





PROCUREMENT HANDBOOK

CC-007

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

Contenido


1	INTRODUCTION	1
2	SCOPE.....	1
3	DEFINITIONS.....	1
	PART II: CONTRACTING PROCESS	3
4	QUOTATION	3
4.1	Services rendered by foreign vendors	3
5	VENDOR SELECTION.....	4
6	VENDOR REGISTRATION.....	4
6.1	Due Diligence.....	5
7	PURCHASE REQUEST	5
7.1	Fixed Assets	6
7.2	Urgent Purchase	7
7.3	Special Purchases.....	7
7.4	Categorization	7
8	PURCHASE REQUEST APPROVAL.....	8
9	CONTRACT DOCUMENTS.....	9
9.1	Minimum Information included in the Contracts.....	9
9.1.1	Labor Matters:	11
9.1.2	Environmental Matters:.....	11
9.2	Contract Oversight	12
9.3	Amendments to the Contract	13
9.4	Service Level Agreements (SLA)	13
9.5	Insurance Policies.....	13
9.6	Filing and Safekeeping.....	15
9.6.1	Precontractual Stage.....	15
9.6.2	Contract Documents	15
9.6.3	Execution Documents	16
10	DELIVERY AND INVOICING	16

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

10.1	Delivery of Good or Service	16
10.2	Invoicing.....	16
10.2.1	Electronic Invoices:	17
10.3	Payment Policy	17
10.4	Advance Payments.....	18
11	ASSESSMENT OF THE GOOD OR SERVICE RENDERED.....	18
	PART III: MANDATORY NATURE AND TERM OF THE HANDBOOK.....	19
	CONTROL DE CAMBIOS.....	19

www.odinsa.com

Calle 24 A N. 59 – 42 Torre Argos, Piso 10 / Tel. (57-1)6501919 / Bogotá, Colombia
Carrera 43 A N. 1A Sur – 143 Santillana, Torre Norte, Piso 5 / Tel. (57-4)3198760 / Medellín, Colombia

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

1 INTRODUCTION

This Handbook provides the guidelines applicable to the procurement process for goods and services.

The provisions contained herein are additional to the Vendors' Code of Conduct (under construction), Code of Good Governance and other actions defined by the Company in pursuit of its goal of being a sustainable company.

The procurement process for goods and services is a self-management process led by each contracting area, therefore, the persona responsible for the administration of the contract must comply with the provisions set forth in this Handbook.

2 SCOPE

The Contracting Handbook will be applicable in all procurement processes for goods and services conducted with our Vendors.

It includes the negotiation and acquisition processes for Core Category goods and services contracted from ODINSA S.A. The contracting of Cross Category goods and services is supported by SUMMA.

For the purposes of this Handbook, the term Vendors shall be understood from a generic standpoint, including those who provide their services or supply goods to ODINSA S.A.

3 DEFINITIONS


Categorization: The process of grouping similar products or services into a specific category, or business unit.

Contract Administrator: Person designated by the contracting area to support the contracting process from start to finish, including the contract execution stage.

Contracting Area: Area of the Company that requires the acquisition of a good or service.

Contractor: A person or legal entity that provides or supplies a certain good or service within the Company's facilities.

Core Category: Set of goods and services specific to the operation of each business.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

Cross Category: Set of goods and services that are not specific to the operation of the business.

Due Diligence: Checking on restrictive lists of the third parties with which ODINSA S.A. is associated or intends to be associated.

Framework Contract: A legal agreement between the Organization and a Vendor that dictates the general conditions for delivery and payment of a product. Payment may vary according to the quantities of product agreed upon, as well as the agreed delivery times.

Politically Exposed Person (PEP): Individuals who perform or have served in prominent public functions, for example, heads of state, senior politicians, senior government, judicial or military officials, senior executives of state-owned companies, important officials of political parties.

Proponent / Bidder: Person who by means of a Quotation or Proposal offers a good or service.

Proposal / Bid / Quotation: A bidder's written statement, through which they indicate the conditions and the value or amount which they are willing to comply with in the provision of goods or services subject to negotiation.

Purchase Order: Document issued by Dynamics AX, for those negotiations of equal or less than one hundred (100) minimum monthly salary (SMMLV for its Spanish acronym), which must be submitted to the Vendor to formalize the negotiation.

