

DECREE 2016-DECGGL- 2118

Addendum No. 1 to the Sale Regulations of Stock of ISAGEN S.A. E.S.P. owned by Empresas Públicas de Medellín E.S.P. is hereby issued.

The **GENERAL MANAGER** of **EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.**, by virtue of his legal and statutory powers, in particular, of the provision in Article 20, item b), of Municipal Agreement No. 12 of 1998, issued by the Medellín Council, and in furtherance of the powers granted by the Board of Directors in the remote session held on March 15 and 16 of 2016, corresponding to Record No. 1607,

WHEREAS

1. The “Sale Regulations of Stock of ISAGEN S.A. E.S.P. owned by Empresas Públicas de Medellín E.S.P.” were issued by virtue of Decree 2016-DECGGL-2116, of March 18, 2016.
2. By means of notice 201620054025, delivered to EPM on March 30, 2016, the Financial Superintendence of Colombia requested the consideration of an amendment to Annex 1 Acceptance Form - Acceptor Representations of the above stated Sale Regulations, with regard to the representations of the Acceptor included in the Acceptance Form submitted by the Beneficiaries of Special Conditions through the Entity Receiving Acceptances for the First Stage.
3. Additionally, it is necessary to adjust some sections of the Regulations in order to ensure their clarity.

It is hereby DECREED

Article 1. That Addendum No. 1 to the “Sale Regulations of Stock of ISAGEN S.A. E.S.P. owned by Empresas Públicas de Medellín E.S.P.” be issued, the text of which shall match the annex of this decree.

Paragraph. For greater clarity, the annex contains the entire Sale Regulations, and the sections corresponding to amendments entered by this Addendum are underlined.

Article 2 That this decree shall be valid as of its date of issue.

Issued in Medellín, on April 1, 2016

GENERAL MANAGER

JORGE LONDOÑO DE LA CUESTA

Annex:

Addendum No. 1 - Sale Regulations of Stock of ISAGEN S.A. E.S.P. owned by Empresas Públicas de Medellín E.S.P.

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

ADDENDUM No. 1

**SALE REGULATIONS OF STOCK OF ISAGEN S.A. E.S.P. OWNED BY
EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.**

FIRST AND SECOND STAGE

Medellín, 2016

WARNING

These Sale Regulations have been issued by Empresas Públicas de Medellín E.S.P., hereinafter referred to as EPM, in furtherance of the Sale Program approved by the Board of Directors in the remote session conducted on March 15 and 16 of 2016, corresponding to Record No. 1607, the purpose of which is the offer for sale of three hundred and fifty-eight million three hundred and thirty-two thousand (358,332,000) shares of common Stock of ISAGEN S.A. E.S.P. owned by EPM, equivalent to thirteen point fourteen percent (13.14%) of the subscribed and paid capital of said company.

The purpose of these Regulations is to act as a source of information, and they are provided solely to be used by investors as support for the submission of Acceptances to the Stock sale offering.

Terms with capital letters used in these Regulations have the meaning provided in the definitions below.

The content of this document shall not be construed as a promise or representation of facts or actions, past or future. This information has been prepared solely to assist potential investors to undertake their own assessment of the Stocks, and it is not intended to be comprehensive or to include all the information that a potential investor may require or want.

The submission of an Acceptance or of a Purchase Order constitutes the acknowledgment and acceptance of each investor, so that EPM, the Entity Receiving Acceptances for the First Stage, or the Stock Brokers of the Second Stage shall not have any liability or duty resulting from the sale process, or from any other information supplied (whether in writing or orally) with regard to the sale process. Specifically, no representations or warranties of any kind are granted with regard to the achievement or reasonableness of projections, prospects, or future operational or financial profits, if any.

Neither the reception of these Regulations by any person, nor the information contained herein or attached hereto, or communicated subsequently to any person, whether in writing or orally, with regard to the sale process, amounts to an offer of counseling in matters of investment, law, taxes, or of any other nature whatsoever, for the benefit of any of said persons, by EPM and/or by the Entity Receiving Acceptances for the First Stage or the Stock Brokers of the Second Stage.

Potential investors must be informed of and comply with all the applicable legal requirements based on their nature. Neither EPM, the Entity Receiving Acceptances for the First Stage or the Stock Brokers of the Second Stage shall be bound to refund or compensate potential investors for any costs or expenses incurred by them upon assessing or proceeding according to these Regulations or otherwise incurred with regard to said transaction.

EPM reserves the right, at its discretion, pursuant to applicable laws and to these Regulations, to undertake any of the following actions at any time: (i) make amendments or additions to the Regulations; (ii) extend or modify the sale process schedule, all of the above without a duty to send prior notices or notifications to anybody; in this case, no potential investor shall be entitled to bring any claims against EPM, or against its respective directors, officers, partners, employees, agents, representatives, advisers or consultants. In no event shall any claims or complaints of any nature be filed against EPM or against any of its representatives, affiliates, advisers or employees as a result of said decision.

Neither the Regulations nor any other written or oral information given to potential investors or to their respective advisers and/or attorneys-in-fact shall amount to or be deemed as a contractual relationship.

The Regulations have been drafted solely for the purposes stated above, and with the express understanding that each potential investor shall use them for that purpose.

By providing these Regulations, EPM does not accept any obligation to correct, modify or update the information contained herein, or to provide to each potential investor or to any person whatsoever access to any additional information.

If any of the deadlines stated hereunder were to fall a day that is not a Business Day, said term shall be extended until the following Business Day. The Regulations and the sale process shall be governed by the laws of the Republic of Colombia, and any conflict and/or difference which results in relation thereof shall be settled exclusively by Colombian judges and courts.

THE REGISTRATION OF STOCK IN THE NATIONAL REGISTRY FOR SECURITIES AND ISSUERS SHALL NOT IMPLY ANY QUALIFICATION OR RESPONSIBILITY BY THE FINANCIAL SUPERINTENDENCE OF COLOMBIA WITH REGARD TO LEGAL PERSONS REGISTERED OR WITH REGARD TO THE

PRICE, THE SECURITIES OR THEIR NEGOTIABILITY, OR TO THE RESPECTIVE ISSUE, OR TO THE SOLVENCY OF THE ISSUER.

THE REGISTRATION OF STOCK WITH THE BOLSA DE VALORES DE COLOMBIA S.A., AS WELL AS THE ORGANIZATION AND EXECUTION OF THE SALE OFFERING BY THE BOLSA DE VALORES DE COLOMBIA S.A. DOES NOT IMPLY ANY GUARANTEE ON THE SECURITIES OR ON THE SOLVENCY OF THE ISSUER.

NONE OF THE RESOLUTION BY THE FINANCIAL SUPERINTENDENCE OF COLOMBIA RELATED TO SECURITIES ISSUED BY ISAGEN SHALL BE CONSTRUED AS OPINIONS ON THE QUALITY OF SAID SECURITIES OR ON THE SOLVENCY OF THE ISSUER.

1. GLOSSARY OF TERMS

Save express provision to the contrary, the terms defined in this section, or those defined in other sections of these Regulations, and which are not proper names, shall have the meaning stated below. Any definition in singular includes its corresponding plural, and vice versa, whenever it is so required by the context.

- 1.1 **Stock:** the three hundred and fifty-eight million three hundred and thirty-two thousand (358,332,000) shares of common stock of ISAGEN S.A. E.S.P. owned by EPM, equivalent to thirteen point fourteen percent (13.14%) of the subscribed and paid capital of said company, and which are the object of the sale governed by this document.
- 1.2 **Acceptance:** irrevocable and unilateral statement of will, by means of which acceptance of the Stock Public Offering of Sale is expressed, and through which the Acceptor agrees to purchase and pay Stock awarded to him. Only Beneficiaries of Special Conditions may submit their acceptance during the First Stage.
- 1.3 **Valid Acceptance:** an Acceptance that complies with all the requirements provided in the Sale Regulations, as well as in the Regulation Newsletter that the BVC issues for the First Stage, including, but not limited to, those provided in section 6.5, as the case may be, and which does not incur in any of the grounds for rejection provided in section 6.8.4 or in any other section of these Sale Regulations.
- 1.4 **Acceptor:** Beneficiary of Special Conditions who files an Acceptance to the Public Offering of Sale of the First Stage.
- 1.5 **Addenda:** clarification or amendment documents to these Sale Regulations, issued by the EPM, which shall be a part of the Sale Regulations.
- 1.6 **First Stage Award:** the act by means of which the BVC determines the Awardees of Stock during the First Stage, pursuant to these Regulations.
- 1.7 **Awardee:** an Acceptor who submits a Valid Acceptance, and who is awarded Stocks in the course of the First Stage of the Sale Program.
- 1.8 **Purchaser:** an investor of the Second Stage filing a Purchase Order, which is accepted during the course of the Second Stage of the Sale Program.

- 1.9 Annexes:** the following documents which are a part of this Sale Regulations: Annex 1 Acceptance Form - Acceptor Representations; Annex 2 Natural Persons Power of Attorney Form; Annex 3 Power Form- Entities different from Legal Persons; Annex 4 Entities and Financing Conditions; Annex 5 Payment Commitment Form - Financing Entity; Annex 6 Disbursement Request Form - Severance Manager; Annex 7 Certificate of Limits and Prior Acceptances, and Annex 8 Verification Form of Resources.
- 1.10 Second Stage Start Notice:** a notice to be published in two (2) newspapers with wide circulation in the national territory, and in the daily newsletter of the BVC, in order to give publicity to the sale of Stock during the Second Stage, whereby the general public shall be informed about the following: (i) the start of the Second Stage; (ii) the Public Offering of Sale in the Second Stage; (iii) the date on which the Second Stage Auction shall take place, which shall occur at least two (2) Business Days after the publication date of the Second Stage Start Notice, and (iv) the terms and conditions under which Stock shall be offered during the Second Stage.
- 1.11 Suspension Notice:** a notice published by the EPM in two newspapers of wide circulation in the national territory, through which the suspension of the First Stage shall be notified, under the terms of Article 11, section 2, of Law No. 226 of 1995. The term of the First Stage shall be deemed suspended as of the date of publication of the Suspension Notice until the Recommencement Date.
- 1.12 First Stage Offer Notice:** a notice to be published in two (2) newspapers of wide circulation in the national territory. Said notice shall include, among others, the Price per Share for the First Stage, the Entity Receiving Acceptances for the First Stage and its contact information (including the web page), so that the Acceptor may review the documents to become a client with each entity and to submit his Acceptance.
- 1.13 First Stage Recommencement Notice:** a notice to be published by EPM in two (2) newspapers of wide circulation in the national territory. By means of said notice, the public shall be informed of the Recommencement Date for the Public Offering of Sale during the First Stage, following a suspension of the First Stage under the terms of Article 11, section 2, of Law 226 of 1995, and of section 6.4 of these Sale Regulations.

- 1.14 Notices:** they are the First Stage Offer Notice, any Suspension Notice, any First Stage Recommencement Notice, and the Second Stage Start Notice.
- 1.15 Actual Beneficiary:** beneficiary who has the powers attributed to them in Article 6.1.1.1.3 of Decree 2555 of 2010, and as superseded, modified, supplemented or complemented by any other regulation.
- 1.16 Newsletter:** the newsletters issued by BVC for this process, wherein the award results for the First Stage and the Second Stage are shown.
- 1.17 Regulation Newsletter:** the newsletters, and any of their amendments, through which the BVC issues the operational instructions containing the rules and procedures that the Entity Receiving Acceptances for the First Stage and the Stock Brokers of the Second Stage must undertake within the Sale Program through the BVC.
- 1.18 BVC:** the Bolsa de Valores de Colombia S.A.
- 1.19 Management Position:** any position at the management level, according to the organizational structure of ISAGEN.
- 1.20 Severance Benefits:** it is the social benefit payed by the employer to a Special Conditions Payee, which may be used by such Special Conditions Payee to pay for any Share allocated to them in the First Stage pursuant to the provisions stated in Decree 1171 of 1996, and as modified or complemented by any other regulation.
- 1.21 Stock Brokers:** they are stock broker companies through which the Second Stage Investors shall submit Stock Purchase Orders during the Second Stage.
- 1.22 Payment Commitment:** it is a letter of payment commitment issued by the Financing Entity under the terms of Annex 5. In the Payment Commitment, the corresponding Financing Entity undertakes to pay to the Entity Receiving Acceptances for the First Stage the price of the Stocks awarded within a maximum term of three (3) Business Days as of the date wherein the First Stage Award is notified by the Entity Receiving Acceptances for the First Stage.
- 1.23 First Stage Award Notice:** a notice sent by the Entity Receiving Acceptances for the First Stage to Awardees during the First Stage, to the Financing Entities

and to the severance fund managers, with the information and according to the procedure provided in section 6.11 of these Sale Regulations, including the transaction receipts.

