dollars (USD 5,000) each for the E Series.  In case partial amortizations are made, the face value of each Bond shall not be affected.

Current Capital .....	<p>The current capital of the Bonds as of the Date of Issue will be equal to its face value.</p> <p>In the event in which partial amortizations or prepayments are made, the Current Capital will be reduced by the amount in Pesos already paid up by Bond for the A, B, C and F Series; in number of RVUs paid up by Bond for D Series; and in the amount in Dollars paid up for E Series.</p>
Minimum Investment .....	Equivalent to the value of one (1) Bond, i.e., the amount of ten million Pesos (COP 10,000,000) each for the A, B, C and F Series; one-hundred thousand RVU (100,000) each for the D Series; and five-thousand Dollars (USD 5,000) each for the E Series.
Date of Issue.....	For each Issue, the Date of Issue will be the following business day to the publication of the Public Offer Notice of the first Lot of that Issue, in such a way that the different Issues may have different Dates from Issue. Notwithstanding the foregoing, in the event more than one Lot is offered for the same Issue, all Bonds of each Lot of the same Issue shall bear the same Date of Issue.
Redemption Period.....	Bonds shall be redeemed in periods of one (1) to forty (40) years from the Date of Issue as stated in the corresponding Public Offer Notice.
Period to Offer the Bonds Issues ...	The period given to offer the Bonds Issues under the Schedule shall be three (3) years as from the execution of the resolution ordering the listing of the bonds in the National Registry of Securities and Issuers. This period shall be renewed before its expiration, upon authorization from the Financial Superintendence of Colombia.
Placement Period.....	For each Issue, the placement period shall be the period that the Issuer states in the first Public Offer Notice of that Issue to offer and place the securities issued under it, which shall be considered as from the Date of Issue of the Bonds of the corresponding Issue. In no case shall said period be extended beyond the Period to Offer Bond Issues that make up the Schedule.
Term of the Offering .....	The term of each offering shall be set in the corresponding Public Offer Notice. Said term shall in no case exceed the Placement Period.
Frequency, Modality and Interest Calculation .....	Interests shall be paid in arrears modality, with monthly, quarterly, half-yearly and/or annual frequency, as established in the corresponding Public Offer Notice.
Addressees of the Offerings .....	Natural persons, legal persons, institutional investors, official entities, and, in general, the investing public.
Amortization of Capital.....	In the corresponding Public Offer Notice, the Issuer shall establish the amortization schedule of the offered securities according to the terms authorized in the issue and placement rules and according to the conditions set herein. Moreover, EPM may issue Bonds with prepay option as established in the issue and placement rules and in this brochure.
Structuring Agent .....	Citivalores S.A. Comisionista de Bolsa, broker firm of Bolsa de Valores de Colombia S.A., acted as Structuring Agent of the issuing of Bonds under the terms of Resolution 400/95 (current Decree 2555 of 2010.)
Placement Agent(s) .....	Broker firm(s) listed in the Bolsa de Valores de Colombia S.A. and designed by the Issuer.

Issue Managing Agent .....	Depósito Centralizado de Valores de Colombia, Deceval S.A. (“Deceval”), with offices in the city of Bogotá D. C., or its successor, has been appointed as Managing Agent of the Bonds of the Schedule under the bailment and management contract signed by the Issuer.
Legal Agent of the Bondholders .....	Alianza Fiduciaria S.A., with offices in the city of Bogotá, has been engaged to legally represent the Bondholders under the legal representation agreement of the Bondholders signed with the Issuer.
Stock Market in which the Bonds are Listed.....	Bolsa de Valores de Colombia S.A.
Risk Rating.....	The Bonds have been rated AAA by Duff & Phelps de Colombia S.A., currently Fitch Ratings Colombia S.A., qualification that is granted to Issues that show the highest credit quality and that keep almost zero risk factors. The full rating report is included in Chapter 4, section 4.1, of this brochure, and it can be consulted in the Financial Superintendence of Colombia as well as in their webpage, <a href="http://www.superfinanciera.gov.co">www.superfinanciera.gov.co</a> , in the link de “Información Relevante” (Relevant Information.)
Country Code .....	EPM complies with Regulation Letter 028 of 2014, that superseded Regulation Letter 028 of 2007, as amended by Regulation Letter 056 of 2007, and Regulation Letter 007 of 2011, of the Financial Superintendence of Colombia (Superintendencia Financiera de Colombia,) which adopts the Code of Best Corporate Practices of Colombia (Country Code) for entities listed or with securities listed in the National Registry of Securities and Issuers, which states voluntary adopted corporate governance parameters for these entities and sets a mandatory performance of an annual compliance survey. This report is available to all investors in the company's webpage: <a href="http://www.epm.com.co">www.epm.com.co</a> .
Applicable Law .....	The Bonds shall be governed by and construed under the laws of the Republic of Colombia.

## **1 TERMS AND CONDITIONS OF THE BONDS**

*The general terms and conditions of the Bonds which are applicable to each of the Issues under the issue and placement schedule are set below. The specific conditions for each Issue shall be supplemented and established in the applicable Public Offer Notice, as provided under the Issue and placement rules and in this brochure.*

The Issue and Placement Schedule (hereinbelow, the “Schedule”) is the means by which EPM structures with charge to a global quota the performance of one or more Issues of Public Debt Bonds to be offered by means of a Public Offering during the set period.

The Issue and offer of Bonds under the Schedule is subject to the provisions under Part 6 of Decree 2555 of 2010, which superseded Resolution 400/95, and the regulations that replace, supplement or amend it.

### **1.1 Issue and Placement Schedule Overview**

The Schedule shall be executed from the placement of Issues and lots, pursuant to the following conditions:

- Each Issue has one Date of Issue and it shall be offered in one or more Lots.
- Each sub-series of each Issue has particular financial conditions, exclusively applicable to the corresponding sub-series of the corresponding Issue.
- The amount of each Issue shall be established in the first or only Public Offer Notice of the first or only Lot. On the other hand, the amount of each Lot shall be set in the corresponding Public Offer Notice.
- Each Coupon Rate for each sub-series of each Issue shall be the same for each and every security that make up the sub-series of an Issue.
- The placement of the Bonds may be carried out gradually through one or several Public Offerings.
- The non-offered portion of each Issue shall be accrued to the remaining global quota of the Schedule and it shall be offered in one or several Issues.
- One or more Issues may be in placement progress at the same time.
- The underwritten amount of the Schedule shall in no case exceed the Schedule's global quota.

### **1.2 Use of Resources**

The Issuer shall use the resources from the placement of Bonds to provide for its investment plan, to service the debt and the needs of working capital. EPM shall report in the Public Offer Notice for each Lot the breakdown percentage for the concrete allocation of resources.

### **1.3 Characteristics and Financial Conditions of the Securities**

#### **1.3.1 Global quota of the Schedule**

The Issuer shall issue Bonds under the Schedule for a value of up to 4.5 trillion Pesos (COP 4,500,000,000,000) under the conditions set forth under the issue and placement rules and under this brochure.

The global quota of the Schedule may be extended upon obtention of the applicable authorizations.

The Bonds of the Schedule may be offered in one or several Issues and these, in turn, could be placed in one or several Lots.

The global quota of the Schedule and the amount of the corresponding Issue shall be reduced in the amount of the values being offered with charge to that Issue.

### **1.3.2 Circulation and Transference Regime**

The Bonds shall be issued to the order and in non-material form; thus the transfer of title shall be made exclusively by means of Annotations in bailment account or sub-accounts of the Holders in Deceval according to its rules of operations.

The Bonds shall be traded freely in the Bolsa de Valores de Colombia S.A. and their legal Holders may trade them directly or by means of Bolsa de Valores de Colombia S.A.

### **1.3.3 Denomination, Face Value and Minimum Investment**

The A, B, C and F Series Bonds denomination shall be in the Colombian legal currency (“Colombian Pesos” or “Pesos”); the D Series Bonds denomination shall be in RVUs; and the E Series Bonds denomination shall be in Dollars.

The Bond shall have a face value of ten million Pesos (COP 10,000,000) each for the A, B, C and F Series; one-hundred thousand RVU (100,000) each for the D Series; and five-thousand Dollars (USD 5,000) each for the E Series.

The current capital of the Bonds as of the Date of Issue will be equal to its face value.

In the event that partial amortizations or prepayments are made, the face value of each Bond shall not be affected, provided, however, the current capital shall be reduced in the amount in Pesos already paid up and prepaid per Bond for A, B, C and F Series; the number of paid up or prepaid RVUs per Bond for D Series; and in the amount of paid up or prepaid Dollars per Bond for the E Series.