Restrictive Lists: Domestic and international databases that collect information, reports, and background information from different agencies, regarding individuals and legal entities, which may exhibit suspicious activities, investigations, proceedings or convictions for the crimes of Money Laundering and Financing of Terrorism.


SLA: Service Level Agreement.

Special Purchase: Corresponds to that which, due to its specialty, can only be provided by one Vendor.

Subcontractor: An individual or legal entity hired by a primary contractor to perform a specific task as part of the project.

Terms and Conditions of the Purchase Order: Sets forth the clauses that will govern the contractual relationship with the Vendor in contracting processes for less than one hundred (100) SMMLV, as indicated in the Procurement Process for goods and services.

Urgent Purchase: A situation, purchase or contracting that requires immediate and exceptional measures, in order to avoid causing significant damage to the company and minimize its impact.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

Vendor: An individual or legal entity that provides or supplies a specific good or service.

Vendors' Code of Conduct: A guide of behavior where the values and ethical standards of the organization are recorded and that every one of the Vendors must know and comply with. It includes the basic principles for the proper development of relations between Vendors and the Companies. ODINSA S.A.'s Vendors' Code of Conduct is under construction.

PART II: CONTRACTING PROCESS

4 QUOTATION

The Contracting Area, its Manager or Leader, according to its needs for goods or services, shall request the number of quotations required in Annex N2: Amounts for approval of purchases subject to the Purchasing Process.

The Vendor must ensure that it has the capacity to supply the required goods or services in terms of price, quality, guarantee, form of payment, term, and other criteria to be defined, and must comply with environmental, social, and labor standards.


At the time of negotiation, the Contracting area shall indicate to the Vendor the taxes that correspond thereto as stipulated by the Law, such as and not limited to: VAT, withholdings, industry and commerce, stamp taxes.

ODINSA S.A. does not assume taxes in favor of third parties.

ODINSA S.A. will not contract the provision of services or purchase of goods with individuals, except in some situations that justify their hiring, in which case it shall indicate such justification in the object of the Purchase Request, which shall be submitted to the corresponding approvals, as indicated in Annex N2: Amounts for approval of purchases subject to the Purchasing Process.

4.1 Services rendered by foreign vendors

Any foreign vendor rendering services to ODINSA S.A. in Colombia must comply with the legal requirements in force for their admittance and work.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

5 VENDOR SELECTION

In order to ensure the selection of a comparable vendor, the Contracting Area shall complete Form CC-002: Vendor Selection.

It shall analyze and qualify the proposals and issue its approval regarding the technical and commercial conditions.

6 VENDOR REGISTRATION

The Contracting area must ensure that the selected vendor is registered with Dynamics AX. The vendor's creation must be requested to SUMMA's Vendors area at the following e-mail address: maestroproveedores@summa-sci.com

The following documents must be attached:

Individuals:


- Form for registering domestic vendors
- Form for registering foreign vendors
- Form for registering foreign vendors - Spanish Speaking
- Supporting documents issued regarding the Due Diligence performed by the Compliance Area.

Legal entities:

- Form for registering domestic vendors
- Form for registering foreign vendors
- Form for registering foreign vendors - Spanish Speaking
- Extended Due Diligence Form
- Supporting documents issued regarding the Due Diligence performed by the Compliance Area.

The contracting area must request that the vendor select the subcategories or services that it is able to provide to ODINSA S.A. in the Vendor Registration Form, under the heading Vendor Categorization (Mandatory). The vendor may select up to three (3) services.

Additionally, it must verify that the documentation delivered by the vendor is complete, legible and originates from the vendor.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

6.1 Due Diligence

The Due Diligence process must be complied with by all parties involved in the negotiation, registration and management of counterparts. Due Diligence should be completed as early as possible, in the exploratory stages and always prior to initiating activities, business dealings or entering into any contract.

This process comprises four types of investigations:

- a) Simple due diligence
- b) Extended due diligence
- c) Detailed due diligence
- d) Real estate due diligence

For more details, please refer to the Due Diligence Process: AS-008-Compliance with the Due Diligence Procedure.

7 PURCHASE REQUEST

The Contracting area is responsible for creating the purchase request in Dynamics AX.

The number of quotations to be submitted must be considered according to the value amount of the negotiation, as indicated in Annex N2: Amounts for approval of purchases subject to the Purchasing Process.