- 1.24 Sales Booklet:** document listing the characteristics of Stocks, the conditions of the First Stage Public Offering of Sale, and of the Second Stage Auction, and any relevant information of ISAGEN.
- 1.25 Payment Accounts:** the bank accounts identified by the Entity Receiving Acceptances for the First Stage, for the Awardees and/or the Financing Entities and/or the severance managers to deposit or transfer the Stock price under the terms provided in these Regulations.
- 1.26 Deceval:** it is the Securities Centralized Deposit of Colombia (Depósito Centralizado de Valores de Colombia, DECEVAL S.A.), an entity in charge of receiving, as deposits, securities registered in the National Registry of Securities and Issuers, to be managed through a computer system that ensures the safety of such securities and avoids the risks associated with their physical handling.
- 1.27 Direct Depositor:** a person who, pursuant to the operation regulations of Deceval, as approved by the Financial Superintendence of Colombia, may access directly to Deceval services, and who has executed an agency agreement with the Awardee.
- 1.28 Beneficiaries of Special Conditions:** according to the provisions of article 3 of Law 226 of 1995 and 16 of Law 789 of 2002, including the following: (i) Active employees, pensioners, and former employees who were not terminated for cause by the employer. (ii) ISAGEN employee and former-employee associations. (iii) Workers unions duly constituted pursuant to the law. (iv) Federations and confederations of trade unions duly constituted pursuant to the law. (v) Employee funds duly constituted pursuant to the law. (vi) Mutual investment funds duly constituted pursuant to the law. (vii) Severance pay funds and retirement funds duly constituted pursuant to the law. (viii) Cooperative organizations defined by the cooperative legislation, duly constituted pursuant to the law. (ix) Compensation funds duly constituted pursuant to the law.
- 1.29 Business Day:** any calendar day from Monday through Friday, excluding holidays of the Republic of Colombia. In the event that the last day of any time

period stated in these Sale Regulations is not a Business Day, the last day of said period shall be the Business Day after said calendar day. Whenever the Sale Regulations refer to a day without further details, it shall be understood to mean a Business Day. A Business Day shall be deemed to be between 9:00 a.m. and 4:00 p.m. (Colombian time). In any event, any Business Day on which any time period ends shall be deemed to last until 4:00 p.m. of said day.

- 1.30 Financing Entities:** they are Bancolombia S.A., Banco Bilbao Vizcaya Argentaria Colombia S.A. and Banco de Occidente S.A., who, in their capacity as financing entities, have established a special credit line to finance the acquisition of Stock.
- 1.31 Entity Receiving Acceptances for the First Stage:** the stock broker company identified in the First Stage Offer Notice, through which Acceptances shall be received during the First Stage.
- 1.32 EPM or Seller:** Empresas Públicas de Medellín E.S.P (Medellin Public Companies)
- 1.33 First Stage Award Date:** the date on which the BVC notifies the First Stage Award, through a Newsletter.
- 1.34 Second Stage Award Date:** the date on which the BVC notifies the Second Stage Award, through a Newsletter.
- 1.35 Date of Sale:** the date or dates wherein, with regard to each Awardee, said Awardee is registered as shareholder in the book of shareholders, pursuant to the instructions issued by the Seller.
- 1.36 Recommencement Date:** the Business Day determined in the First Stage Recommencement Notice wherein, following a suspension, the First Stage shall be resumed.
- 1.37 Auction Date:** it is the date when the Auction is to take place in the Second Stage.
- 1.38 Acceptance Form:** each of the forms delivered by the Beneficiaries of Special Conditions, through the Entity Receiving Acceptances for the First Stage, with the relevant information for each of the them, and wherein the Acceptor states, inter alia, the number of Stock that he accepts to purchase, the acceptance of

all the terms and conditions in these Regulations, the related Acceptor representations in Annex 1 and others included in the form, pursuant to the Regulation Newsletter of the BVC issued for the First Stage.

- 1.39 Professional Investor:** a Beneficiary of Special Conditions that meets the applicable requirements provided in Article 7.2.1.1.2 of Decree 2555 of 2010, including the following: (a) having assets equal to or greater than ten thousand (10,000) minimum current legal monthly salaries and at least one of the following conditions: (i) being the holder of an investment portfolio equal to or greater than five thousand (5000) minimum current legal monthly salaries, or (ii) having made, whether directly or indirectly, fifteen (15) or more alienation or acquisition operations within a period of sixty (60) calendar days, in a time span not exceeding the two (2) years prior to the moment when the rating as an accredited investor is to be made according to the applicable Colombian laws. The added value of these operations is to be equal to or greater than the equivalent to thirty five thousand (35,000) minimum current legal monthly salaries; or (b) having a valid market professional certificate as an operator, issued by a stock market self-regulatory body; or (c) being multilateral and foreign financing bodies; or (d) being under the vigilance of the Financial Superintendence of Colombia.
- 1.40 Second Stage Investors:** it is any natural or legal person that decides to submit a Purchase Order for the Shares offered during the development of the Second Stage.
- 1.41 Termination for Cause:** it refers to those cases which allow for the unilateral termination of an employment contract by the employer, without the corresponding obligation to indemnify the employee, pursuant to the laws governing the employment relationship.
- 1.42 ISAGEN:** ISAGEN S.A. E.S.P.
- 1.43 Public Book of Orders or Depth:** it refers to any order entered by the point of purchase or the point of sale, constituting the number of offers in the Auction.
- 1.44 Credit Line:** the credit line provided by the Financing Entity in order to finance the acquisition of Stock during the First Stage, under the terms of these Regulations.

- 1.45 Auction Method or Auction at Clearing Price:** operation by means of which the BVC, according to the agreement signed with EPM, shall take the orders, in accordance with the provisions stated in the Regulatory Bulletin issued by the BVC for the Second Stage, on the date stated in the Notice of Second Stage Commencement, and shall allocate the said operations under the Clearing Price method.
- 1.46 First Stage Public Offering of Sale:** a public offering of sale of Stock undertaken by the Seller, aimed at the Beneficiaries of Special Conditions.
- 1.47 Second Stage Public Offering of Sale:** a public offering of sale of Stock not acquired by Beneficiaries of Special Conditions in the First Stage, conducted by the Seller in the secondary market of Colombia, to the public in general, by means of an auction procedure at Break-even Price conducted by the BVC according to the terms of these Regulations.
- 1.48 Public Offering of Sale:** the First Stage Public Offering of Sale and the Second Stage Public Offering of Sale.
- 1.49 Purchase Order:** a unilateral manifestation of will of each Stock Broker, acting on account of their clients or principals, in their capacity as Second Stage Investors. Said manifestation of will shall be construed based on the mere fact of submitting the corresponding Purchase Order in the X-STREAM trading system of the BVC, pursuant to the provisions in the Regulation Newsletter issued by the BVC for the Second Stage.
- 1.50 Colombian Pesos / \$:** Colombian legal currency.
- 1.51 Price per Share for the First Stage:** it is the fixed price per Share, equivalent to four thousand five hundred and thirty (\$4130.00) pesos, which shall be included in the Notice of Offering for the First Stage.
- 1.52 Minimum Price for the Second Stage:** it is the minimum price per Share, equivalent to four thousand five hundred and thirty (\$4130.00) pesos, for the Second Stage.
- 1.53 First Stage:** it is the first stage of the Sale Program, wherein the Public Offering of Sale of the First Stage is conducted, aimed at the submission of Acceptances by Beneficiaries of Special Conditions.

- 1.54 Sale Program:** the sale program of Stock owned by the Seller, as approved by the Board of Directors of EPM in the remote session undertaken on March 15 and 16 of 2016, corresponding to Record No. 1607.
- 1.55 Sale Regulations or Regulations:** these regulations on the sale and award of Stock.
- 1.56 Operation Regulations:** Deceval's operation regulations.
- 1.57 RNVE:** the National Registry for Securities and Issuers, governed by Law 964 of 2005 and by Decree 2555 of 2010, as amended from time to time.
- 1.58 Second Stage:** the second stage of the Sale Program, wherein the Public Offering of Sale of the Second Stage is conducted, aimed at the public in general.
- 1.59 Disbursement Request:** a letter whereby Acceptor notifies to the severance fund manager that manages his severance fund his intention of participating in this sale process, stating the amount of the severance fund to be allocated for said purpose, by virtue of the delivery and submission of the form included as Annex 6.
- 1.60 Financial Superintendence of Colombia or SFC:** national technical entity in charge of reviewing, supervising, and controlling those who undertake financial, trading, and underwriting activities, as well as any other activities related to the collection of monies from the public.
- 1.61 Price Tick:** universal rounding applied according to the price rank for a property, for Auction at Clearing Price purposes, which will be held for the Second Stage.

2. INTRODUCTION

These Sale Regulations have been issued by EPM in furtherance of the Sale Program, the purpose of which is to offer three hundred and fifty-eight million three hundred and thirty-two thousand (358,332,000) shares of common Stock of ISAGEN owned by EPM for sale, equivalent to thirteen point fourteen percent (13.14%) of the subscribed and paid capital of said company, according to the procedure provided by Law 226 of 1995.

3. BACKGROUND

- 3.1** ISAGEN is a mixed public utilities company, registered as a corporation, of commercial nature, subject to the legal system provided by the Law on Home Public Utilities, with its registered address in the city of Medellín, Department of Antioquia, Republic of Colombia, and incorporated by means of Public Deed No. 230, dated April 4 of 1995, before the Sole Notary Public of Sabaneta, filed with the Chamber of Commerce of Medellín on April 17 of 1995, in volume 9, page 519, under number 3628.
- 3.2** The main purpose of ISAGEN is the generation and marketing of electric power, the marketing of natural gas through the grid, as well as the marketing of coal, steam and other power sources of industrial use. In furtherance of its corporate purpose, the company can undertake any related or supplementary activities based on its corporate purpose.
- 3.3** ISAGEN, in terms of directors, management and representation, has, among others, the following corporate bodies: (i) General Shareholder Meeting, (ii) Board of Directors, and (iii) General Management. Additionally, the company has a Fiscal Reviewer, acting as a permanent body of control, and it also has an Audit Committee. The management of the company lies first with the General Shareholder Meeting, and secondly with the Board of Directors as its agent.
- 3.4** On January 13 of 2016, the Nation - Ministry of the Treasury and Public Credit, as owner of one thousand five hundred and seventy million four hundred ninety thousand seven hundred and sixty-seven (1,570,490,767) common Shares of ISAGEN, equivalent to fifty-seven point sixty-one percent (57.61%) of the total subscribed and paid capital of said company, conducted an auction of all its proprietary stock, with the company BRE Colombia Investments LP (the

Awardee Investor¹), of the Canadian investment fund Brookfield Asset Management, as awardee. All of the above by virtue of the sale program approved by means of Decree 1609 of July 30, 2013, as amended by Decree 2316 of October 22, 2013, and 2468 of December 22, 2015, and as extended by Decree 1512 of August 15, 2014.