The minimum investment shall be one Bond. Therefore, no transfer operations under the current capital of each Bond may be performed. The operations shall be carried out in full Bond units.

### **1.3.4 Number of Bonds to be Issued**

It shall be the number resulting from dividing the offered amount in Pesos for the corresponding Issue for the Series A, B, C and F by the face value in Pesos of each Bond.

The face value in Pesos of the Bonds for the D and E Series shall be the number resulting from multiplying the face value of the Bonds offered of said Series times the RVU value and the relative market exchange rate (RMER) respectively, current as of the Date of Issue.

### **1.3.5 Redemption of Bonds Period**

Bonds shall be redeemed in periods of one (1) to forty (40) years from the Date of Issue as stated in the corresponding Public Offer Notice.



### **1.3.6 Series**

Bonds may be issued in six (6) series:

- A Series: Bonds in Pesos at variable CPI rate.
- B Series: Bonds in Pesos at variable fixed term deposit (FTD) rate.
- C Series: Bonds in Pesos at fixed rate.
- D Series: Bonds in real value unit (RVU) at fixed rate
- E Series: Bonds in Dollars at fixed rate.
- F Series: Bonds in Pesos at variable bank reference indicator (BRI) rate.

Each Series shall be divided into sub-series according to the Redemption of Bonds Period and the amortization schedule in such a way that the letter corresponding to each Series shall be together with the corresponding Redemption Period, followed by one small letter representing an amortization schedule to be defined by the Issuer in the respective Public Offer Notice. As an example, if, in the Public Offer Notice, the Issuer desires to offer the A Series at 7 years with an amortization schedule of payment when due (for example, defined as “a”), it shall be stated that the referenced sub-series is the A7a. In this way, any of the Series to be offered may be subdivided in any number of sub-series according to (i) the periods, provided, however, said Redemption Period corresponds to the ones set in the issue and placement rules and in this brochure, and (ii) the amortization schedule, for which there may exist as many letters as amortization schedules defined by the Issuer, which shall observe the provisions under the issue and placement rules and under this brochure.

### **1.3.7 Amortization of Capital**

In the corresponding Public Offer Notice, the Issuer shall establish the amortization schedule of the offered securities, according to the terms authorized in the issue and placement rules and according to the conditions set herein.

The Bonds shall be paid up considering the following conditions:

- The capital represented by the Bonds may be fully paid off on the Expiration Maturity Date or in partial amounts before the Maturity Date.
- In the event of partial paying-offs:
  - The Issuer shall state the percentage of the face value to pay off the corresponding Bonds and the dates in which such payments shall be made in all the Public Offer Notices in which a sub-series with partial amortizations is offered.
  - The current capital shall be reduced in the same proportion for all Bonds of the same sub-series.
  - The date of the last paying-off should be the Maturity Date.
- For the paying of D Series amortization(s) of capital in Pesos, the number of RVUs to be paid-off represented in each security shall be multiplied times the value of the RVU of the day agreed for its payment.
- For the paying of E Series amortization(s) of capital in Pesos, the number of Dollars to be paid-off represented in each security shall be multiplied times the value of the current RMER a of the day agreed for its payment.
- Pay-offs may be made solely in interests payment dates.

In the event that the Issuer does not pay the corresponding capital at the indicated time, the Bonds shall accrue interests for delayed payment on the due capital at the maximum rate permitted by law.

Moreover, the Issuer may issue Bonds with prepayment option as established under the corresponding Public Offer Notice, and under the terms established in the issue and placement rules and this section 1.5 *Prepayment Option* of this brochure.

### **1.3.8 Frequency, Modality and Interest Calculation**

According to the provisions under section 6.1.1.1.5 of Decree 2555 of 2010, the Bonds of each sub-series shall accrue interests as from the Date of Issue, at the Coupon Rate established at the time of the first awarding of this sub-series within a same Issue.

The Coupon Rate is the interest rate based on which the Issuer shall pay interests on the current capital of the securities to the Investor.

The Coupon Rate shall be unique for each sub-series of the same Issue, and it shall be expressed with two (2) decimals in a percentage notation, i.e., as indicated below: 0.00%.

Interests shall be paid in arrears modality with monthly, quarterly, half-yearly and/or annual frequency, as established in the corresponding Public Offer Notice. The interest periods shall be counted as of the Date of Issue of the security and until the same day of the following month, quarter, semester and/or year, in the same way for every subsequent period until the Maturity Date. In case that day does not exist in the corresponding maturity month, the last calendar day of the corresponding month shall be used. Whenever such day does not correspond to a business day, the accrued interests shall be calculated up to the last day of the period, without prejudice to its payment being made on the immediate next business day.

In the event that the last day of the last interest period corresponds to a non business day, the Issuer shall pay the interests on the following business day and shall acknowledge the interests until such day. The interest pay day shall be considered business day until six in the afternoon. For calculating interests, one of the following conventions shall be used as provided for in the corresponding Public Offer Notice:

- 360/360: It corresponds to 360-day-years, with twelve (12) months, and months of thirty (30) days each.
- 365/365: It corresponds to 365-day-years, with twelve (12) months, with the corresponding calendar month duration for each of them, except for the month of February, which shall be considered with twenty-eight (28) days.
- Real/real: It corresponds to 365-day-years or 366-day-years, with twelve (12) months, with the corresponding calendar month duration for each of them.

These conventions shall be used in the same way for leap years.

There shall be no payment of interests for delayed interest or capital payment, except for delayed payment resulting from situations caused by the Issuer. In the event that the Issuer does not make the payments of the corresponding interests at the indicated time, the due interests shall not accrue delayed payment interests at the maximum rate permitted by law.

The factor that shall be used for the calculation and the liquidation of interests shall use six (6) approximate decimals by rounding method, either expressed as a fraction decimal (0.000000) or a percentage (0.0000%). Factor is understood as the result of the mathematical expression that determines the proportion of the interest rate for the period to be remunerated, based on the adopted convention.

The amount corresponding to the interests accrued and payable shall be rounded to the closest higher or lower full value expressed in Pesos. The rounding-off shall be done in the following way: for decimals equal to or greater than five (5), they shall be rounded to the higher unit, and those of lower than five (5) shall be rounded to the smaller unit.

The Issuer shall notify in each Public Offer Notice the Coupon Rate for each offered sub-series.

### **1.3.8.1 A Series**

A Series Bonds shall accrue a variable interest in Pesos subject to the CPI.

For calculating interests of the A Series, (i) the official CIP data for the last twelve months finished in the previous month to the maturity of the corresponding interest period shall be considered, or (ii) the official CPI data for the twelve months finished in the previous month to the first day of the corresponding interest period, as defined in the first Public Offer Notice of the corresponding Issue, expressed as an annual effective interest rate, to which the margin corresponding to the Coupon Rate shall be added, thus:  $((1+CPI) \times (1+margin))-1$ . To the rate thus obtained, its equivalent for the arrears period shall be calculated according to the convention and the interest payment frequency in place, and it shall be applied to the current capital for the corresponding period. In the event the Government eventually eliminates the CPI, this shall be replaced by the indicator that the Government establishes and reported by the organization that the Government designates for such effect.

No modification or amendment in relation to the CPI rate used for the corresponding calculations shall have retroactive effect.

### **1.3.8.2 B Series**

B Series Bonds shall accrue a variable interest in Pesos subject to the FTD.

For calculating the B Series interests, an annual nominal FTD rate in advanced quarter applicable to the week in which the corresponding interest period begins. To this rate, the margin corresponding to the Coupon Rate shall be added, resulting in the annual nominal rate in advanced quarter. To the rate thus obtained, its equivalent for the arrears period shall be calculated according to the convention and the interest payment frequency in place, and it shall be applied to the current capital for the corresponding period.

In the event the Government eventually eliminates the FTD, this shall be replaced by the indicator that the Government establishes and reported by the organization that the Government designates for such effect.

No modification or amendment in relation to the FTD rate used for the corresponding calculations shall have retroactive effect.

### **1.3.8.3 C Series**

C Series Bonds shall accrue a fixed interest in Pesos.

For calculating the C Series interests, the fixed rate shall be taken as Coupon Rate for each sub-series, which equivalent shall be calculated for arrears period according to the convention and the applicable interest payment frequency, and shall be applied to the current capital for the corresponding period.

### **1.3.8.4 D Series**

D Series Bonds shall accrue a fixed interest in RVU.

For calculating the C Series interests, the fixed rate shall be taken as Coupon Rate for each sub-series, which equivalent shall be calculated for arrears period according to the convention and the applicable interest payment frequency.

This rate shall be multiplied times the current capital in RVU represented in each security at the end of the corresponding interest period, multiplied, in turn, times the applicable RVU value for that date.