All fields in the Purchase Request with Dynamics AX must be filled out completely.

When submitting the Request, it is important to take the following into account:

- If it includes an advance payment
- If it is part of a framework negotiation
- If it involves a fixed asset

Once the purchase request is created, the following documents must be uploaded to Dynamics AX:

- Quotations / Commercial offers
- Vendor selection form
- Vendor evaluation form
- Purchase Order

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

- Supporting documents in the case of an Exclusive Vendor, i.e., when the vendor is the only one that will supply a good or service.
- Supporting documents when it is a corporate purchasing guideline.

Negotiations for goods and services may not be divided in order to avoid the anti-trust rules established in the Infogram for the Purchase of Goods and Services.

The only invoices or accounts receivable that may be filed "Without a Purchase Order" are:

- Utilities
- Credit card statements
- Donations
- ODINSA S.A. Insurance Policy

7.1 Fixed Assets

For an item to be registered as a fixed asset, it must meet the following criteria:


- The estimated duration of the asset must be equal to or greater than 12 months.
- The cost of the item must exceed 50 UVT.
- The item can be adequately controlled from an administrative standpoint

The process of creating Fixed Assets is as follows:

- When creating the purchase request in Dynamics AX, the Fixed Assets Creation format must be completed, including name of the asset, cost center to which it will be associated, value, serial number (if applicable) and quantity.
- The creation of this asset must be authorized by the area manager.
- Once the form is completed, it should be sent to the following e-mail address: activos.fijos@summa-sci.com so that SUMMA's Fixed Assets area can generate the asset code.
- Prior to receiving an invoice, the asset code must be entered in the Purchase Order, in order for it to be duly capitalized.

Additionally, ODINSA S.A. Accounting department must be informed about the creation of this fixed asset.

The custody and good management of the asset will be the responsibility of the contracting area that purchased it.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

The update of the approval flows in AX, as well as the frequency of updates of those responsible for purchase requests in AX, are parameterized each time the request is made, either because the area directly requests a change in the approval process or because the creation of new cost centers is requested, or because as a result of the budget review, changes are made in the cost centers or in the approval structures. In this case, the respective area or the Financial Planning area requests that the Processes area manage the changes with SUMMA.

7.2 Urgent Purchase

When an emergency arises that requires an urgent purchase to address the effects deriving from the occurrence of claims, calamities, disasters, force majeure and/or acts of God, the purchase request must be prepared along with the corresponding justification, within the following 3 working days at the latest, in order to continue with the established procedure. In these cases, only one quotation will be permitted.

It must be executed through vendors already registered with ODINSA S.A., thus ensuring that the vendor has been duly vetted in the Restrictive Lists.


In the event that goods and services are required, for which there is no previously registered vendor, an urgent message shall be sent to the Compliance area and the simple due diligence shall be executed within a term no longer than one business day from the delivery of the documents.

7.3 Special Purchases

A single quotation will be accepted when only one vendor can supply the required good or service due to its specialty.

In the event that the decision is made to assign the purchase to a vendor, without the minimum number of quotations required by reason of the amount, it must be signed-off by the respective Vice President.

7.4 Categorization

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

The person responsible for generating the purchase requisition for each contracting area, must select the segment and sub-segment corresponding to the subject of the requisition for each purchase line. Once the purchase request is approved, the selected category(ies) and subcategory(ies) will be reflected in the Purchase Order.

The Category Tree will be located in the Knowledge Library, under the Procurement and Sourcing chapter, where the categories and subcategories approved by the contracting areas can be consulted.

Employees will be able to generate reports in Dynamics AX, which will reflect the categories and subcategories for each vendor.

Additionally, in order to facilitate the review of vendor information, a categorized Vendor Database will be available in the Knowledge Library, with diverse information to facilitate the decision-making process or the definition of strategies regarding a vendor.

8 PURCHASE REQUEST APPROVAL

The provisions set forth in Annex N2: Amounts for approval of purchases subject to the Purchasing Process, must be followed, whereby it establishes the powers granted to the Leaders, Managers and Vice Presidents with respect to the approval, according to the amount of the good or service to be acquired.


The powers for approval may only be delegated in the event of disability, vacations, leaves of absence or the non-existence of the position within the Company's structure. The delegation must be authorized by the Vice President / Manager and must indicate to whom the powers will be delegated; the appointee must be a person from the same area. The Center for Document Administration (CAD for its Spanish acronym) must be informed accordingly.