- 3.5** The sale price offered by the Awardee Investor in the sale process of the Nation - Ministry of the Treasury and Public Credit, was four thousand one hundred and thirty Colombian pesos (\$4,130) per share.
- 3.6** Article 1 of Law 226 of 1995 provides that said law shall be applicable to the total or partial sale of shares of stock or bonds mandatorily convertible into shares, owned by the State, and, in general, to the State's share in the equity of any company.
- 3.7** In the second debate held on March 15 of 2016, the Municipal Council of Medellín in full authorized EPM to sell its equity share in ISAGEN; and it provided that said authorization is only applicable within the sale program of equity shares of the Nation - Ministry of the Treasury and Public Credit, as provided by Decree 1609 of 2013, extended by Decree 1512 of 2014, and amended by Decree 2468 of 2015.
- 3.8** The Board of Directors, in the remote session held on March 15 and 16 of 2016, corresponding to Record No. 1607, approved the "Sale Regulations of Stock of ISAGEN S.A. E.S.P. owned by Empresas Públicas de Medellín E.S.P.," and it vested powers on the General Manager to issue the necessary regulations to complete said Program.
- 3.9** The Sale Program and these Sale Regulations were designed based on technical studies, with support of adequate private institutions contracted for said purpose. The Sale Regulations include a stock sale price, based on the technical and financial assessment prepared according to the provisions of Article 7 of Law 226 of 1995.
- 3.10** By means of document no. 201630038304 of March 18, 2016, EPM sent a copy of the Sale Program to the Ombudsman, in compliance with the provisions of Article 7 of Law 226 of 1995.

¹ As said term is defined in the National Sale Process.

3.11 With regard to the Public Offering of Sale of EPM, the Stock Sale Process shall consist of two (2) stages, as follows: (i) The First Stage shall be aimed at the Beneficiaries of Special Conditions considered by Article 3 of Law 226 of 1995, for the full amount of Stock; and (ii) the Second Stage, under conditions of wide publicity and free participation, aimed at the public in general, for the full amount of Stocks not acquired by Beneficiaries of Special Conditions in the First Stage.

4. PURPOSE

The purpose of these Sale Regulations is to set the rules and procedures applicable to the Public Offering of Sale to be conducted by EPM, both in its First Stage and its Second Stage, so that all the principles of democracy and first refusal provided by Article 60 of the Political Constitution of Colombia and by Law 226 of 1995 may be met, and to ensure the actual democracy of state property through mechanisms encouraging a massive participation in the Sale Program.

5. GENERAL CONDITIONS

5.1 INQUIRIES AND ADDENDA

5.1.1 Term.

As of the publication of the First Stage Offer Notice, and during the term of execution of the Sale Program, all interested parties may file inquiries on these Sale Regulations and on the Sale Program.

During the same time period, EPM may also publish any Addenda to these Regulations that it deems necessary.

5.1.2 Delivery of inquiries.

All inquiries must be submitted in writing, in Spanish language, and delivered personally, or sent by post or e-mail, to the addresses stated below:

Address: Carrera58 No. 42-125, Edificio Inteligente EPM, Medellín, **or**
E-mail address: uo0836@epm.com.co
Subject: ISAGEN Sale Process
Recipients: Juan Camilo Martínez Cadavid
María Auxiliadora Vergara Cogollo

Power Growth Management

5.1.3 Response procedure.

Inquiries shall be processed by EPM, and responses shall be sent to the inquirer using the same means of communication.

The answers and concepts stated therein shall not be deemed as an amendment of the Sale Regulations, unless they are adopted as Addenda to these Sale Regulations.

Inquiries, as well as responses, concepts, and Addenda, shall not amount to conditions precedent over terms provided by these Regulations.

5.2 ACCEPTANCE OF THE TERMS IN THE REGULATIONS

The mere filing of an Acceptance, or the placement of a Purchase Order, amount to an express manifestation by the Acceptor and the Second Stage Investor of acknowledgment and acceptance of the terms and conditions in the Sale Program, as determined by the Sale Program, in these Sale Regulations, in the Regulation Newsletters issued by the BVC, and in any other related documents.

5.3 REPRESENTATIONS WITH REGARD TO THE OFFERED STOCKS

EPM hereby represents:

- 5.3.1** That the Stocks are free and clear of encumbrances or limitations on property, and that they are not covered by injunctions;
- 5.3.2** That it is not aware of the existence of any litigation or pending event with regard to said Stocks, which may directly or indirectly affect its property rights or negotiability;
- 5.3.3** That it makes available to any interested parties the certificate issued by the fiscal reviewer of ISAGEN, certifying that the book of shareholders of this company shows the Stocks under the name of EPM, and that they are free of any limitations on property rights, and freely available;

5.3.4 That the Stocks are non-material, and their custody and management is undertaken by Deceval, who shall record the transfer once they are awarded according to the procedure provided in these Sale Regulations;

5.3.5 That the Acceptor, natural person, understands that with the execution of the Acceptance Form and the submission of the corresponding annexes, or the Second Stage Investors, natural person, authorizes the processing of personal, non-public data by agents responsible for or in charge of conducting the Sale Program for said purpose, under the terms and conditions provided in section 5.9 of these Regulations, and subject to the provisions of Law 1581 of 2012, of Decree 1377 of 2013, and of any other additions, amendments and/or repealments;

5.3.6 That, in furtherance of Law 1581 of 2012 and of Decree 1377 of 2013, in the execution of the Sale Program, personal, non-public data of Acceptors, natural persons, shall only be processed for the purposes and during the time period determined in section 5.9 of these Regulations.

5.4 REGISTRATION OF STOCK

The common shares of stock of ISAGEN were registered with the RNVE by virtue of Resolution No. 128 of December 16 of 2005, and with the BVC on January 31 of 2007.

5.5 CIRCULATION AND MANAGEMENT OF STOCK

The Stocks circulate in the secondary market of the BVC, and they are fully non-material and deposited with the Deceval for management and custody. Stocks cannot become material, and, therefore, when Acceptors issue their Acceptances, or when Second Stage Investors file Purchase Orders, they expressly waive the right of requesting the Stocks to be materialized. Based on the above, any Awardee or Purchaser must have a Direct Depositor or enter into an agency agreement, to act through third parties under the terms provided by the Operation Regulations of Deceval.

In order to ensure compliance with the obligations stated in section 6.6 of these Sale Regulations, the Stocks awarded in the First Stage shall be immobilized or locked through the mechanisms provided by the Operation Regulations of Deceval for said purpose.

The deposit and management of Stocks through Deceval shall be governed by the provisions of Law 27 of 1990, of Decree 2555 of 2010, and by any other related rules or amendments, as well as by the Operation Regulations of Deceval.

5.6 MANAGEMENT COSTS OF THE DIRECT DEPOSITOR

All management costs and expenses of the Direct Depositor shall be on the account of the Awardee or the Purchaser, as of the Stock award date.

5.7 ATTORNEYS-IN-FACT

Representation shall be certified by means of a power of attorney issued by the person granting said representation, pursuant to the laws of the Republic of Colombia, and according to the forms attached hereto as Annexes 2 and 3 of these Sale Regulations. The identity, and, if necessary, the nationality, shall be shown by means of the corresponding citizen card, password, foreign resident identity card or passport.

5.8 TERMS AND HOURS

5.8.1 The terms referred to by these Regulations shall end at 4:00 p.m. of the applicable Business Day, unless a different time is stated in the Sale Regulations.

5.8.2 The terms provided by the Sale Regulations may be extended at any time by means of an Addendum, in compliance with the formalities of the case.

5.9 PROTECTION OF PERSONAL DATA

The Acceptor or Second Stage Investor, natural person, shall voluntarily provide his or her personal data. Said data shall be part of a base data managed by the BVC, which may be accessed by people responsible for and in charge of handling said data.

EPM shall be responsible for the processing of personal, non-public data of Acceptors or Second Stage Investors, natural persons, participating in the Sale Program, based on which it shall decide directly and independently. As such, EPM undertakes to comply with the provisions of Law 1581 of 2012, with Decree 1377 of 2013, with any amendments, additions, and/or repeals thereof, and with any

other internal rules issued by EPM governing the processing of personal, non-public data, and to process data within the framework provided by this section.

In addition to EPM, other institutions responsible for processing personal, non-public data of Acceptors and of Second Stage Investors, natural persons, are the Entity Receiving Acceptances for the First Stage, the Stock Brokers, the Financing Entities, and the BVC, who are forced to comply with the provisions of Law 1581 of 2012, with Decree 1377 of 2013, with their amendments, additions, and/or repealments, and with any other internal rules issued by said entities to ensure compliance with said legal provisions, in their capacity as responsible parties, and to process said data in the framework of this section.

The purpose of processing personal, non-public data of Acceptors or of Second Stage Investors, natural persons, is to conduct all the procedures required (i) to analyze, assess, and verify that the Acceptors meet the requirements to be Beneficiaries of Special Conditions for the First Stage Public Offering of Sale, and, in general, that the Acceptors or Second Stage Investors meet the terms and conditions of the Sale Program; (ii) to award the Stocks subject to the Sale Program; (iii) to answer any request, requirement or inquiry related to the Sale Program; (iv) to conduct the transference of personal, non-public data to other parties involved in the process, and (v) in general, to undertake all the procedures associated with the Sale Program. In principle, the processing of information stated above shall last until the award of Stocks acquired by Awardees and Purchasers who meet the terms and requirements provided by the Sale Program, by law, and/or by the documents governing the Public Offering of Sale; however, if, after the award, EPM, the Entity Receiving Acceptances for the First Stage, the Stock Brokers, and/or the BVC are questioned about the sale of Stocks, and in order to answer they have to refer to personal, non-public data of any Acceptor or Second Stage Investor, natural person, said processing length shall be extended until the final resolution of said requirement, request, or inquiry.

In any event, EPM, the Entity Receiving Acceptances for the First Stage, the Stock Brokers, and/or the Colombian Stock Exchange shall comply with the rules related to safekeeping of data to which they are subject according to the Constitution and/or the Law.

For the purposes of the transfer and transmission of personal, non-public data of Acceptors or of Second Stage Investors, natural persons, EPM, the Entity Receiving Acceptances for the First Stage, the Stock Brokers, and the BVC shall agree to the terms and conditions under which said activities shall be conducted.

The rights of holders of personal, non-public data which is processed or which may be processed during the course of the Sale Program, according to Law 1581 of 2012, include the following: i) To know, update, and correct personal data kept by those responsible for or in charge of processing. This right may be enforced, among others, in the case of partial, inaccurate, incomplete, severed data, which may lead to errors, or with data the processing of which is expressly forbidden or which has not been authorized as provided by Law 1581 of 2012 (or by its regulations, additions, implementations, amendments, or repealments). ii) To be informed by the person responsible for or in charge of processing data, with a prior request, about the use made of his or her personal data, according to these Regulations. iii) To file with the authority for the protection of personal data of Colombia complaints for breaches of the provisions of Law 1581 of 2012 (or of its regulations, additions, implementations, amendments, or repealments). iv) To revoke the authorization and/or to request the removal of data when the processing thereof does not comply with constitutional and statutory principles, rights, and warranties. The revocation and/or removal shall apply when the personal data protection authority of Colombia finds that the person responsible for or in charge of processing said data has incurred in practices contrary to Law 1581 of 2012 (or of its regulations, additions, implementations, amendments, or repealments), and/or to the Constitution. Requests for removal of information and authorization revocations shall not apply when the holder has a legal or contractual duty to remain in the data base, or when the responsible party has a legal or contractual duty to continue with said processing of data.

Data owners may enforce their rights with regard to the processing of personal data by EPM in the course of this Sale Process writing to the following e-mail: uo0836@epm.com.co. Data holders may also enforce their rights against the Entity Receiving Acceptances for the First Stage and the Stock Brokers with whom they have submitted their Acceptance or Purchase Order, and against the BVC.

5.10 JURISDICTION

Any conflict related to the Sale Program, the Regulations, the Acceptances, the Award, and the subsequent Stock purchase and sale relationship, and to any other aspect related to the performance and execution of the Public Offerings of Sale, shall be subject to the jurisdiction of the courts of the Republic of Colombia.

5.11 COSTS AND EXPENSES FOR PARTICIPATING IN THE SALE PROCESS

All costs and expenses, both direct as indirect, related with the participation in the Sale Program, shall be on account of each participant.

5.12 LANGUAGE

All questions, responses, notifications, and procedures shall be conducted in Spanish language. Documents in foreign languages shall be accompanied by an official translation into the Spanish language, conducted by an official translator authorized for said purpose, pursuant to applicable law. In the event of conflict with any text in other languages, the text in Spanish shall prevail.

5.13 APOSTILLES AND CERTIFICATION OF DOCUMENTS

Whenever public documents, issued or originated abroad, are involved, and so long as they have been issued in territories or jurisdictions which are a part of the Hague Convention of 1961 on the certification of foreign documents by virtue of the “apostille” procedure, said authentication by means of an apostille shall be deemed acceptable, as it results from the provisions in Law 455 of 1998, whereby said convention was incorporated into the Colombian legislation.