No modification or amendment in relation to the FTD rate used for the corresponding calculations shall have retroactive effect.

In the event the Government eventually eliminates the RVU, it shall be replaced by the indicator that the Government establishes and reported by the organization that the Government designates for such effect.

#### **1.3.8.5 E Series**

E Series Bonds shall accrue a fixed interest in Dollars payable in Pesos.

For calculating the E Series interests, the fixed rate shall be taken as Coupon Rate for each sub-series, which equivalent shall be calculated for arrears period according to the convention and the applicable interest payment frequency.

This rate shall be multiplied times the current capital in Dollars represented in each security at the end of the corresponding interest period, multiplied, in turn, times the value of the applicable RMER for the last day of this interest period.

No modification or amendment in relation to the RMER rate used for the corresponding calculations shall have retroactive effect.

In the event the Government eventually eliminates the RMER, it shall be replaced by the indicator that the Government establishes and reported by the organization that the Government designates for such effect.

#### **1.3.8.6 F Series**

F Series Bonds shall accrue a variable interest in Pesos subject to the BRI.

The calculation of the F Series interests shall take (i) the BRI - Term to an arrears nominal month - N.M.V. - effective to the date in which the corresponding interest accruing period ends, as set forth under the Reference Banking Indicator Rules, Section 22, - BRI published in January 2015, and the superseding, supplementing or adding rules, or (ii) the BRI - Term to a N.M.V. month effective to the date in which the corresponding interest accruing period starts, as set forth under the Reference Banking Indicator Rules, Section 22, - BRI published in January 2015, and the superseding, supplementing or adding rules, as set forth in the first Public Offer Notice of the corresponding Issue. To this, the points (margin) established at the time of the corresponding Public Offer shall be added, and that shall be the nominal rate for arrears month. Then, the annual equivalent rate for this rate shall be calculated in effective annual terms, thus:  $((1 + ((\text{BRI}\% \text{ N.M.V.} + \text{margin}\% \text{ N.M.V.})/12)) ^ 12) - 1$ . To the rate thus obtained, its equivalent nominal rate shall be calculated according to the interest payment frequency established by the Issuer at the time of executing the corresponding Public Offer, which shall be published in the corresponding Public Offer Notice, and the current capital shall be applied for the corresponding period.

In the event the Government eventually eliminates the BRI, it shall be replaced by the indicator that the Government establishes and reported by the organization that the Government designates for such effect.

No modification or amendment in relation to the RMER rate used for the corresponding calculations shall have retroactive effect.

#### **1.3.9 Yield of the Securities**

The A, B and F Series Bonds shall bear a yield in Pesos at the reference CPI, FTD, and BRI rates, respectively, plus a margin, and C Series Bonds a fixed rate in Pesos. D Series Bonds shall bear a yield in RVU at a fixed rate. E Series Bonds shall bear a yield in Dollars at a fixed rate.

The maximum return rate for each sub-series offered for each Lot shall be established by the Ministry of Treasury and Public Credit.

### 1.3.10 Subscription Price

The Subscription Price of the Bonds shall be the price at which one or several Bonds may be bought in the primary market and it shall be calculated as the current value of their interest and capital flows at the Date of Subscription, minus the corresponding Cutoff Rate expressed as annual effective rate and in the corresponding convention. The formula used for the calculation of the Subscription Price is the following:

$$P = \sum_{i=1}^n \frac{F_i}{(1 + TC)^{t_i}}$$

Where:

- P: it is the Subscription Price in Pesos
- Fi: is each of the interests and capital flows of the security in Pesos
- n: is the total flows of the security.
- CR: it is the corresponding Cutoff Rate expressed as annual effective rate.
- ti: is the time expressed in years between the Date of Subscription and the date corresponding to Fi, respecting the convention for counting days established in the corresponding Public Offer Notice.

The following considerations shall be taken into consideration for the calculation of the Subscription Price according to the previous formula:

- For A Series Bonds:
  - The CR shall be calculated by adding the margin corresponding to the Cutoff Rate to the applicable CPI as of the placement day Court, in the following way:  $((1 + \text{CPI}) \times (1 + \text{margin})) - 1$ .
  - The Fi shall be calculate based on the Coupon Rate, as provided under section “Frequency, Modality and Calculation of Interests” of this brochure, using the effective CPI as of the placement date.
- For B Series Bonds:
  - The CR shall be calculated by adding the margin corresponding to the Cutoff Rate to the applicable FTD rate as of the placement day expressed as a nominal annual rate for advanced trimester. To this result, its effective annual equivalent shall be calculated.
  - The Fi shall be calculated based on the Coupon Rate, as provided under the section “Frequency, Modality and Calculation of Interests” of this brochure, using the effective nominal annual FTD date for advanced trimester in the week of the placement date.
- In order to establish the Fi value in Pesos for the D Series Bonds, each flow in RVUs shall be multiplied times the value of the applicable RVU as of the placement date.
- In order to establish the Fi value in Pesos for the E Series Bonds, each flow in Dollars shall be multiplied times the value of the applicable RMER as of the placement date.
- For F Series Bonds:
  - The CR shall be calculated by adding the margin corresponding to the Cutoff Rate to the applicable BRI as of the placement day, in the following way:  $((1 + ((\text{BRI} \% \text{ N.M.V.} + \text{margin} \% \text{ N.M.V.}) / 12)) ^ 12) - 1$ .
  - The Fi shall be calculated based on the Coupon Rate, as provided under section “Frequency, Modality and Calculation of Interests” of this brochure, using the applicable BRI as of the placement date.

### **1.3.11 Place and Mode for Paying the Principal and Interest**

Provided the Bonds are represented by a Global Bond in possession of Deceval, all the capital and interest payments in connection to them shall be carried out by the Issuer to Deceval, and the latter shall distribute between the Holders said amounts according to the provisions under section “Bailment and Management of the Issue,” subsection “Collection,” of this brochure and in the Bailment and Management Contract of the Issue.

Any underwriter shall be or be represented by a Direct Security Depositor having a securities management service contracted with Deceval.

## **1.4 Conditions of the Offer and the Placement**

### **1.4.1 Listing Regime and Issue and Placement Schedule**

The Bonds are listed in the National Registry of Securities and Issuers in compliance with the requirements set forth under Decree 2555 of 2010, that superseded Resolution 400/95.

Moreover, the Bonds are part of an Issue and Placement Schedule according to the provisions under Part 6, Book 3, of Decree 2555 of 2010, that superseded Resolution 400/95.

### **1.4.2 Period to Offer the Bonds Issues, Placement Period and Term of the Offerings**

The period given to offer the Bonds Issues shall be three (3) years as from the execution of the resolution ordering the listing of the bonds in the National Registry of Securities and Issuers. This period shall be renewed by equal terms before its maturity, upon authorization from the Financial Superintendence of Colombia.

For each Issue, the placement period shall be the period that the Issuer states in the first Public Offer Notice of that Issue to offer and place the securities issued under it, which shall be considered as from the Date of Issue of the Bonds of the corresponding Issue. In no case shall said period be extended beyond the Period to Offer Bond Issues that make up the Schedule.

The term of each offering that make up the Schedule shall be set in the corresponding Public Offer Notice. Said Offer Term shall start and expire on the date and time stated therein or when all and each of the offered Bonds have been assigned (including any additional assignment the may Issuer decide), if this happens before the expiration of such term. In no case shall it exceed the Placement Period.

### **1.4.3 Simultaneous Issues**

EPM shall maintain two (2) or more simultaneous Issues placements in progress.

### **1.4.4 Offerors and means to make the Offer and to provide information**

The Bonds offerors shall be natural persons, legal persons, institutional investors, official entities, and, in general, the investing public.

The publication of the first Offer Notice shall be in a printed issue of the newspapers El Tiempo and/or La República and/or Portafolio, or in any other newspaper of wide and recognized national circulation. These Notices shall define the conditions under which the Bonds shall be offered, including, but limited to, the Coupon Rate, the Redemption Period and the amortization schedule applicable to each sub-series. In these same newspapers, the Notices and the information to be communicated to the Bondholders shall be published.

The publication of the other Public Offer Notices shall be made in the Daily Bulletin of the CSM and/or in the printed edition and/or the Internet page of a newspaper of wide national circulation, at the Issuer's discretion.