If said documents are issued in a territory or jurisdiction which is not a part of the Hague Convention of 1961, an authentication, certification, and verification by a Colombian Consulate of competent jurisdiction shall be required, or, in absence of said Consulate, by one of a friendly nation, as provided in the applicable procedural rules.

5.14 INFORMATION ABOUT THE SALE PROCESS

The Sale Program, the Regulations, the Addenda, the Notices, and any other information relevant to the sale process shall be published on the website www.epm.com.co.

Additionally, ISAGEN's public information may be found in the "SIMEV" hyperlink, in the website www.superfinanciera.gov.co In the hyperlink “información relevante” [relevant information], interested parties may access to all the information that ISAGEN is bound to provide to the SFC pursuant to the provisions of Decree 2555 of

2010. The above as a result of the registration of common stocks of ISAGEN with the RNVE.

The Regulation Newsletter issued by the BVC for this process shall be available at the BVC website. www.bvc.com.co.

6. FIRST STAGE

6.1 STOCKS OFFERED FOR SALE

The Beneficiaries of Special Conditions shall receive an exclusive sale offer of three hundred and fifty-eight million three hundred and thirty-two thousand (358,332,000) shares of common Stock of ISAGEN S.A. E.S.P. owned by EPM, equivalent to thirteen point fourteen percent (13.14%) of the subscribed and paid capital of said company.

6.2 PRICE PER SHARE FOR THE FIRST STAGE

A fixed price per share of four thousand one hundred and thirty Colombian pesos (\$4,130) shall be included in the First Stage Offer Notice.

6.3 PUBLICITY

The First Stage Offer Notice shall be published in two (2) newspapers of wide circulation in the national territory. Furthermore, process information shall be available permanently on the website www.epm.com.co.

6.4 TERM

The First Stage Public Offering of Sale shall be valid for two (2) months as of the Business Day after the publication of the First Stage Offer Notice. Acceptances may be filed with the Entity Receiving Acceptances for the First Stage during the time period stated above, on Business Days between 9:00 a.m. and 4:00 p.m.

If within the time period stated above, and at the discretion of the Seller, it is decided to suspend the First Stage under the terms of Article 11, section 2, of Law 226 of 1995, the Seller shall publish a Suspension Notice. The Sale Program shall be deemed suspended as of the date of publication of the Suspension Notice, and until the Recommencement Date. During said interruption, the Seller may resume the process in the First Stage by publishing a First Stage Recommencement Notice,

which shall include the new terms under which the Public Offering of Sale shall continue, within the First Stage. In any case, the new term to be determined, added to the initial validity term, cannot be shorter than two (2) months.

If, as a consequence of the suspension, there is an increase in the Price per Share for the First Stage, all Acceptances filed shall be deemed to be revoked. Under this principle, the BVC shall cancel in the system all Acceptance Forms definitively accepted by the suspension date, or within the validation process of the BVC, as well as those undergoing the recovery or admission process, and which have not been filed with the BVC, and it shall refer all annexes submitted and which correspond to Valid Acceptances to the Entity Receiving Acceptances for the First Stage (who shall notify its clients that a suspension process has started), within the three (3) Business Days following the publication of the Suspension Notice.

Furthermore, and once the Recommencement Notice has been published, the Entity Receiving Acceptances for the First Stage shall notify this to its clients, in order to determine if they wish to submit a confirmation. The new conditions published in the First Stage Recommencement Notice shall be deemed to be ratified, by virtue of the execution of a new Acceptance Form containing the new Public Offering of Sale conditions, further submitting the updated annexes required for said purpose.

Acceptors who wish to submit their confirmation of the new conditions shall be required to do so within the remaining days of the First Stage Public Offering of Sale, before the Entity Receiving Acceptances for the First Stage with which they submitted their initial Acceptance, who shall be in charge of validating the information received and of referring again the Acceptance to the BVC in compliance with the conditions provided.

Acceptors who do not ratify the new conditions have the right to a reimbursement of monies deposited in the Payment Accounts; said refund shall be made by the Entity Receiving Acceptances for the First Stage. No interests or yield whatsoever shall be applied in any case. All taxes and expenses resulting from said refund shall be on the account of the Acceptor.

During the suspension period, no natural or electronic documents through which Beneficiaries of Special Conditions may intend to acquire Stocks shall be received. If said documents are filed by Beneficiaries of Special Conditions before the Acceptance Receiving Entity, the latter shall reject them.

6.5 ACCEPTANCES

The submission of Acceptances in the First Stage shall be made by means of personal or phone delivery of an Acceptance Form, a sample of which is shown in these Sale Regulations as Annex 1, which is the only valid format to file an Acceptance. If the Entity Receiving Acceptances for the First Stage signs the corresponding Acceptance Form, a power of attorney under the terms of Annexes 2 and 3 must be attached, as applicable. The Sale Regulations may be accessed on the website www.epm.com.co and through the Entity Receiving Acceptances for the First Stage. Acceptances filed using any form other than the Acceptance Form shall not be considered. Acceptances filed for fractions of a share of Stock shall not be considered. The Entity Receiving Acceptances for the First Stage may request to establish a relationship with the Acceptor as a client (in compliance with all the statutory and internal procedures to this purpose) prior to receiving an Acceptance.

Beneficiaries of Special Conditions interested in acquiring Stocks and participating in the Sale Program must be bound as clients, or they must send and deliver the binding form with its corresponding annexes, which will be required by the Entity Receiving Acceptances for the First Stage.

With the delivery and execution of the Acceptance Form, the Acceptor acknowledges and accepts the terms and conditions of the Sale Program, including all rules which may be applicable.

Having received the Acceptance Form, the Entity Receiving Acceptances for the First Stage shall print three copies, wherein the date and time of delivery of the Acceptance Form shall be shown. The three copies shall be signed by the Beneficiaries of Special Conditions, or by their attorneys-in-fact, as the case may be.

The Entity Receiving Acceptances for the First Stage shall gather the documents listed in sections 6.5.2 and 6.5.4 of these Regulations, with the understanding that all documents, including the three duly signed copies of the Acceptance Form, shall be received by the Receiving Entity of the First Stage within the term of the Public Offering of Sale for the First Stage stated in section 6.4., who shall deliver said information to the BVC in the terms and time periods provided in the Regulation Newsletter issued by the BVC for the First Stage.

6.5.1 Rules to submit Acceptances by Beneficiaries of Special Conditions who are physical persons.

In order to encourage an actual democracy of equity property, to verify that the acquisition of Stock corresponds to the acquisition capability of each one of the Acceptors, and to prevent behaviors against the purposes provided in Articles 2, 4, and 5 of Law 226, and in Article 60 of the Political Constitution, the Acceptance filed by each natural person that is a Beneficiary of Special Conditions during the First Stage shall be subject to the following rules and limitations:

- a.** With regard to the maximum number of Stocks to be acquired per person, the lower amount resulting from the application of the following rules shall be considered:
 - (i)** Cannot acquire Stock for an amount higher than the equivalent of one (1) time the Liquid Equity as of December 31 of the two thousand fourteen (2014) taxable income return.
 - (ii)** Cannot acquire Stock for an amount higher than the equivalent of five (5) times the annual income shown in the two thousand fourteen (2014) taxable income return, or in the two thousand fifteen (2015) certificate of income and withholdings.
 - (iii)** Purchases over two million seven hundred twenty-six thousand and seventy-two shares of Stock (2,726,072) shall not be valid.
 - (iv)** In the specific case of persons holding management positions in ISAGEN, in addition to the limitations listed in sections (i), (ii) and (iii) above, they cannot acquire shares of Stock for an amount higher than five (5) times their annual income with ISAGEN, calculated based on the date of issue of the certificate referred to in item d. of section 6.5.2. of these Regulations. Persons who come to occupy management positions at ISAGEN after the date of publication of the First Stage Offer Notice may acquire shares during the First Stage, so long as they are related to ISAGEN on the business day prior to the expiration of the First Stage Public Offering of Sale term, with the same limitations provided hereunder.
- b.** In furtherance of the provisions in this section 6.5.1, and to determine the limitations noted above, the following shall be considered:
 - (i)** The liquid equity and income shown in the two thousand fourteen (2014) taxable income return;

- d.** Certificate issued by ISAGEN stating that the Acceptor: (a) is an active worker or retired for ISAGEN; or (b) he is a former worker of ISAGEN and was not discharged with Termination for Cause. In the case the Acceptor occupies a management position, it shall be stated in the certificate, as well as the annual remuneration referred to in the section (iv) of the paragraph a. of section 6.5.1 of this Regulation.
- e.** Documents attesting the cash payment or payment commitment or Disbursement Request of the total price of the Stock included in the corresponding Acceptance, by choosing one of the following options, with the understanding that it shall be guaranteed a single payment method per Acceptance Form:

 - (i)** Advance payment of the total price of the Stock, in which case there shall be submitted the original allocation or electronic transfer receipt, or the Format of Confirmation of Resources (Appendix 8) including the total price of the Stock on which the Acceptance is formulated, in any Payment Accounts of the Entity Receiving Acceptances for the First Stage; or
 - (ii)** Payment Commitment or Disbursement Request for an amount equal or higher than the 100% of the price of the Stock, in which case there shall be submitted the original Payment Commitment signed by the corresponding Financing Entity in the terms stated in Appendix 5, or the original Disbursement Request in accordance with Appendix 6, showing evidence of having been presented before the corresponding severance benefits manager at least fifteen (15) days before the last day of the validity of the Public Sale Offer in the First Stage referred to in the section 6.4. Only in the case of Professional Investors, it shall be understood with the presentation of the Acceptance Form that the Professional Investor accepts the obligation to pay the total price of the Stock within three (3) Business Days following the notification of the Communication of the First Stage Award issued by the Entity Receiving Acceptances for the First Stage. Through the presentation of the Acceptance Form, the Professional Investor acknowledges and accepts that in the event of lack of payment or impartial payment of the price of the Stock he shall be obliged to pay EPM a fine equivalent to 20% of the total price of the unpaid Stock.
- f.** Original of a certification issued by a financial entity attesting the bank account to which the sums of money allocated by the corresponding Acceptor shall be

paid back at a hundred percent (100%) of the total value of the Stock included in the respective Acceptance, in the event it is necessary to pay them back. The refund of resources shall be responsibility of the Receiving Entity of Acceptance.

- g.** All documentation required by the Entity Receiving Acceptances for the First Stage for the entailing of the Acceptor as client, including those required for compliance with the regulations regarding the money laundering prevention and terrorism financing, and the SARLAFT procedures. The Entity Receiving Acceptances for the First Stage shall indicate on its web-page the documents to be presented by the Acceptors who are natural persons for such purposes.

6.5.3 Rules to submit Acceptances on the part of Beneficiary of Special Conditions who are not natural persons.

In order to foster an effective democratization of the share ownership, work towards a Stock acquisition corresponding to the purchasing power of each of the Acceptors and avoid conducts that threaten the purpose provided in the Articles 2, 4 and 5 of Law 226 and the Article 60 of the Political Constitution, the Acceptance submitted by every Beneficiary of Special Conditions who is not a natural person shall not exceed the maximum limit authorized for this type of investments established in the applicable legal regulations, as well as those mentioned in the statutory regulations regulating such entities' activities, without exceeding in any case the following rules:

- a.** In relation to the maximum number of Stock to be purchased by each Beneficiary of Special Conditions who is not a natural person, it shall be considered the lower amount that results from applying the following rules:
 - (i)** They shall not purchase Stock for an amount exceeding one (1) time the value of the adjusted equity included in the financial statements audited before court by December 31, two thousand fifteen (2015). In the event such financial statements have not been approved, the financial statements duly audited before court by December 31, two thousand fourteen (2014) shall be taken into account.
 - (ii)** They shall not purchase Stock for an amount exceeding five (5) times their annual revenues included in: the tax or income and wealth return corresponding to the two thousand fourteen (2014) taxable year, as the case may be, and in the financial statements duly audited before court by December 31, two thousand fifteen (2015). In the event such financial

statements have not been approved, the financial statements duly audited before court by December 31, two thousand fourteen (2014) shall be taken into account. In case of differences between the amount of annual revenues mentioned above, the higher value shall be taken in order for this section to be applied.