#### **1.4.5 Control and Prevention of Asset Laundering and Financing of Terrorism**

As established under Regulation Letter 029 of 2014, Section I, Part III, Chapter VII (Basic Legal Letter) issued by the Financial Superintendence of Colombia, it shall be the Placement Agent(s)' responsibility to enforce the instructions relative to the management of the risk of asset laundry and financing of terrorism. To this effect, the Issuer previously established criteria for the choice of Placement Agents that guarantee that these organizations comply with the purposes established under this provision. If anything, the Placement Agent(s) shall comply with the instructions relative to the management of risk of asset laundry and financing of terrorism, and to report, individually, according to the provisions under Section I, Part III, Chapter VII of the Regulation Letter 029 of 2014.

In order to comply with the regulations on the prevention and control of asset laundry and financing of terrorism, in order to participate in the corresponding Bond placement process, the investors interested in acquiring those Bonds shall be subject as clients of the Placement Agent(s) defined in the corresponding Public Offer Notice, as members of the MEC system of the Colombian Stock Market, or duly provide and submit the documentation required under the terms of Section I, Part III, Chapter VII of the Regulation Letter 029 of 2014, which shall be required by the Placement Agent(s) and by which the securities the Bonds are to be acquired.

The required documentation shall be submitted by the investors in advance as indicated by each Placement Agent according to its policies of client engagement. Being these placements under a Dutch auction system or firm demand, the mentioned documentation shall be submitted no later than the established time for the initiation of the reception of the requests. Any potential investor who has not provided all the documentation in a timely manner as required under the terms of Section I, Part III, Chapter VII of the Regulation Letter 029 of 2014, shall not be able to take part in the Bond awarding process.

In the event that the Leader Placement Agents subcontract other placement agent(s), retail stock broker(s), member(s) of Bolsa de Valores de Colombia S.A., each shall consolidate the information known from the investors.

In the cases in which securities are placed through several organizations subject to inspection and monitoring by the Financial Superintendence of Colombia, each of the monitored organizations shall comply with the instructions relative to the management of the risk of asset laundry and financing of terrorism, as established under Chapter VII of Section I Part III of Regulation Letter 029 of 2014, or in the regulation superseding it or amending it, and reporting individually as provided for in this chapter.

#### **1.4.6 Stock Market Where the Securities Shall be Listed**

The Bonds shall be listed in the Bolsa de Valores de Colombia S.A.

#### **1.4.7 General Rules for Placement**

- The mechanism for awarding Bonds of each Issue and/or Lot shall be by Auction or Firm Demand, as established by the Issuer in the corresponding Public Offer Notice. Said system shall be governed by the procedures of the electronic systems of Colombian stock market.
- The Issuer shall notify in each Public Offer Notice the sub-series offered in the corresponding offering.
- For the Bond awarding process, the Bonds requested amount shall be taken into consideration in relation to its face value.
- In the event that there are unplaced balances offered in an Issue, these may be offered in a subsequent Lot, by means of a new Public Offer Notice, under any sub-series of the same Issue in which they were



initially offered, provided, however, the term of the initial offering has expired and the Placement Period is effective. The subsequent Lots may consist of previously offered sub-series, only under the same conditions in which they were primarily offered, and/or of different sub-series.

- In the event in which a same sub-series is offered again, this shall maintain the Coupon Rate established in the initial offering. Therefore, the new offering shall be done by Subscription Price of Bonds or by the discount rate that is used to calculate it, respecting the previously defined Coupon Rate.
- In case that there is a balance to be placed within an Issue, which may have not been offered, these may be returned and added to the global quota of the Schedule once the Placement Period of that Issue is expired, and they may be issued in a new Issue.
- The Ministry of Treasury and Public Credit, before carrying out each auction, shall establish the Maximum Return Rate for each sub-series, the maximum rate at which the securities of each Lot may be awarded by the awarding mechanism defined by the Issuer in the corresponding Public Offer Notice, which shall be kept hidden as provided by the competent organization.
- Those recipients who wish to participate in the placement process must submit their purchase request(s) on the day(s), at the times and through the suitable media that the Issuer establishes in the corresponding Public Offer Notice, indicating the sub-series(s) requested and, for each sub-series, the requested amount. In the event that the awarding mechanism to be used is the auction, the requested rate must also be indicated.
- Once the offered amount is awarded in the corresponding Public Offer Notice and in the event that the requested total amount be higher than the amount offered in this Public Offer Notice, the Issuer at its entire discretion, provided, however, it was announced in the Public Offer Notice, may cover the unsatisfied request up to an amount equivalent to one-hundred percent (100%) of the total amount of the Issue, without exceeding the authorized global quota.
- The award of the unsatisfied request shall take place according to the criteria to be stated in the operative instructions by the Colombian Stock Market (“CSM”) for all the purposes, and which are referenced hereinbelow.
- Once the Bonds award is made for the requests received within the times set by the Issuer in the corresponding Public Offer Notice, and in the event that the offered amount has not been fully awarded, it may be possible to continue receiving requests until the expiration of the Offering Term. These requests shall be awarded on a first come first serve basis, at the Cutoff Rate previously set for each sub-series, until the total offered amount is awarded in full or until the expiration of the Offering Term.
- The value of each Bond shall be paid in full at the time of the underwriting.

#### **1.4.8 Awarding and Compliance System of the Colombian Stock Market - CSM**

In their capacity as manager of the auction, firm demand and compliance systems, CSM shall be the organization in charge of awarding the Bonds. To this effect, CSM shall establish operation instructions (the “Instructions”) which shall apply to the operation of the award in the primary market by means of auction system or firm demand, as applicable, and for the process of compliance with the operations resulting from such awarding.

CSM shall be the organization in charge of:

- awarding, by means of the mechanism selected by the Issuer (auction or firm demand). As such, it shall receive, accept or reject and award the requests submitted by MEC affiliates, as well as respond to queries in connection to the placement process, all according to the terms and conditions provided in the Instructions, and as defined in this brochure and in the corresponding Public Offer Notice. To this effect, all the process shall be in charge of a legal representative of the Stock Market;
- Enforcing the operation compliance process resulting from the award, for which it shall debrief Deceval as provided under the Instructions.

The recipients of the offering (investors), may or may not be MEC affiliates:

- If they are MEC affiliates, they may submit their petitions for requests directly to CSM at the time and by means of suitable media as established by the Issuer in the Public Offer Notice, and the form and terms established in the Instructions. Said MEC affiliates may act by their own or on behalf of a third party as permitted in the legal regulations.
- If they are not MEC affiliates, they may submit their petitions for requests through Placement Agent(s) (affiliated with MEC), using the format distributed by it/them, at the times and by means of suitable media as established by the Issuer in the Public Offer Notice, so that said entity(ies), in turn, submit themselves such requests to CSM.

The requests shall be considered firm by the single fact of being submitted, being this understood as the act of submitting them and CSM receiving them, by the appropriate Placement Agent(s). If anything, submitting a request shall be understood as both the MEC affiliate and the investor accepting the conditions set forth in the issue and placement rules, in this brochure, in the Public Offer Notice and in the Instructions.

### **1.5 Prepayment Option**

The Issuer may issue Bonds with prepayment option, as provided for in the Public Offer Notice of each Issue in which a sub-series is offered for the first time, condition that shall be repeated in the corresponding notices in which a sub-series is offered again. Bonds shall be prepaid by using a strike price. Strike price is understood as the price that the Issuer will pay in case it takes the prepayment option, and it shall be expressed as a percentage (premium or discount) on its current capital. This premium or discount shall be set and published in the Public Offer Notice in which a sub-series including a prepayment option is offered for the first time, and it shall be repeated in the following notices.

The prepayment resulting from the enforcement of the prepayment option may be made, in full or in part, in connection to each sub-series of each Issue. The prepayment shall be equitably prorated within the Securities Holders, being the same percentage of the prepayment paid to each Holder on its nominal investment position.

The prepayment shall be made by reducing the current capital of each Bond of the corresponding sub-series in the same percentage. The prepayment option may be exercised only in the interest payment dates and only after one (1) year as of the Date of Issue of the corresponding Bond. The exercise of the prepayment option shall be announced by the Issuer to the Bondholders and the general public a minimum of twenty (20) calendar days in advance to the date set for the prepayment by means of a Notice published in the same newspaper(s) in which the Public Offering was announced or by any other means of wide public distribution upon authorization from the Financial Superintendence of Colombia.

Once the Issuer publishes the Notice to exercise the prepayment option, the mandatory character for the Holders of the corresponding sub-series shall be affected.

### **1.6 Securities Repurchase**

The Issuer may repurchase or to reacquire Bonds in the secondary market. This repurchase may take place only after one (1) year as from the Date of Issue of the securities. Such repurchase shall not imply their voluntary cancellation. The repurchase offer on the part of the Issuer shall not constitute any obligation whatsoever for the Holders of the Securities to accept it.