(iii) Purchases over two million seven hundred twenty-six thousand and seventy-two shares of Stock (2,726,072) shall not be valid.

- b.** For the purposes of this Regulation, “Adjusted Equity” shall mean the result of subtracting the total liabilities and superplus from valuations to the total assets. Superplus from valuations shall be understood as all type of valuations referred to in the equity, including the account of “Revaluation of equity”.
- c.** Any Acceptance for an amount exceeding the limits specified in the sections mentioned above, if it is compliant with the remaining conditions established in the Regulation, shall be understood as submitted by the allowed amount in accordance with the previous rules and limits.

6.5.4 Documentation to be provided by the Beneficiary of Special Conditions who are not natural persons.

Beneficiary of Special Conditions who are not natural persons shall submit Acceptances by filling and signing before the Entity Receiving Acceptances for the First Stage the Acceptance Form and shall annex the following documents:

- a.** Original copy of the Acceptor's certificate of existence and legal representation or original of the document by means of which its existence and legal representation is legally certified, whose date of issue shall be within thirty (30) days following the submission of the corresponding Acceptance.
- b.** In the event the Acceptor has statutory or legal investment limits, he shall submit an original copy of the certification issued by the statutory auditor (and attach a copy of his professional card) and by the Acceptor's legal representative (and in the case of Professional Investors, by the corresponding manager's legal representative), which is part of the Sale Regulations as the Appendix 7, duly filled out and signed, in which it shall be certified:
 - (i)** If the Acceptor has investment limits, either legal and/or statutory;

Payment Commitment signed by the corresponding Financing Entity in accordance with Appendix 5, in the total amount of the Stock included in the corresponding Acceptance, or (ii) only in the case of Professional Investors, it shall be understood as the submission of the Acceptance Form, which the Professional Investor assumes the obligation to pay the total price of the Stock within three (3) Business Days following the notification of the Communication of the First Stage Award issued by the Entity Receiving Acceptances for the First Stage. Through the presentation of the Acceptance Form, the Professional Investor acknowledges and accepts that in the event of lack of payment or impartial payment of the price of the Stock he shall be obliged to pay EPM a fine equivalent to 20% of the total price of the unpaid Stock.

- f. In the case of pension funds and severance benefits, the certificate of existence and legal representation issued by the Financial Superintendence of Colombia shall be submitted in addition to the certificate of existence and legal representation issued by the Chamber of Commerce.
- g. Original of a certification issued by a financial entity attesting the bank account to which the sums of money allocated by the corresponding Acceptor shall be paid back at a hundred percent (100%) of the total value of the Stock included in the respective Acceptance, in the event it is necessary to pay them back. The refund of resources shall be responsibility of the First Stage Receiving Entity of Acceptance.
- h. In the case of ISAGEN employee or former employee associations, labor unions, labor union federations, labor union confederations and the cooperative entities identified by the co-operative legislation, a copy of the financial statements duly audited before court by December 31, two thousand fifteen (2015) or by December 31 of the taxable year two thousand fourteen (2014), in the event the former are not approved, shall be submitted jointly with a copy of the tax return corresponding to the taxable year two thousand fourteen (2014), provided that it is legally obliged to submit it.
- i. In the case of workers compensation funds, investment mutual funds, pension and severance benefits funds and family compensation funds, a copy of the financial statements duly audited before court by December 31, two thousand fifteen (2015) or by December 31 of the taxable year two thousand fourteen (2014), in the event the former are not approved shall be submitted jointly with

a copy of the income and wealth return before court by December 31, two thousand fourteen (2014), duly certified.

- j. All documentation required by the Entity Receiving Acceptances for the First Stage for the entailing of the Acceptor as client, including those required for compliance with the regulations regarding the money laundering prevention and terrorism financing, and the SARLAFT procedures. The Entity Receiving Acceptances for the First Stage shall indicate on its web-page the documents to be presented by the Acceptors who are not natural persons for such purposes.
- k. All documents referred to in this section that should be issued by an accountant or statutory auditor shall be signed by certified public accountants duly registered in Colombia, jointly with a copy of their professional card, under threat of refusal, without prejudice for the lack of conformity with regulations established in section 6.8 of this Sale Regulations to be rectified.

6.5.5 Verification of Acceptances.

The Entity Receiving Acceptances for the First Stage shall be obliged to ensure compliance with the requirements established in the Sale Program and in the Sale Regulations regarding the presentation of Acceptances for the First Stage. The Entity Receiving Acceptances for the First Stage shall ensure to the Seller and the BVC seriousness and compliance with Purchase orders and that such are submitted in accordance with the formal requirements referred to in the Sale Regulations.

If, subsequent to the submission of an Acceptance, but prior to the First Stage Award, the Acceptor loses his Beneficiary of Special Conditions treatment, he shall immediately notify the Entity Receiving Acceptances for the First Stage in writing, who shall notify EPM and the BVC in order to the Acceptance to be rejected; if not, the Award shall be ineffective as described in the Article 14 of 1995 Law 226, and once such situation is verified, the Seller shall request the Awardee the return of the Stock and take, if applicable, the corresponding legal actions. If the Acceptor fails to notify the Seller such a situation, he shall lose what has been given or paid for the Stock in accordance with the Article 1525 of the Civil Code.

Once submitted, Acceptances may not be removed, except in the event of a disruption in the offer deadline as expressed in section 6.4 of this Regulation.

Acceptances submitted may not be modified either, without prejudice of any modifications that may arise due to the rectification of Acceptances and to the Beneficiary of Special Conditions' right to submit multiple Acceptances.

Once both Acceptances and its respective annexes are identified, in accordance with this Regulation and the Regulation Newsletter issued by the BVC for the First Stage, the BVC shall validate the information received at the time and under the terms established in such Regulation Newsletter.

6.6 LIMITATIONS TO STOCK TRADING

Acceptors are bound not to negotiate, sell or limit their Stock ownership, and not to conduct business whose object or effect is that a third party becomes an Actual Beneficiary of Stock, during two (2) months following the First Stage Award Date, as it is established in the Acceptance.

In case of non-observance of what is hereby established, the Awardee of the Stock shall be, without prejudice to any other effects that may arise according to law, including criminal sanctions, fined in favor of EPM, in accordance with the time elapsed:

- a.** If a non-observance occurs within the month following the First Stage Award Date, a fine equivalent to 30% of the amount paid for the Stock awarded to the Beneficiary of Special Conditions shall be imposed.
- b.** If a non-observance occurs within the month following the First Stage Award Date, a fine equivalent to 15% of the amount paid for the Stock awarded to the Beneficiary of Special Conditions shall be imposed.

In order to ensure compliance with the obligations hereby described, the Stock awarded in the First Stage shall be immobilized or blocked in order to prevent its transference by means of the mechanism established in Deceval's Operation Regulations for such purpose.

Once a period of two (2) months applicable to the limitation under this section has been completed, the Stock shall be free.

In compliance with subsection 2 of the Article 14 of 1995 Law 226, in the event that a Stock acquisition in the First Stage has been conducted in contravention of the dispositions under the Sale Program and the Sale Regulations, the First Stage

Award shall not have full right, and the Seller shall request the Awardee the refund of the Stock and shall request Deceval the annulment of the registration or to take the corresponding legal actions. When restitution is not possible, the only possibility shall be the corresponding pecuniary compensation.

6.7 FINANCING

The Financing Entities have established a special credit line to finance the acquisition of Stock on the part of the Beneficiary of Special Conditions for an amount no less than ten per cent (10%) of the total value of the Stock, whose conditions are detailed in Appendix 4.

6.8 DEFICIENCIES IN THE SUBMISSION OF ACCEPTANCES AND REASONS FOR REJECTION

6.8.1 Rectifiable deficiencies.

The following deficiencies shall be considered rectifiable in accordance with the procedure indicated in section 6.8.2:

- a.** If the required documents as stated in the Sale Regulations are not included;
- b.** If the documents submitted do not comply with the formal requirements indicated in the Sale Regulations (such as being original documents, being signed, etc.);
- c.** Any of the required fields in the Acceptance Form or the other documents whose format is included as an appendix of the Sale Regulations, and which should be filled out, and was not filled out and is empty or has been filled out in the Acceptance Form, does not comply with the information included in the appendix and may be object of rectification in compliance with the Regulation Newsletter issued by the BVC for the First Stage;
- d.** The Acceptance Form or any other documents that the Acceptor should submit and sign are not signed by the Acceptor or the person responsible for signing it;
- e.** A public document granted abroad is not duly apostilled or legalized, in compliance with section 5.13 of this Sale Regulations;

- f. Any other purely formal defect that according to the Seller may be rectified.

6.8.2 Rectification procedure.

Acceptors whose Acceptances feature such rectifiable deficiencies referred to in section 6.8.1 shall rectify such deficiencies when required by the Entity Receiving Acceptances for the First Stage in writing, by sending a communication by email to the email address indicated by the Acceptor in the Acceptance Form, or by telephone. The respective documents by means of which deficiencies are rectified shall be received by the Entity Receiving Acceptances for the First Stage itself by means of which the Acceptance was formulated.

The Acceptor shall have three (3) Business Days following the date the corresponding rectification request was received to amend such deficiencies through the Entity Receiving Acceptances for the First Stage, who shall refer the rectification to the BVC within the deadline hereby indicated. In any case, the rectifiable defects of the Acceptances shall be rectified, within a maximum of three (3) Business Days following the validation of documents on the part of the BVC.

In the event the Acceptor does not rectify such defect within the deadline indicated for such purpose, his Acceptance shall be rejected.

In the case of the Professional Investor that (i) does not rectify the inconsistencies in the information submitted with this Acceptance within the deadline indicated in the Sale Regulations once such inconsistencies have been notified by the Entity Receiving Acceptances for the First Stage, or (ii) does not pay the amount Awarded by the BVC within the time indicated in the Sale Regulations for such purpose, once it is notified by the Entity Receiving Acceptances, a fine, without prejudice of any other effects that may arise according to law, shall be imposed in favor of the Seller equivalent to twenty per cent (20%) of the amount indicated in the Acceptance. The fine above described shall be established and shall be paid to the Seller under the conditions established in this Regulation.

6.8.3 Information Supply.

The Entity Receiving Acceptances for the First Stage, at the request of the BVC, within the deadline indicated to analyze the corresponding Acceptances, may request the Acceptor any type of additional information it deems appropriate in order to ensure compliance with the requirements and conditions established by the Sale Regulations. The Acceptor, merely on the ground of submitting the Acceptance, is

bound to provide the information required in writing or by any suitable medium, including email or telephone, to the Entity Receiving Acceptances for the First Stage within two (2) Business Days following the date on which the Acceptor receives the corresponding request. The Entity Receiving Acceptances for the First Stage shall send the BVC such information within the deadline hereby indicated.

In the event that the Acceptor does not provide such information within the deadline referred to in the subsection above, the Acceptance shall be rejected by the BVC.

6.8.4 Refusal to Acceptances.

In addition to the reasons for rejection indicated in the Sale Regulations, the Acceptances shall be entirely rejected, and the Acceptor shall not have the opportunity to rectify, when: (i) the Acceptor does not enjoy Beneficiary of Special Conditions treatment; (ii) the Acceptance is not submitted within the deadline established for the Public Sale Offer in the First Stage, including the additional deadline granted in virtue of any disruption; (iii) the additional information requested to the Acceptor by the BVC, through the Entity Receiving Acceptances for the First Stage, is not provided in due time; (iv) the documents or information submitted jointly with the Acceptance are illegible, mutilated or amended; (v) the payment of the Stock is not effected in compliance with section 6.12 of the Sale Regulations, in the method chosen by each applicable Acceptor; (vi) when the Acceptor does not amend the rectifiable defects in his Acceptance within the deadline indicated for the purpose of this Regulation; (vii) when there is a mistake in the performance of the Acceptance Form in the case of a Management Position when verified against the labor certification; (viii) if the payment is by means of severance benefits and the letter is identified in the pension funds and severance benefits with less than 15 days prior to closing of the Offer. The Acceptors whose Acceptances are rejected may submit a new Acceptance, provided it is done within the term of the Public Sale Offer of the First Stage and the Acceptance meets all the requirements indicated in this Regulation, except in the case of the reason for rejection indicated in section (i).