### **1.7 Bailment and Management of the Issue**

The whole Issue shall be made in a non-material form. Therefore, the buyers of the securities waive the possibility of materializing the issued Bonds.

Depósito Centralizado de Valores de Colombia, Deceval S.A. (“Deceval”), with offices in Bogota D.C., at Av. Street 26 No. 59-51 Torre 3 Oficina 501, y con oficinas en la ciudad de Medellín, en la Carrera 43 A No. 1-99, shall be in charge of safekeeping and managing the Issue according to the terms and conditions of the Bailment Contract. By underwriting Bonds, the Security Holders accept Deceval as guard and Managing Agent of the Bonds of the Schedule.

Deceval shall carry out all operative activities resulting from the deposit of a Non-material Issue, including, but not limited to, the following obligations and responsibilities in connection to its position:

**1.** Registering the representative Global Bond of each Issue, including making the accounting entry of each Issue as well as safekeeping, managing and controlling the Global Bond, including controlling the circulating balance of each Issue, the issued, placed, circulating, cancelled, to be placed and cancelled amount of the Bonds. The Global Bond thus registered shall indeed support the amount placed on a daily basis.

To this effect, the Issuer commits to delivering the Global Bond no later than the previous business day to the Date of each Issue of Bonds.

Also, the Issuer is committed to notifying Deceval on the individual placements and cancellations that affect the Global Bond.

**2.** Registering and entering in the books any information on:

- individual placement of the rights of each Issue;
- disposals and transferences of rights entered in the books or deposit sub-accounts. For the registry of assignments of rights in deposit the procedure set forth in Deceval's operation rules shall be followed;
- cancellations of securities rights, as per the Issuer directions, under the terms and conditions established in Deceval's operation rules;
- issue orders of the rights entered in the deposit accounts;
- sureties and encumbrances, including injunctions on the rights entered in the deposit accounts or sub-accounts, for which the holder or holders will follow the procedure set forth in Deceval's operation rules;  
When the information on disposal or encumbrances comes from the Direct Security Depositor or the competent authority, Deceval shall have the obligation to notify the Issuer within the business day following the date in which it was notified of such circumstance, provided, however, it is nominative values.
- outstanding balance under the mechanism of entry in the books.

**3.** Collecting from the Issuer for the proprietary share represented in the entries in account in favor of the corresponding beneficiaries, when they are Direct Security Depositors with security management services represented by one of them.

- Deceval shall make the calculations corresponding to the payments of interests and capital as per the provisions in this brochure.
- Deceval shall submit to the Issuer two liquidations, one interim and one definitive. The preliquidation of the sums that must be remitted by the Issuer shall be submitted to the Issuer at least five (5) business days prior to the date in which the corresponding transfer must be made. The preliquidation shall be supported by indicating the balance of the Issue that circulates in non-material form and the frequency of interest payment.
- The Issuer shall verify the preliquidation made by Deceval and (s)he shall agree with it on the corresponding adjustments, in case of discrepancies. In order to make the adjustments, both Deceval and the Issuer shall refer to the terms and conditions of the Issue as established in this brochure, in the issue and placement rules, in the Public Offer Notice and in the Bailment Contract.

- Later, Deceval shall submit to the Issuer within the two (2) business days preceding the payment a definitive liquidation on the securities in deposit managed by it.
- The Issuer shall pay in Deceval's account the proprietary interest corresponding to the Holders. To this effect, the Issuer shall send Deceval, by means of fund transfer to the account designated by Deceval, the value of the definitive liquidation, after discounting the amounts corresponding to the PAYE and any other applicable taxes for each of them. Payments to Deceval shall be effected on the day of expiration of the interest payment. Once this transference of funds is fully finalized in the indicated date, Deceval shall duly pay the Bondholders on behalf of the Issuer.
- In case the amounts paid by the Issuer are smaller than the overall amount owed to the Bondholders during the corresponding payment date, Deceval shall distribute to the Bondholders the amount paid by the Issuer, proportionally to the proprietary share of the Bondholders as they appear in the "Entries in Account" maintained by Deceval.
- On the business day following a default, Deceval shall notify the Direct Security Depositors, the Legal Agent of the Holders and the control agencies in writing in relation to any failure to pay the corresponding interests, if it wants the Issuer not to provide resources, so that the applicable measures are applied.
- Deceval shall not be liable for the Issuer's failure to make all efforts to timely pay the matured amounts. It shall neither be liable for omissions or errors in the information that the Issuer, or the Direct Security Depositors, provide resulting from the issue orders, subscriptions, transferences, encumbrances or attachments of the incorporated interests.

4. Sending monthly reports to the Issuer within five (5) business days following the closing of the month in relation to:

- payments made to the Bondholders during the month;
- balances of the deposited Issues;
- cancellations effected during the corresponding month that affect the outstanding amount of the Issues.

5. Updating the amount of representative Global Bond of each Issue, upon request from the Issuer, from the operations in connection to the issue, cancellation on maturity, cancellation and Bond withdrawals from the Issues deposit, for which Deceval shall be in full capacity.

6. Issuing Certificates of Deposit in favor of each of the Holders.

The Bailment and Management Contract of the subscribed Schedule between Deceval and the Issuer provides for a set of duties of the Issuer, which, consequently, can be requested by the Schedule Manager to the Issuer, and which are detailed below:

1. notifying Deceval on the individual placements and cancellations that affect the representative Global Bond of each Issue;
2. delivering to Deceval, for deposit, the Global Bond that represents the interests of each Bond Issue in the amount necessary to cover the their issue by means of the Entry in Account system for the underwriters. The Global Bond shall comply with the requirements prescribed by law;
3. Providing Deceval, by the Placement Agent(s) of each Issue, on the day of the subscription, with the following information on the underwriters:
  - name, denomination or trade name of the underwriter;
  - underwriter ID;
  - date of issue;
  - date of issuance;
  - maturity date;

- amount placed in number of units (if applicable;)
  - unit value up to date (if applicable;)
  - face value of the investment;
  - Direct Security Depositor to whom the underwriter is associated;
  - in case of Direct Security Depositor, circumstance;
  - city of residence;
  - address and telephone number;
  - interest rate;
  - redemption period.
4. Carrying out the necessary payments, by means of EFT, for payment on maturity of interests and capital no later than 12:00 P. M. of their day of the maturity, to guarantee the respective payments to the beneficiaries or Bondholders following the submission of the liquidation on the part of Deceval in the terms set forth in the Schedule Bailment and Management Contract.
  5. Paying within the term set forth in this present contract the agreed consideration to Deceval for the services provided upon submission of the invoice or delivery account issued by the Issuer.
  6. Designating an official with decision-making faculties as person in charge of complying with the requirements set by Deceval, in order to effectively comply with the obligations resulting from the present business.
  7. Calculating and paying the applicable PAYE in connection to the securities and issuing the corresponding certificates.
  8. In case of a publication of a Public Offer Notice with charge to the Schedule, no later than the day of publication, forwarding to Deceval a copy of the Public Offer Notice.
  9. Notifying Deceval in writing on any mandatory prepayment events, advanced capital extraordinary paying-offs and advanced cancellation of the securities, eight (8) day in advance. Moreover, the Issuer shall notify Deceval in writing the number of units to pay-off, if applicable, and the new balance in each affected account group.
  10. In case of repurchase, notifying Deceval on such event on the same day as the operation takes place in the Bolsa de Valores de Colombia S.A. or in the market. Deceval shall proceed, within two (2) business days, to cancel in advance the repurchased amount (extraordinary paying-off.)

### **1.8 Full Dematerialization of the Issues**

Each Issue shall be advanced in non-material form. Therefore, the Bond purchasers waive the possibility of materializing the issued Bonds.

All Bondholders shall have the security management service, either as Direct Security Depositor or represented by a Direct Security Depositor for the payment of interests conferred by the Bonds.

Non-material issue is understood as a set of securities which are represented by means of Entries in Account, which management by means of electronic systems has been entrusted to a centralized securities deposit that issues proofs of deposit, which is a document that legitimates the Direct Security Depositor to enforce the political or property interests, if applicable. This document may be issued automatically by the Direct Security Depositor according to the entry in account and it is merely representative, having no circulatory capacity.

Considering that, pursuant to Act 27 of 1990 and Decree 2555 of 2010, securities centralized deposit management corporations were created and regulated, which main duty is receiving securities deposits listed

in the National Registry of Securities and Issuers for custody and management, thus eliminating the physical risk. The custody and management of Issues shall be performed by Deceval pursuant to the terms of the Schedules' Non-Material Bailment and Management Contract entered into by Deceval and the Issuer.

Every time the Bonds circulate in non-material form, instead as physical securities, Deceval delivers a proof of deposit of securities representing the Bonds under the name of the underwriter.

## **1.9 Legal Agent of the Bondholders**

Alianza Fiduciaria S.A., a duly authorized entity by the Financial Superintendence of Colombia to operate, with main offices on Avenida 15 No. 100-43, city of Bogotá D.C., shall perform as the Legal Agent of the Bondholders, superseding Fiduciaria Corficolombiana S.A., pursuant to authorization by the General Bondholders Meeting, in the meeting of November 27, 2014. To this effect, the Legal Agent of the Bondholders states and declares that it is not incompetent to carry out its duties as provided under the contract signed by the Issuer and under the terms of Decree 2555 of 2010, Section 6.4.1.1.5.

### **1.9.1 Duties of the Legal Agent of the Bondholders**

Alianza Fiduciaria S.A., in its capacity as Legal Agent of the Bondholders and pursuant to the Contract of Legal Representation of the Bondholders, is entitled to take all actions necessary to enforce the rights and provide for the common interests of the Bondholders, including, but not limited to, the following obligations:

- representing the Bondholders in each and every aspect related to their common or collective interests;
- taking all management and conservation actions necessary to enforce the rights and protect the common interests of the Bondholders;
- taking all available disposition actions permitted to it by the General Bondholders Meeting, pursuant to the terms of Decree 2555 of 2010 and other regulations in this regard;
- acting on behalf of the Bondholders in court and off-court procedures, including bankruptcy, filed against the Issuer. To this effect, the Legal Agent of the Bondholders shall constitute as part in the corresponding process as permitted by law, for which it shall attach to its petition, as proof of capacity, an authentic copy of the Contract and one declaratory note based on its registries on the unpaid amount of the Issue and its interests;
- representing the Bondholders in each and every aspect related to their common or collective interests;
- calling and presiding the General Bondholders Meeting according to the applicable provisions, and guaranteeing the Issuer that the decisions approved by the General Bondholders Meeting were taken in compliance with the quorum regime and majorities provided for in the Contract;
- calling a General Bondholders Meeting upon request of the Issuer or a plural number of Bondholders representing at least ten percent (10%) of the outstanding Bonds and in case of failure of the Issuer to comply with its obligations under the terms and conditions of the Bonds. If the Legal Agent of the Bondholders failed to make that call, the Bondholders or the Issuer shall have the right to request the Financial Superintendence of Colombia or the substituting entity, to effect that calling;
- requesting the Financial Superintendence of Colombia, within that Superintendence capacity, the reports that it may deem applicable and the essential revisions of accounting books and other documents of the Issuer related to the Issue;
- notifying, as soon as possible and by suitable means, the Bondholders and the Financial Superintendence of Colombia of any breach of the obligations of the Issuer in relation to the Bonds;
- keeping in absolute confidentiality the reports received from the Issuer, the Financial Superintendence of Colombia in connection to the Issuer and not disclosing or revealing the circumstance or details that may have come to their knowledge on their business, unless such disclosure as strictly necessary for protecting the interests of the Bondholders according to the legal provisions and/or court orders;
- other duties set forth in the Contract, by law or assigned by the General Bondholders Meeting.

## **1.9.2 Rights Incorporated by the Bonds**

The Bondholders shall have the right to collect interests and a reimbursement of their capital, pursuant to the terms set in this Informative Brochure and in the corresponding Public Offer Notice.

## **1.9.3 Bondholders**

### **1.9.3.1 Rights of the Bondholders**

Apart from the rights as creditors of the Issuer, the Bondholders shall have the following rights:

- collecting the interest and reimbursement of their capital pursuant to the terms and conditions provided herein;
- taking part in the General Bondholders Meeting and voting;
- requesting the assistance of a Legal Agent of the Bondholders in each and every aspect related to their common or collective interests;
- For Bondholders representing, at least, ten percent (10%) of the outstanding bonds, requesting the Legal Agent of the Bondholders to call for a General Bondholders Meeting. If the Legal Agent failed to call for the meeting, they may address the Securities Superintendence, or the successor entity, to make the call;
- discharging the Legal Agent of the Bondholders and appointing the entity to replace it by decision taken pursuant to legal majorities, upon approval from the Issuer. In the event of discharge of the original Legal Agent of the Bondholders, the fees paid to the new Legal Agent of the Bondholders shall be the same agreed with the originally appointed Agent;
- individually taking the actions they are entitled to, provided, however, they do not conflict with the decisions of the General Bondholders Meeting or when the Legal Agent of the Bondholders has not approved them according to Decree 2555 of 2010, Section 6.4.1.1.16.
- any information that needs to be notified to the Bondholders shall be published in notices in the El Tiempo and/or La República and/or Portafolio newspapers, or in any other mass media upon authorization of the Financial Superintendence of Colombia.

### **1.9.3.2 Obligations of the Bondholders**

- paying the full value of the subscription;
- timely providing, and before the time of subscription of the Bonds, the information that the Placement Agent(s) require from them in the performance of their obligations of proper knowledge of the customer;
- duly notifying Deceval of any transference, encumbrance or limitation to the domain that may exist on the Bonds;
- paying taxes, encumbrances, contributions or retentions now existing or that may come to exist in the future on the capital, interests or yield of the Bonds, to the extent that those obligations are applicable according to law;
- being by a Direct Security Depositor having a securities management service contracted with Deceval or being represented by one;
- other obligations resulting from this brochure or provided for by law or any other regulation.

## **1.9.4 General Bondholders Meeting**

A group of Bondholders representing at least ten percent (10%) of the unpaid amount of the lending capital may request the Legal Agent of the Bondholders to call for a meeting and, if the Agent failed to do so, they may ask the Financial Superintendence of Colombia to make that call. Moreover, the Financial Superintendence of Colombia may call for a General Bondholders Meeting, or instruct the Issuer to do so, when there are serious facts that need to be known by the Bondholders and which may result on instructions to the Issuer.

The call shall be effect by notices published in features notices in the El Tiempo and/or La República and/or Portafolio newspapers, or in any other national newspaper in Colombia, eight (8) days before the date set for the meeting, notifying the Bondholders is this is a first, second or third call, the place, date and time and the agenda for the meeting, as well as any other applicable information or warning. The meetings of the General Bondholders Meeting shall be carried out in the city of Medellin.

The quorum to validly discuss in the General Bondholders Meeting shall consist of a plural number of Bondholders representing at least fifty-one percent (51%) of the unpaid amount of the issue or, in any second call, of a plural number of people who are o represent Bondholders, irrespectively of the amount of capital of the Bonds therein represented. The decisions of the General Bondholders Meeting shall be adopted by absolute majority of the present votes.

In the event that the matters to be discussed in the General Bondholders Meeting include the consideration of proposals for amending the terms and conditions of the Bonds of each Issue and/or for authorizing the Legal Agent of the Bondholders to enter a contract or carry out a transaction for and on behalf of the Bondholders, and/or for voting in favor of a composition of creditors formula, the necessary quorum to discuss and decide shall be: (i) in case of a first call meeting, a plural number of votes representing the number majority of the present votes and at least eighty percent (80%) of the amount the then capital of the Bonds; (ii) in the case of a second call meeting, a plural number of votes representing the number majority of the present and at least forty percent (40%) of the then unpaid amount of capital of the Bonds of each Issue; (iii) in case of third call meetings, any amount of the then unpaid capital of the Bonds and a plural number of votes representing the number majority of the Bondholders present in the meeting.

Any extraordinary decision duly adopted shall be binding to all Bondholders, irrespectively if they were present or not in the meeting in which said decision was taken.

### **1.10 Risk Rating**

The Board of Directors of Duff & Phelps de Colombia S.A., current Fitch Ratings Colombia S.A., granted an original Rating of AAA (triple A) to the Public Debt Bonds Issue and Placement Schedule that EPM will perform. This rating is granted to issued with the highest credit worthiness, in which there are practically no risk factors.