The refusal for the Acceptance shall be notified to the Acceptor in writing by the Entity Receiving Acceptances for the First Stage.

The Entity Receiving Acceptances for the First Stage, prior to the submission of the Acceptance, shall verify that the Acceptors are not included in the OFAC (Office of Foreign Assets Control) list or any other, of the same or similar nature, either national or international. In the case that once the Acceptance is submitted, an

Acceptor is in any of such lists, the Entity Receiving Acceptances for the First Stage shall inform the BVC, which shall proceed to the rejection of the Acceptance.

6.9 CONFIDENTIALITY

In the case that the information requested for the submission of Acceptances is confidential, private, or represents a trade secret in accordance with the Colombian Law, the Beneficiary of Special Conditions shall notify such circumstance to the Entity Receiving Acceptances for the First Stage, expressing the underlying legal regulations. Notwithstanding the foregoing, those entities responsible and/or in charge of the treatment of Acceptors' non-public personal information, in accordance with section 5.9 of this Regulation, shall comply with the provisions in the applicable regulations regarding this matter, in particular 2012 Law 1581, 2013 Decree 1377 and the remaining regulations that complement, modify and/or derogate them.

6.10 FIRST STAGE AWARD

The BVC shall Award the First Stage in accordance with the following rules:

6.10.1 Upon expiration of the period of the Public Sale Offer in the First Stage, as well as the deadline indicated in section 6.8.2, the BVC, within a maximum of two (2) Business Days, shall consolidate the information on the number and identity of Acceptors and the number of Stock on which the Valid Acceptances have been formulated, and shall conduct the process of Award of the First Stage to each Acceptor whose Acceptance has been duly verified and validated, in accordance with this Regulation and the Regulation Newsletter the BVC may issue for the First Stage.

6.10.2 The First Stage Award shall be conducted by the BVC, on behalf of EPM, in accordance with the following rules:

- a.** If the total demand, understood as the amount of Stock corresponding to Valid Acceptances, is equivalent or lower than the number of Stock offered, the total amount of Stock demanded shall be awarded.
- b.** If the number of Stock on which Valid Acceptances are submitted exceeds the number of Acceptances offered, the First Stage Award shall be prorated, in direct proportion to the amounts demanded, and rounding to the lower whole number, in the understanding that fractions of Stock shall not be awarded.

- c. In the event indicated in section (ii) above, if, after the First Stage Award, it is established the existence of remaining Stock due to the fractions resulting from the apportionment referred to therein, the balance shall be awarded by allocating an additional Stock to each Beneficiary of Special Conditions, in alphabetical order, name and last name/company name, until such balance is exhausted, and, in any case, without exceeding the total number of stock demanded by each Beneficiary of Special Conditions in their respective Valid Acceptances.

6.10.3 In order to ensure that the Awardees do not sell or transfer the property and/or rights on Stock, in accordance with 1995 Law 226, Deceval shall block Stock immediately after they are awarded to the Awardees, for a period of two (2) months following the First Stage Award Date.

6.11 NOTIFICATION

Once the Award process is completed, the BVC shall communicate the First Stage Award to the audience and the Entity Receiving Acceptances for the First Stage the following Business Day the latest, by publishing the respective Newsletter. The latter, at their time, on the same date, shall communicate them to the Awardees, to the Financing Entities and the severance benefits managers (by certified mail, email or, failing this, by fax), by sending the Communication of the First Stage Award to the address, email or fax number indicated by the Acceptor in his Acceptance Form, and if it be the case, in the respective Payment Commitment or Disbursement Request. The Communication of the First Stage Award shall indicate the number of Stock awarded, the outstanding amount and the indication that, if the payment has not been effected in advance, the Acceptor, the Financing Entity or the severance benefits manager shall effect such payment within three (3) Business Days following the notification of the Communication of the First Stage Award.

The First Stage Award shall be public, through the Newsletter provided by the BVC and, in addition, on the website www.epm.com.co, on the First Stage Award Date.

6.12 PAYMENT

6.12.1 Payment of Stock shall be in Colombian currency in accordance with the following alternatives:

- a. Full payment before submission of Acceptance, in which case the Acceptor shall submit, together with its Acceptance, an original copy of the consignment receipt, or of the wire transfer of funds for the full price of the Stock included in its Acceptance, or the Fund Confirmation Form (Annex 8); in the event that such amount has cents, it shall be rounded up to the nearest peso unit; or
- b. Full payment after the Award, in which case the full price of the Stock awarded shall be paid directly by the Financing Entity, the severance benefit managers or the respective Professional Investor, in the Accounts for Payment of the Entity Receiving Acceptances for the First Stage, within three (3) Business Days as of the date when it is served notice of the Award for the First Stage by the Entity Receiving the Acceptances for the First Stage. Notwithstanding the provisions above, the Entity Receiving Acceptances for the First Stage will have up to four (4) Business Days, as of notice of the Award, to confirm in writing to the BVC the full amount received in the respective Payment Accounts, in accordance with the instructions in this respect to be determined by the BVC in the Regulation Newsletter to be published for the First Stage;
- c. Acceptors opting to perform payment of Stock using different payment methods, including cash or a Disbursement Request, shall submit an Acceptance Form for each form of payment.

6.12.2 If the cash amount deposited by the Acceptor in the Accounts for Payment before submitting its Acceptance is higher than the price of the Stock awarded, the Awardee shall request from the Entity Receiving the Acceptances for the First Stage, in writing, the reimbursement of the excess amount after the Award Date for the First Stage.

6.12.3 In case of refunds, no payment of interest or yield will be granted, and Acceptor shall pay any taxes and expenses arising from such refund.

6.12.4 After the Award, BVC shall request Deceval its recording in the account on the electronic stockholder ledger; then, Deceval shall issue the respective certificates and shall record any respective encumbrances, complying with any applicable legal requirements.

6.12.5 In accordance with article 2 of Decree 1171 of 1996, Acceptors who are currently employees and beneficiaries of pensions from the ISAGEN, or former

employees of such entity, who have been terminated for a Fair Cause by their employer, may pay the full Stock price, or part thereof, as they are awarded with the accumulated severance benefits, for which they shall serve notice in writing of their terminations on the managing entity, at least fifteen (15) calendar days in advance of the expiration of the term for the Public Offering of Sale for the First Stage, including their intent to purchase the stock in the course of the Sale Program, using for such purpose the form included as Annex 6, in order that, after notice of the Award, they may transfer the amount of accumulated terminations to the Payment Accounts to be charged to payment of the Stock awarded. A copy of such communication, with a receipt from the respective severance benefit manager, shall be attached to the corresponding Acceptance. After the Stock award, payment shall be deemed as performed once the fund of severance benefits or the employer, as applicable, has transferred the resources to the Entity Receiving Acceptances for the respective First Stage, and, the latter, in turn, has transferred the funds to BVC to charge it to payment of the Stock price.

6.12.6 Failure to make payment of Stock by the Financing Entities, severance benefit managers or by the Professional Investors within the period contemplated in these Regulations, the Acceptance shall be deemed as rejected, and for the Stock Exchange purposes no breach shall be deemed as having occurred for the transaction by the Entity Receiving Acceptances for the First Stage, for which no obligation shall be imposed to such entities to perform such transaction. The provisions above shall be notwithstanding any penalties, as may be prescribed by the Regulations, in case of breach by the Professional Investors. EPM undertakes no liability whatsoever to the Beneficiaries of Special Conditions in case the Financing Entities or the severance benefit managers failed to perform payments under the terms indicated in these Sale Regulations; in this sense, any risks deriving from such payments are fully assumed by the respective Beneficiary of Special Conditions.

6.13 SALE OF STOCK NOT PURCHASED BY THE BENEFICIARIES OF SPECIAL CONDITIONS

In the event the Beneficiaries of Special Conditions failed to purchase the total number of Stock, the Second Stage of the Sale Program, offering the remaining number of Stock to persons who are compliant with the legal and financial requirements defined in section 7 of these Sale Regulations.

6.14 COMPLETION OF FIRST STAGE

For all the purposes of the Sale Program, the First Stage shall be deemed as completed on the Award Date or when it has been deemed to be vacant.

Within the maximum period of nine (9) Business Days from the Award Date for the First Stage, EPM shall publish a Second Stage Start Notice. Therefore, the Public Offering of Sale shall start for the Second Stage, provided that Stock are available for the such offer.

7. SECOND STAGE

7.1 SECOND STAGE PURPOSE

The Second Stage has the purpose of offering to the general public the Stock that were not purchased during the First Stage of the Sale Program.

7.2 SALE RULES

The Stock sale during the Second Stage shall be governed by the Sale Program, the Sale Regulations, Decree 2555 of 2010, the Newsletter issued by the BVC for the Second Stage and by any other applicable regulations.

The sale of Stock during the Second Stage shall be performed through a Public Offering of Sale for the Second Stage, which will be performed by Seller in Colombia, in accordance with the provisions of the current regulations, as applicable for the respective transaction.

7.3 MINIMUM STOCK PRICE FOR THE SECOND STAGE

During the Second State, Stock shall be offered at their Minimum Price, which may not be lower than the price offered in the Public Offering of Sale for the First Stage, in accordance with the provisions of Article 10 of Law 226 of 1995.

7.4 PROCEDURE FOR THE PUBLIC OFFERING OF SALE FOR THE SECOND STAGE

The Public Offering of Sale for the Second Stage shall start on the date of publication of the Second Stage Start Notice.

The Second Stage Start Notice shall be published in two (2) recognized newspapers of wide circulation within the national territory and in BVC daily newsletter, and the following shall be informed to the general public: (i) the start of the Second Stage; (ii) the Public Offering of Sale for the Second Stage; (iii) the date of the Auction at Break-even Price, which shall be held, at least, after two (2) Business Days following the publication of the Second Stage Start Notice, and (iv) the terms and conditions under which Stock shall be offered during the Second Stage.

From the start of the Public Offering of Sale for the Second Stage, the Seller shall proceed to offer the Stock through a Public Offer in the secondary market, as determined by EPM under the terms described in these Regulations, in the Second Stage Start Notice and in the Regulation Newsletter published by BVC for the Second Stage, in accordance with the current regulations in force, and, in particular, with the provisions in Decree 2555 of 2010, in the General BVC Regulations and in the Sole BVC Circular Letter.

The Public Offering of Sale for the Second Stage shall be effected by means of the trading method referred as Auction at Break-even Price, which allows entering Purchase Orders for the account of Second Stage Investors and the sale, exclusively by EPM, using an independent instrument within the stock cash sale in the X-STREAM trading system used by BVC, as prescribed in the Regulation Newsletter to be issued by BVC for such purpose.

Second Stage Investors may submit their Purchase Orders to take part of the auction through any active Stock Broker that is a member of BVC, and who is willing to take part of such auction. EPM shall define the Stock Broker through which the sale shall be ordered.

In accordance with the provisions above, any sale orders entered by Stock Brokers that are not authorized by EPM, as well as those entered by the Stock Broker hired by EPM that fail to meet the conditions required by such entity and reported to BVC shall be directly removed by the BVC Manager. It shall be the sole responsibility of the Stock Brokers and of their operators to enter the Purchase Orders in the system and to complete sales in accordance with the Regulation Newsletter issued by the BVC for the Second Stage. Therefore, in the event that unauthorized orders are entered, the Stock Broker shall be liable and shall be subject to any applicable penalties.

Likewise, it is the sole responsibility of Stock Brokers acting during the purchase or sale, to complete the transactions to be entered and accepted in the system by virtue

of this procedure, and lack of funds from their principal shall not be deemed as a valid excuse.

Stock Brokers who are willing to take part of the Auction at the Break-even Price shall enter their Purchase Orders at a price higher than or equal to the price defined in the Second Stage Start Notice.

7.4.1 General criterion for meeting the requirements for the Auction.

At the end of the Auction, the system shall award the transactions by means of a filling algorithm at the break-even price. During the Auction, the break-even price shall be assessed by the System based on the following criteria:

- a.** Determination of the break-even price, a price at which the amount offered is maximized for awarding the highest number of Stock during the Auction.
- b.** In case of more than a price meets the criterion above, the price causing the lowest imbalance shall be selected. The lowest imbalance is construed as the lowest amount remaining unawarded at the indicated price.
- c.** If there is still more than a price that meets the criteria defined in the sections above, the award price to be selected shall be the price that meets any of the following conditions:
 - (i)** In case the accumulated purchase amount is higher than the accumulated sale amount, the one with a higher price shall be selected. The accumulated amount per purchase (or sale) shall be construed as the aggregation of all the Purchase (or sale) Order amounts that are compatible with the indicated price.
 - (ii)** Should the accumulated purchase amount is lower than the sale accumulated amount, the lowest price shall be selected. The accumulated amount per purchase (or sale) shall be construed as the aggregation of all the Purchase (or sale) Order amounts that are compatible with the indicated price.
 - (iii)** In case the accumulated purchase amount is equal to the accumulated sale amount, the System shall calculate a simple arithmetical average of the prices meeting the conditions, and will round up the Price Ticket, and this will be the break-even price for the auction.

Once the break-even price has been determined, the system shall fill the active Orders that are compatible, in accordance with the price defined, as reported in the Regulation Newsletter and/or as ordered in the Public Depth Book may be filled in accordance with the amount available. If the fill is for the total number of orders, they will be removed from the Public Order or Depth Book, and the recording and publication will be automatically generated. In case there is a partial fill of Orders, the System shall discount from the order the respective number and will generate the respective transactions and shall leave a remaining number of orders which shall expire upon the Auction close.

After completion of the auction award, BVC shall report its results in the Newsletter to inform the market and the Stock Brokers, using the BackOffice systems where the compliance amount may be determined.

7.4.2 Compliance

The Stock Brokers and custodians who, for compliance purposes, have Purchase Orders that have already been awarded at the auction, shall transfer the total amount of funds involved in the transaction to BVC, under the terms defined in the Regulation Newsletter to be published by BVC for the Second Stage.

Once payment has been received, the respective transaction ownership certificates shall be released.

The transfer of ownership of the Stock awarded shall be with the recording in the account by Deceval in favor of the Purchaser, i.e., by recording the Purchaser as the owner of the Stock in the ISAGEN stock ledger kept by Deceval, once the full stock amount has been paid. The Stock shall be paid not later than the Business Day immediately subsequent the Award Date for the Second Stage.

7.5 DURATION OF THE PUBLIC OFFERING OF Sale FOR THE SECOND STAGE

The Public Offering of Sale for the Second Stage shall be valid for the period defined in the Second Stage Start Notice.

7.7 LIMITATIONS TO THE NEGOTIABILITY OF STOCK

Stock Purchasers during the Second Stage undertake not to trade, sell or limit their ownership of the Stock, to avoid making business transactions with the intent for a third party to become an Actual Beneficiary of the Stock, during the two (2) months following the Second Stage Award Date, as it is included in their Purchase Order.

Failure to comply with these provisions shall cause the application of the provisions contemplated here to the Stock Purchaser, regardless of any other effects that may arise, including, any criminal penalties, the application of a monetary penalty in favor of EPM based on the time elapsed:

- a.** In the event such failure arises within the first month following the Second Stage Award Date, this will be the grounds for the application of a penalty of 30% of the amount paid by the Purchaser for the Stock.
- b.** In the event such failure arises within the second month following the Second Stage Award Date, this will be the grounds for the application of a penalty of 15% of the amount paid by the Purchaser for the Stock.

In order to ensure fulfillment of the obligations undertaken herein, the Stock awarded during the Second Stage shall be frozen or blocked to prevent their sale through the methods contemplated in the Transaction Regulations prepared by Deceval for such purpose.

Once a period of two (2) months applicable to the limitation under this section has been completed, the Stock shall be free.

In accordance with the provisions in sub-article 2 of Article 14 of Law 226 of 1995, in the event the purchase of Stock during the Second Stage has been performed in breach of the provisions of the Sale Program and of the Sale Regulations, the Second Stage Award shall be null and void as a matter of law, and Seller shall request the Awardee the return of the Stock and to Deceval the cancellation of the record or shall start any applicable legal actions. When restitution is not possible, the only possibility shall be the corresponding pecuniary compensation.

ANNEX 1

ACCEPTANCE FORM - ACCEPTOR'S STATEMENTS

		PROGRAMA DE ENAJENACIÓN DE ACCIONES DE ISAGEN S.A. E.S.P. PROPIEDAD DE EPM E.S.P. FORMULARIO DE ACEPTACIÓN PRIMERA ETAPA	
A. INFORMACIÓN DEL SOLICITANTE FORMULARIO No. _____			
INFORMACIÓN DE LA PERSONA NATURAL / PERSONA JURÍDICA QUE SERÁ TITULAR DE LAS ACCIONES			
1. Documento de Identificación (*) C.C. <input type="checkbox"/> C.E. <input type="checkbox"/> PASAPORTE <input type="checkbox"/> NIT <input type="checkbox"/>		4. Primer Apellido o Razón Social (*) _____	
2. Documento Número (*) _____ 3.D.V. (*) _____		5. Segundo Apellido _____	
8. Domicilio Residencia PN/PJ (*) _____		6. Nombre ó Sigla de la Razón Social (*) _____	
11. Departamento (*) _____		7. Tipo de Persona (*) <input type="checkbox"/> Natural <input type="checkbox"/> Jurídica <input type="checkbox"/> Especial Fiduciario <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Declara Renta <input type="checkbox"/>	
12. Ciudad (*) _____		9. Teléfono (*) _____	
13. E-mail _____		10. País (*) _____	
INFORMACIÓN DEL APODERADO / REPRESENTANTE LEGAL DE LA PERSONA JURÍDICA			
14. Documento de Identificación C.C. <input type="checkbox"/> C.E. <input type="checkbox"/> PASAPORTE <input type="checkbox"/>		16. Apellidos - Representante Legal de la Empresa o Apoderado _____	
15. Documento Número _____ 3.D.V. (*) _____		17. Nombres - Representante Legal de la Empresa o Apoderado _____	
18. Domicilio Representante Legal / Apoderado _____		19. Teléfono _____	
21. Departamento _____		20. País _____	
22. Ciudad _____		23. E-mail _____	
CLASIFICACIÓN DEL INVERSIONISTA			
24. Tipo de Inversionista (*) _____ Directivo de ISAGEN <input type="checkbox"/>		25. Cuenta Depósito DECEVAL N° (*) _____	
B. DATOS DE LA CUENTA BANCARIA DEL TITULAR DE LAS ACCIONES			
26. Tipo de Cuenta <input type="checkbox"/> Ahorros <input type="checkbox"/> Corriente		27. Nombre de la Entidad Bancaria _____	
28. Cuenta Bancaria N° _____			
C. INFORMACIÓN PARA CONTROL DE LÍMITES DE INVERSIÓN			
INGRESO DE DATOS PARA LÍMITES DE INVERSIÓN			
29. Valor Patrimonio Líquido (PN) / Ajustado (PJ) \$ _____		Sólo para Inversionistas Persona Jurídica (Patrimonio Ajustado)	
30. Valor Ingreso Anual (PN) / (PJ) \$ _____		33. Valor Activo Total \$ _____	
31. Valor Remuneración Anual (Directivo ISAGEN) \$ _____		34. Valor Pasivo Total \$ _____	
32. Límite Máximo Autorizado por Entidad (PJ) \$ _____		35. Valor Superávit por Valorización \$ _____	
CANTIDADES Y MONTOS MÁXIMOS QUE PUEDE COMPRAR EL INVERSIONISTA [SEGUN VALIDACIONES ANTERIORES] (Sólo Informativo)			
36. Cantidad Máxima de Acciones a Comprar _____		37. Monto Máximo Permitido \$ _____	
D. CANTIDAD QUE ACEPTA SUSCRIBIR EN NÚMERO DE ACCIONES Y MODALIDAD DE PAGO			
38. Cantidad Solicitada (*) _____		40. Contado <input type="checkbox"/>	
39. Valor a consignar en Pesos \$ _____		41. Préstamo Bancario <input type="checkbox"/>	
		42. Cesantías Consolidadas <input type="checkbox"/>	
E. FIRMA SOLICITANTE		F. PARA USO EXCLUSIVO DE LA SCB	
43. FIRMA _____ <small>DE LA PERSONA NATURAL / REPRESENTANTE LEGAL EMPRESA / APODERADO</small>		47. Código de la Sociedad Comisionista de Bolsa _____ _____ _____	
44. Nombre de quien firma _____		48. Código Promotor de la Colocación (*) _____	
45. Tipo de Documento ID C.C. <input type="checkbox"/> C.E. <input type="checkbox"/> PASAPORTE <input type="checkbox"/>		49. Fecha y Hora de la Aceptación de la Oferta dentro del Sistema _____	
46. Número Documento de ID _____			
G. VERIFICACIÓN DE DOCUMENTOS [USO EXCLUSIVO DE LA BOLSA DE VALORES DE COLOMBIA S.A.]			
50. FIRMA _____ <small>DE LA PERSONA QUE REALIZA LA VERIFICACIÓN EN BVC</small>		52. OBSERVACIONES	
51. Nombre del Verificador BVC _____			

The following statements from the Acceptor shall be included in the Acceptance Form to be completed by the Beneficiaries of Special Conditions, through the Entity Receiving Acceptances for the First Stage:

- I hereby acknowledge and agree the terms and conditions defined in the applicable documents for the sale process, such as the Sale Program, the Sale Regulations, and the Sale Booklet, the Notices published and in any other documents related to the sale process.
- I hereby acknowledge and agree that the Acceptance is governed by the documents related to the sale of documents and that it is subject to control of compliance with the rules, conditions, and requirements indicated in the Sale Regulations.
- I hereby irrevocably accept to purchase and pay the number of Stock I may be awarded during the Sale Process.
- I hereby undertake the obligation to avoid trading, selling or limiting the ownership of the Stock I may be awarded, and to avoid making transactions intended for a third party to become the Actual Beneficiary of the Stock, during the two (2) months following the First Stage Award Date.
- I hereby agree that my breach of the previous obligation shall cause, regardless of any other effects as may be prescribed by law, including any criminal penalties, the payment of a pecuniary penalty to EPM, based on the time elapsed, therefore:
 - a. If such failure to perform arises within the first month following the First Stage Award Date, this will be the grounds for the application of a penalty of 30% of the amount paid for the Stock.
 - b. If such failure to perform arises within the second month following the First Stage Award Date, this will be the grounds for the application of a penalty of 15% of the amount paid for the Stock.
- I hereby agree that to ensure compliance with the obligations above, the Stock awarded shall be frozen or blocked to prevent their sale through the methods contemplated in the Transaction Regulations prepared by Deceval for such purpose.
- I have observed all the rules, conditions, and requirements indicated in the Sale Regulations for the submission of the Acceptance Form, and have obtained any other approvals, as required to purchase the Stock.

- I hereby represent that my Acceptance observes the limitations as to the number of Stock that may be purchased by me, as prescribed by the Sale Regulations.
- I hereby represent that the funds with which I have paid the Stock have a lawful source.
- I am acting on my own behalf or on behalf of a principal or as an agent, as detailed in the Acceptance Form.
- I hereby agree on the conditions contemplated in the Sale Regulations with respect to the opportunity of Seller to suspend the sale process, and the procedure contemplated for recommencement.
- I do hereby authorize Seller and the Entity Receiving Acceptances for the First Stage to check any statements included herein, and to request any information that may be required by them for such control of compliance with the requirements, limitations and conditions required, even after the Stock Award.
- I hereby agree that I will promptly notify the Entity Receiving Acceptances for the First Stage in writing, if after submission of my Acceptance but before the First Stage Stock Award I no longer meet the conditions required for becoming a Beneficiary of Special Conditions; and I hereby represent that I am aware that in the event I fail to serve such notice the Award shall be null and void under the terms indicated in Article 14 of Law 226 of 1995, and that, in such a case, once I am required to do so, I shall transfer the Stock to the Seller and, for having acted knowingly, I shall not be entitled to enforce any remedy that I may have been granted or for having paid the Stock, in accordance with the provisions of Article 1525 of the Civil Code.
- I hereby agree that any breach of the obligations included in the documents of the sale process shall also be the grounds for the application of the provisions of the applicable laws, for payment of a penalty to Seller, in this respect; I agree that Seller may impose a penalty as prescribed in these Regulations.
- I hereby represent that the decision to submit the Acceptance, is an independent decision based on my own analysis, investigations and examinations or those carried out by my principal, as applicable, and it is not based on any physical document, information, comment, or suggestion by the Seller or any of its officers or advisors.