The rating granted shows, among others, the following:

- EPM is a leader provider of water supply, sewerage and power services in the Municipality of Medellin. This fact is proven by the high degree of coverage that it has in the market where it operates in each of its services: in water supply and sewage, it has 99% coverage; in power supply, it has 100%; and in power generation, it has 19% of Colombia's installed capacity.
- Although the regulation provides for the entry of competitors in the different businesses, this does not constitute a significant risk for EPM given the high levels of coverage and the high costs that the entry of new competitors involves in this kind of businesses. Therefore, the Company has a source of competitive share in these markets, consolidating as a natural monopoly in its area of influence. Currently, EPM's profits are regulated by CREG and CRA in set time periods. This, together with the integrated nature of its business, renders the Company less vulnerable to crucial market situations and variations in economic cycles. The foregoing makes it possible to reasonably predict its future profits and expenses, and adds a safety component to the projections made by the Company. The process of composition of creditors of the Strategic Business Unit (SBU) Telecomunicaciones de Empresas Públicas de Medellín E.S.P. did not affect the financial performance of the Company, and the equity structure of EPM resulting from the composition of creditors remained almost intact, maintaining the same assets-liabilities ratio.
- The result of the composition of creditors meant for EPM a better financial flexibility to face the continuous changes in the markets in which it operates. Although the SBU Telecomunicaciones represented approximately 24% of the Company's EBITDA, this business demands important cash



requirements due to the size of the investments needed in this sector due to the continuous technological changes and market tendencies. Therefore, the composition of creditors will allow EPM to direct its efforts towards strengthening and fulfilling its objectives in its three strategic businesses: energy, water and gas. In turn, the Company's debt levels, both within and outside the balance, were also reduced as result of the process of composition of creditors.

- Duff & Phelps analyzed the projections of the Company, considering the additional debt from the issue of Bonds for up to one trillion pesos (COP 1,000,000,000,000), and it considers that the coverage indicators of the debt are according to the assigned rating and the inherent characteristics of the business. Moreover, the rating agency considered in its analysis the contingent debt in relation to the pension liabilities that EPM will take from EADE, and it believes that it will not affect its compliance with the payment of obligations.
- The rating agency considers the advances that took place in the last year as positive in relation to the adoption of clear objectives oriented to developing corporate governance practices and standards.

The full rating report is included in Chapter 4, section 4.1 of this brochure, and it can be consulted in the files of the Financial Superintendence of Colombia as well as in their webpage, [www.superfinanciera.gov.co](http://www.superfinanciera.gov.co), in the link de “Información Relevante” (Relevant Information.)

#### **1.11 Applicable Law and Jurisdiction**

The Bonds shall be governed by and construed under the laws of the Republic of Colombia.

## 5 GLOSSARY

*The terms included in this brochure (which are capitalized) shall be construed according to the definitions stated in the Summary of as defined below.*

Managing Agent .....	Financial intermediary who is responsible for the processes related to the issue, placement and redemption of securities issues. This intermediary received a deposit of securities listed in the National Registry of Securities and Issuers to manage them through a computerized system with high security, eliminating the risk of physical handling in transferences, registries, interest payments, etc.  For the purposes of this brochure, it means Depósito Centralizado de Valores de Colombia, Deceval S.A., with offices in Medellín, at Calle 7 No. 39-215 Of. 109.
Entry in Account .....	It is the method of attributing a legal regime on which the function of centralized security deposits is based, to which the circulation and exercise of rights on securities listed in the corresponding accounting registry. The Entry in Account involves the principles of priority, unbroken chain, rogatory and registry good faith.
Public Offer Notice .....	This is the mechanism used to make a Public Offering known to its recipients.
General Bondholders Meeting .....	This is the meeting where the Bondholders rightfully and lawfully adopt decisions on the Bonds.
Stock Market in which the Bonds are Listed .....	Institution that, by allowing the purchase and sell of shares of corporations, bonds, certificates and other securities, promotes saving and capital market.
Public Debt Bonds .....	As provided under Section 18 of Decree 2681 of 1993 from the Presidency of the Republic, public debt bonds are bonds and other securities with credit content and with a term for redemption, issued by state entities.
Bailment Contract .....	It means the Bailment and Management Contract resulting from the tacit agreement from the issue of a purchase order issued by the Issuer pursuant to the trade services sales offer by Deceval in connection to the Schedule.
Decree 2555/2010 .....	For the purposes of this brochure, it refers to Decree 2555 of 2010, issued by the Ministry of Treasury and Public Credit of the Republic of Colombia, which gathers and restate the regulations in the financial, insurance and stock market sectors, together with other provisions.
Direct Security Depositor .....	It is the entity that, according to the operation rules of Deceval S.A. approved by the Financial Superintendence of Colombia, can directly access the services of the Securities Deposit and that has signed the Securities Bailment Contract or the Issue Contract, either on their own name and/or for and on behalf of third parties.
FTD .....	This is the fixed interest rate calculated and disclosed on a weekly basis by the Banco de la República, based on the weighted average of the effective interest rates for funding at ninety (90) days for banking institutions, financial corporations and commercial financing companies.
Issue .....	For the purposes of this Schedule, each Issue refers to the set of Bonds to be publicly offered in one or several Lots, with charge to the global quota of the Schedule, to be put in circulation in the Public Stock Market. Each Issue may have different financial characteristics, which are defined in the corresponding Public Offer Notices.
Issuer .....	Entity having securities in the National Registry of Securities and Issuers. For the purposes of this brochure, it refers to Empresas Públicas de Medellín E.S.P.
Non-Material Issue .....	This is the issue that does not require a physical issue of securities to support each individual placement. The Issuer supports all the Bonds issued per Issue by means of a Global Bond. The title of the Bonds is registered though Entries in Account.
Date of Subscription .....	Date in which the Bond is fully paid.
Date of Maturity .....	Date in which the final redemption of the securities will be effected.
Minimum Investment .....	Minimum number of Bonds that the investor can acquire at the time of a Public Offering.

Government .....	It may mean any entity or official in their executive, legislative, legal, money, regulatory, supervision or administrative capacity, or in relation to the government of the Republic of Colombia or any national, departmental or municipal subdivision thereof.
BRI.....	Bank Reference Indicator. This is the Colombian interbanking market reference interest rate published by the Banco de la República de Colombia. This is a short term interest rate for the Peso that reflects the price at which participating agents in their formation scheme are willing to offer or accept resources in the currency market.
CPI.....	For the purposes of this brochure, this is the rate corresponding to the net variation for the last twelve months of the consumer price index certified by the National Administrative Department of Statistics (Departamento Administrativo Nacional de Estadística, DANE), or the entity that the Government appoints for this, expressed as an annual effective interest rate.
Circulation Regime .....	Mechanism by which the property of securities is transferred. According to the Colombian law, the circulation regime of securities may be: (i) to the bearer: upon delivery; (ii) to the order: by endorsement and delivery; (iii) nominative: by endorsement, delivery and listing in front of the Issuer.
Lot.....	This is a fraction or all the Bonds Issue.
Global Bond.....	This is the unique instrument by which the total amount of the Bonds of the Schedule is credited. Its value shall be established according to the primary underwritings of the Bonds that are made and reported to Deceval. The value of the Global Bond increases with each primary underwriting of Bonds and decreases with each maturity of capital, prepayment or repurchase of issued Bonds.
Margin.....	Percentage points that are added to a variable rate.
Public Stock Market.....	The public stock market consists of the issue, subscriptions, brokerage and negotiations of securities issued in series or mass, in relation to which there is a Public Offering.
Public Offering .....	A securities Public Offering is that which is addressed to unspecified people or to one-hundred or more people with the aim of underwriting, transferring or acquiring documents issued in series or mass providing its holders with credit, share, tradition or representative merchandise rights.  For the purposes of this brochure, the Public Offering shall be the one made by the Issuer in each Public Offer Notice.
Prepayment Option .....	Mechanism by which the Bonds Issuer is given the right to pay the Bonds in advance, provided, however, this is provided for in the Public Offer Notice and due notice is given to the Bondholders in the terms stated in this brochure. The advanced payment of Bonds shall be made at the strike price established by the Issuer in the Public Offer Notice.
Pesos .....	For the purposes of this brochure, Pesos is the legal tender of the Republic of Colombia.
Strike Price.....	This is the price that the Issuer will pay for each Bond in case it takes the prepayment option, and it shall be expressed as a percentage (premium or discount) on its face value.
Subscription Price .....	This is the price at which one or several Bonds can be bought in the primary market as set forth in this brochure.
Schedule.....	This is the schedule by which an entity itself structures with charge to a global quota the performance of one or more issues of one or more Public Debt Bonds to be offered by means of a Public Offering during a set period. For the purposes of this brochure, Schedule corresponds to EE.PP.M.'s Public Debt Bonds Issue and Placement Schedule.
Repurchase.....	The Issuer may purchase in the secondary market the Bonds issued by itself, provided, however, one (1) year has passed as from the Date of Issue. The repurchase offer on the part of the Issuer shall not constitute any obligation whatsoever for the Holders of the Securities to accept it.
National Registry of Securities and Issuers.....	Registry that makes up the Integral System of Stock Market Information (Sistema Integral de Información del Mercado de Valores, SIMEV) of the Financial Superintendence of Colombia, which has the aim of listing the classes and types of securities, as well as their