- I hereby agree that for all purposes related to the notices and communications regarding the Award, the address shall be the address indicated in this Acceptance, I hereby agree to receive notices in my email, as indicated herein.
- I hereby accept that in the event the total number of Stock required exceeds the number of Stock offered, the number of stock included in this Acceptance may be reduced to perform the respective proration, in accordance with the provisions in the Sale Regulations.
- I have provided data of my bank account or data from my principal's bank account to the Entity Receiving Acceptances for the First Stage for any reimbursement of monies paid in the event that is required.
- I hereby authorize the entities participating in the sale process to deliver the Seller any information related to any breach of the obligations included in the Sale Regulations.
- I hereby expressly authorize the Entity Receiving Acceptances for the First Stage to request directly from the Financing Entities and from pension and severance benefit managers the disbursement of the part of the Stock price that is required for payment of the Stock I may be awarded.
- I hereby authorize that my personal data be deemed as not public by the agents acting as persons responsible for the development of the Sale Program, and for such purpose, under the terms and conditions described in the Regulations and subject to the provisions of Law 1581 of 2012, Decree 1377 of 2013 and as supplemented or amended and/or superseded by the respective regulations.
- I hereby authorize the Entity Receiving Acceptances for the First Stage to provide BVC, the Seller and Deceval any information related to this Acceptance.
- I hereby represent that any information included in the Acceptance Form and in its respective annexes is true, has not been altered, nor does it contain any assertions against reality, and it is provided entirely under my own responsibility.
- I hereby represent that the statements above are true, do not omit any material fact that should be taken into account for the purpose of determination of the validity of the Acceptance.

The statements above are made by me being fully aware of the legal provisions and criminal implications that may be applicable, including the provisions of article 289 of the Criminal Code.

ANNEX 2
POWER OF ATTORNEY FOR INDIVIDUALS

[____] days of the month of [_____] in the year [____]

Reference: Stock Sale Program for stock owned by EPM in ISAGEN.

The undersigned, [_____] of legal age, domiciled at [_____], identified with [ID Card] [Foreigner ID Card] [Passport] N° [_____] issued in [_____] I hereby confer a broad and sufficient special power of attorney to [_____], of full age, with domicile at [_____] and personal identification [Identity Card] [Foreigner's Identity Card] [Passport] No. [_____] issued in [_____] so that in my name and on my behalf this person may submit, in the Public Offering of Sale for the First Stage, Acceptance of my purchase of the number of Shares indicated in the Acceptance Form and may represent me at any other act required, as prescribed in the Sale Regulations, including any ratification, if required, or a request for reimbursement and at the act of effective reimbursement of funds, so that the Stock indicated in the Acceptance Form are effectively awarded to me.

Capitalized terms shall have the meaning assigned in the Sale Regulations, unless otherwise stated.

Name of the Principal Signature of the Principal
[C.C.] [C.E.] [P]. N°
I ACCEPT

Name of the Attorney Signature of Attorney
[C.C.] [C.E.] [P.] N°

ANNEX 3

POWER FORM - ENTITIES DIFFERENT FROM LEGAL PERSONS

[____] days of the month of [_____] in the year [____]

Reference: Stock Sale Program for stock owned by EPM in ISAGEN.

The undersigned, [_____] of legal age, domiciled at [_____], identified with [ID Card] [Foreigner ID Card] [Passport] N° [_____] issued in [_____] I hereby confer a broad and sufficient special power of attorney to [_____], of full age, with domicile at [_____] and personal identification [Identity Card] [Foreigner's Identity Card] [Passport] No. [_____] issued in [_____] for and on behalf of [_____], entity which I represent, fills in, within the Public Offering of Sale for the First Stage, Acceptance of Purchase of the number of Shares stated in the Acceptance Form and represents _____ in any other action that it is required under the Sale Regulations, including Ratification, should it be required, or the Return Request and effective refund of resources, so that the Shares stated in the Acceptance Form, are awarded.

Capitalized terms shall have the meaning assigned in the Sale Regulations, unless otherwise stated.

Name of the Rep. Legal of the Principal Signature of the Rep. Legal of the Principal
[C.C.] [C.E.] [P.] N°
I ACCEPT

Name of the Attorney Signature of Attorney
[C.C.] [C.E.] [P.] N°

ANNEX 4
ENTITIES AND FINANCING CONDITIONS

ENTITIES:

1. Bancolombia S.A.
2. Banco Bilbao Vizcaya Argentaria Colombia S.A.
3. Banco de Occidente S.A.

FINANCING CONDITIONS:

Financing Entities shall make available to the Addressees of Special Conditions for the First Stage of the Sale Program, a Credit Line to finance the acquisition of the Sale Program as follows:

- a. Available Financing shall be for an aggregate amount not less, as a whole, to ten percent (10%) of the total value of the Shares.
- b. The Amortization Terms of each loan shall not be less than 5 years.
- c. The applicable rate of interest shall not exceed the current bank interest rate certified by the Superintendencia Financiera de Colombia in force at the time of granting;
- d. The grace period for the amortization of the capital shall not be less than one year. The interests accrued during the grace period may be capitalized, for payment, together with the amortization of capital.
- e. The Shares acquired with the credit will be eligible as a guarantee. Each credit will be guaranteed by the pledge of the Shares that are awarded to or acquired by the corresponding Acceptor. The value of the Shares, to determine the coverage of the guarantee, will be a fixed, adjusted or initial selling price of them. For the set up of the pledge on the Shares the Financial Entity shall deliver to Deceval pledge file and registration forms of the procedure of ownership signed by the Addressee of Special Conditions according to the forms stated by Deceval and the regulations applying to this event.

The deadline for disbursement of loans may not exceed (3) Business Days, from the notification of the Shares Award of Credit Line, by the Entity Receiving Acceptances for the First Stage, acting as Direct Depositor of the Addressee, to the Financing Entity. The notification shall be made by the Entity Receiving Acceptances for the First Stage by sending a non-certified copy (document) of the Shares Award issued

by the Stock Exchange of Colombia to the Financing Entity, no later than the business day following the date of the Shares Award.

The granting of credits to the Addressees of Special Conditions, will be subjected to the compliance by both parts with the requirements and conditions for approval, as well as the general policies established by the Financing Entity; including, among others, those related to appropriate Client Knowledge, rules on prevention of Money Laundering and financing of terrorism, rules on protection of non-public personal information and in general, all those governing the activity of the Financing Entity in granting credits. Notwithstanding the foregoing, for purposes of granting the Line Credit to Addressees of Special Conditions, the Financing Entity shall fill in Annex 5 of the Regulations.

ANNEX 5
PAYMENT COMMITMENT FORM - FINANCING ENTITY

City, (Month, Day, Year)

Sir
[STOCKBROKER COMPANY / ADDRESSEE]
Attention:
City

Reference: Disbursement Communication

Sir,
[FINANCING ENTITY] hereby confirms the granting of a credit to _____ with [CC/NIT] _____ (the "Client"), in response to the request submitted to acquire the Shares in development for the First Stage of the Sale Program of the Shares that EPM own in ISAGEN, [FINANCING ENTITY] agrees to pay the amount of \$ _____ under the following conditions:

LOAN TERM:

ANNUAL EFFECTIVE INTEREST RATE:

NOMINAL INTEREST RATE:

DEFAULT RATE. The maximum legally allowed when in default, without exceeding the usury rate published by the Financial Superintendence of Colombia.

PAYMENT METHOD: Capital City: _____ Interests: _____

If the credit is disbursed wholly or partly to a third party account, [FINANCING ENTITY] is authorized to debit the value caused by one or more transactions of GMF (Gravamen a los Movimientos Financieros [Tax on Movements of funds]) of any current or savings account established by the Client [FINANCING ENTITY]

Furthermore, [FINANCING ENTITY] confirms and agrees this credit follows the conditions established in the Law 226 of 1995 and set out in Annex 4 of the Sale Regulations.

The resources of the credit lines, shall only be disbursed by [FINANCING ENTITY], once being notified the award of the Shares to the Addressee of the credit by the Entity Receiving Acceptances for the First Stage that the client has indicated and designated as that through which the offer to purchase the Shares will be presented.

Also, the Broker Company you represent shall inform the Client that as a Beneficiary of the credit, he must pledge the Shares awarded by signing the pledge order to Deceval and the corresponding pledge agreement of Shares in favor of [FINANCING ENTITY].

[FINANCING ENTITY] confirms and agrees with the conditions of the aforementioned credit:

Sincerely,

[FINANCING ENTITY]

Name:

C.C.

ANNEX 6
DISBURSEMENT REQUEST FORM - SEVERANCE MANAGER

[Date]
Sir
[Severance Fund]
[Management]
[City]

Ref: Disbursement Request - Acquisition of Shares that EMP owns in ISAGEN

Sir,

In accordance with the provisions of Article 2 of Decree 1171 of 1996, I do hereby state my interest of acquiring the Shares in development for the First Stage of the Sale Program of the stock ownership of EPM in ISAGEN, for which I wish to commit the sum of \$[____] from my severance.

After the award of the Shares, under the terms of Article 3 of Decree 1171 of 1996, la Broker Company _____ will request to Severance Management Company to send the corresponding value of the severance, and the Stock Broker Company shall send the documents containing the Shares awarded to me.

Accordingly, the Severance Management Company shall send the resources to the Stock Broker Company within three (3) Business Days from the date of the notification of the Award Notice.

Sincerely,

Name:

C.C.

THIS DOCUMENT MUST BE FILED TO THE SEVERANCE MANAGEMENT COMPANY, AT LEAST FIFTEEN (15) CALENDAR DAYS BEFORE THE LAST DAY OF THE PUBLIC OFFERING OF SALE FOR THE FIRST STAGE STATED IN 4.4.1 OF THE SALE REGULATIONS.

ANNEX 7
CERTIFICATE OF LIMITS AND PRIOR ACCEPTANCES

Presented by [_____]

Sir
EPM
Medellín, Antioquia

Reference: Certificate of Limits and Prior Acceptance.

The undersigned, [_____], duly identified below my signature herein, in my capacity as Legal Representative of [_____]; and [_____], duly identified below my signature herein and Professional ID N° [_____], a copy of which is attached hereto, in my capacity [Fiscal Reviewer] [Public Accountant] of [_____], do hereby certify [the Acceptor has legal or statutory investment limits] .Authentic copy of the Competent Corporate Body Act with the appropriate authorization in the terms established by law and statutes is attached hereto.

The amount of the Shares the Acceptor agrees to purchase, added to the Acceptance/Prior Acceptances, if there are, is within the statutory limits of the aforementioned powers of Legal Representative.

Signature of the Legal Representative
Name of the Legal Representative
[_____] Representative
ID N° of the Legal Representative [_____]

Signature of [Fiscal Reviewer] [Public Accountant]
Name of [Fiscal Reviewer] [Public Accountant]
[_____] [Public Accountant]
Number of [Fiscal Reviewer] [Public Accountant]
[_____] [Public Accountant]

ANNEX 8
VERIFICATION FORM OF RESOURCES

Medellín [] [] of []

Sir
EPM
City

Reference: Verification of cash payment

[], identified with ID Card [] as
Legal Representative of
[], I certify that:

1. Mr. Natural Person/Legal Person [] identified with [], client of the Entity Receiving Acceptances which I represent in accordance with the rules on clients linkage applicable to Stock Broker Company, served the Acceptance [] Shares of ISAGEN, in development in the Sale Program shown in advanced by EPM.
2. The actions requested by Mr. Natural Person/Legal Person [] have a value of [\$] that was canceled with exclusive charge to the client's account in our society.
3. The sum of money raised will be transferred to BVC in accordance with the provisions of the Sale Program Regulations.

Best regards,

[]

C.C. []

Legal Representative

[]