	issuers and their issues, and certifying anything related to the listing of those issuers, classes and types of securities.
	The Public Security Offerings shall be preceded by a listing in the National Registry of Securities and Issuers.
Bank Reference Indicator Rules.....	Document published by Asobancaria that sets forth the rules applicable to the formation scheme of the bank reference indicator (BRI) and all those taking part in it.
Resolution 400/95 .....	For the purposes of this brochure, it means Resolution 400/95 of 1995 of the General Rom of the Securities Superintendence, current Financial Superintendence of Colombia, which was superseded by Decree 2555 of 2010 from this same entity.
Legal Agent of the Bondholders.....	Person in charge of handling all management and conservation actions necessary to enforce the rights and protect the common interests of the Bondholders.
Coupon Rate .....	This is the agreed interest rate based on which the Issuer shall pay interests on the current capital of the securities to the Investor.
Cutoff Rate.....	This is the rate at which the securities are awarded by an auction mechanism or firm demand, which shall not exceed the Maximum Return Rate authorized by the Ministry of Treasury and Public Credit. This rate will be used to discount interest and principal rates to find the Subscription Price.
Annual Effective Interest Rate .....	Annual expression of the periodic nominal interest depending on the frequency with which the latter is paid. It involves interest reinvestment or capitalization.
Nominal Interest Rate ....	Interest rate or yield that the Issuer periodically pays the Holder for a security (monthly, quarterly, half-yearly, annually) without consideration of the interest reinvestment.
Reference Rate.....	Rate on which a margin is added.
Maximum Return Rate....	It shall be the one established by the Ministry of Treasury and Public Credit for each of the offered sub-series in each Lot. The Maximum Return Rate may vary for the same sub-series in each Lot in which it is offered.
Representative Market Exchange Rate (“RMER”)	The RMER is an economic indicator that reveals the daily level of the official exchange rate in the Colombian spot currency market. This corresponds to the arithmetical average of the average weighted purchase and sale rates of United States Dollars in the interbanking and transfer operations performed by intermediaries of the currency market that are authorized by the Exchange Statutes. The Financial Superintendence of Colombia has the obligation of calculating the RMER, disclose it to the market and the general public as provided for under Section 80 of the Exchange Statute (Resolution Letter May 8, 2000, issued by the Board of the Banco de la República) and under Section 1 of Resolution Letter No. 1 of 1997, from the Board of the Banco de la República.
Bondholder or Bondholders.....	It means the holders of Bonds issued under the Schedule according to the terms and conditions of this Brochure.
Unidad de Valor Real (Real Value Unit, RVU).....	For the purposes of this Schedule, RVU is understood as the unit that reflects the purchase power of the Colombian currency based exclusively on the variation of the consumer price index certified by the Bando de la República, which is calculated and disclosed by this entity according to the methodology defined in Resolution Letter No. 13 of August 2000 from the Board of the Banco de la República, and in the regulations that may amend or substitute is from time to time.
Face Value .....	This is the face value of the Bond as of the Date of Issue. In case of partial amortizations, the face value of each Bond shall not be affected.

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**Public Debt Bonds Issue and Placement Schedule**

**Empresas Públicas de Medellín E.S.P**

**Global quota of up to COP 4,500,000,000,000**



**Structuring Agent**

Citivalores S.A.  
Comisionista de Bolsa

**Legal Agent of the Bondholders**



**June, 2007**

## **APPROVALS AND AUTHORIZATIONS**

### **1. Approval from the Board of Directors of Empresas Públicas de Medellín E.S.P**

The Board of Directors of Empresas Públicas de Medellín E.S.P approved the following in its meeting on November 12, 2014, as stated in Minute No. 1586: “1. Authorize the increase of the quota of EPM's internal Public Debt Bonds Issue and Placement Schedule in COP 1.5 trillion, with which the Schedule will have a total quota of COP 4.5 trillion. 2. Authorize the EPM's CEO to manage and entrust: 2.1 The direct performance or hiring and related activities required to modify EPM's internal Public Debt Bonds Issue and Placement Schedule in order to update it to reflect the current characteristics of its securities and that local stock market practices, including procedures with the applicable external entities. 2.2 The generation of addendums, amendments, clarifications and Informative Brochure for the Issue and Placement Rules, Global Bond and all other documents that are required pursuant to the amendment of such Schedule and extension of the quota. 2.3 Performance of all actions needed to replace the current Legal Agent of the Bondholders.”

Moreover, the Board of Directors of Empresas Públicas de Medellín E.S.P. decided the following, in its meeting on June 30, 2015, as per Minute No. 1596: “1. Approve the Issue and Placement Rules of the Public Debt Bonds Issue and Placement Schedule of Empresas Públicas de Medellín E.S.P., as amended by Annex (Annex 3.) 2. Authorize the additional amendments to the Rules that result pursuant to the remarks that the Financial Superintendence of Colombia may make. In the event of this type of amendments, the Management shall submit to the Board the definite text of the Rules.”

### **2. Approval by the General Bondholders Meeting**

The General Bondholders Meeting approved the following in its second call meeting on November 27, 2014: replacing Fiduciaria Corficolombiana S.A. with Alianza Fiduciaria S.A. as Legal Agent of the Bondholders of the Public Debt Bonds Issue and Placement Schedule of Empresas Públicas de Medellín E.S.P., as stated in Minute No. 1 of said Meeting.

### **3. Favorable Concept of Medellin Mayor**

By set service No. 201500057985 dated February 5, 2015, the Mayor of Medellin issued a favorable concept so that Empresas Públicas de Medellín E.S.P. starts with the expansion of the global quota of the Bonds Issue and Placement Schedule in 1.5 trillion Pesos (COP 1,500,000,000,000.)

### **4. Favorable Concept of the Departmental Administrative Department of Planning**

By communication No. 201500046159 dated March 4, 2015, el Administrative Department of Planning of Antioquia Government issued a favorable concept to expand in 1.5 trillion Pesos (COP 1,500,000,000,000) the quota of EPM's Bonds Issue and Placement Schedule, resulting in a global quota of up to 4.5 trillion Pesos (COP 4,500,000,000,000.)

## **5. Approval by the Ministry of the Treasury and Public Credit**

By Resolution No. 1020 dated April 20, 2015, issued by the Ministry of Treasury and Public Credit, Empresas Públicas de Medellín E.S.P. is authorized to modify the terms and conditions of the securities of the Public Debt Bonds Issue and Placement Schedule of Empresas Públicas de Medellín E.S.P. and to extend in 1.5 trillion Pesos (COP 1,500,000,000,000) the amount of the Internal Public Debt Bonds Issue and Placement Schedule, authorized by Resolution 1424 dated May 31, 2007, in one trillion Pesos (COP 1,000,000,000,000), increasing to two trillion Pesos (COP 2,000,000,000,000) by Resolution No. 2787 dated October 5, 2009, and to three trillion Pesos (COP 3,000,000,000,000), by Resolution No. 2862 dated September 4, 2013, resulting in a global quota of up to 4.5 trillion Pesos (COP 4,500,000,000,000), Colombian legal currency, which shall be destined to provide for its general investments plan.

## **6. Approval by the Financial Superintendence of Colombia**

By Resolution No. 1248 dated September 10, 2015, the Financial Superintendence of Colombia decided to authorize the amendment of the characteristics and the Informative Brochure of the Public Debt Bonds Issue and Placement Schedule of Empresas Públicas de Medellín E.S.P. and increase the global quota in 1.5 trillion Pesos (COP 1,500,000,000,000), up to 4.5 trillion Pesos (COP 4,500,000,000,000), Colombian local currency, for the Internal Public Debt Bonds Issue and Placement Schedule of EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. is carrying out, authorized by Resolution No. 1449 dated June 26, 2007, with a global quota of one trillion Pesos (COP 1,000,000,000,000), increasing to two trillion Pesos (COP 2,000,000,000,000) by Resolution No. 1786 dated November 20, 2009, and to three trillion Pesos (COP 3,000,000,000,000), by Resolution No. 1997 dated October 30, 2013.

The certification by the Legal Agent of the Bondholders, Alianza Fiduciaria S.A., is part of this Addendum and is included as Annex 1.

Under the terms of Susbsection 1.3.9.1, Chapter II, Section I, Part III, of the Legal Basic Letter 029 of 2014 of the Financial Superintendence of Colombia, Juan Esteban Calle Restrepo, in his capacity as Legal Agent of EPM, certifies to the best of his knowledge that he has applied due diligence in the verification of the content of this addendum, in such a way that he hereby certifies its truthfulness and the absence of material omissions of information that may affect the decision of future investors.

**JUAN ESTEBAN CALLE RESTREPO**  
General Manager