AMOUNT (In SMMLV)	Minimum number of quotations required	How to request the purchase	Who prepares the request	First purchase request approval	Second purchase request approval	Third approval	Contract document	Insurance policies	Document approval	
									Sign-off	Signature
>= 40,000	3	Purchase Request Dynamics AK	Requestor	VP for area	Board of Directors	Legal Area uploads Board of Directors' Minutes	Contract (prepared by Legal Area)	Yes	Area Manager	Legal Representative for Area
>= 3,000 - 40,000	3	Purchase Request Dynamics AK	Requestor	VP for area	N/A	N/A	Contract (prepared by Legal Area)	Yes	Area Manager	Legal Representative for Area

8

www.odinsa.com

Calle 24 A N. 59 - 42 Torre Argos, Piso 10 / Tel. (57-1)6501919 / Bogotá, Colombia
Carrera 43 A N. 1A Sur - 143 Santillana, Torre Norte, Piso 5 / Tel. (57-4)3198760 / Medellín, Colombia

	PURCHASING AND PROCUREMENT						CODE: CC-007
	PROCUREMENT HANDBOOK						VERSIÓN: 2
							FECHA: 12/08/2021

>= 100 – 3,000	3	Purchase Request Dynamics AK	Requestor	Area Manager	VP	N/A	Contract (prepared by Legal Area)	Yes	Area Manager	Legal Representative for Area
>= 10-100	2	Purchase Request Dynamics AK	Requestor	Cost Center Leader*	Area Manager	N/A	Purchase Order (Generated in AX)	Depends on object of purchase	N/A	N/A
< 10	1	Purchase Request Dynamics AK	Requestor	Cost Center Leader*	N/A	N/A	N/A	No	N/A	N/A

Note 1: When the cost center leader is a manager, the second approval indicated in the approval range of >=10-100 does not apply.

Note 2: When there is a sole vendor, i.e., when only one vendor can provide the product or service with the necessary characteristics, the fact must be clearly indicated in the Object of the purchase request.

9 CONTRACT DOCUMENTS

In order to begin the process for the provision of a service or purchase of a good, for negotiations equal to or less than 100 SMMLV, the Purchase Order must be in place, or for negotiations amounting to more than 100 SMMLV the contract must be signed by the corresponding parties.

To formalize the purchase of the good or service, the purchase order must be sent to the vendor via e-mail.


If the negotiation requires insurance policies, these must be approved by the Legal Area in the respective Dynamics AX module.

9.1 Minimum Information included in the Contracts


The provisions set forth in the Vendors' Code of Conduct will be observed in all business relations with the value chain, as well as those established in the Business Code of Conduct, published on the web page.

The following conditions shall be established for all contracts entered into with ODINSA S.A.:

- Termination of the Contract: Unilateral termination at any time, by means of written communication addressed to the Legal Representative of the other party, with 30 calendar days' notice prior to the termination date.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

- Confidentiality Agreement and Personal Data Protection: By entering into a Contract, the Contractor assumes the constitutional, legal, and jurisprudential obligation to protect the personal data to which it has access as a result of the Contract entered into.
- Risk management:
 - Clause relating to Fraud, Bribery, and Corruption Risk Management.
 - Clause relating to Asset Laundering and Terrorist Financing Risk Management.
- Sustainability Clause. In all contracts that bind ODINSA S.A., the following clause shall be established, for the purpose of complying with the corresponding Company's Sustainability matters, and other related standards.
 - Sustainability Clause: During the execution of this contract, THE VENDOR OR CONTRACTOR shall comply with ODINSA S.A. Sustainability guidelines, shall respect the International Bill of Human Rights, the Principles of the International Labor Organization, and domestic environmental regulations. Paragraph One: Failure by the VENDOR OR CONTRACTOR to comply with the principles set forth herein shall be considered a serious breach of this contract.
- Personal information and data protection
- Dispute Resolution Mechanism
- Audit Clause. The possibility of audits shall be established in all contracts and other legal documents that bind ODINSA S.A., in order to verify the protection of all rights intended to be protected through the implementation of this Handbook, in the following terms:
 - Audit Clause: THE Vendor manifests its respect for the Law, dignified and safe work, good relationship with communities and stakeholders, human rights and care for the environment, whereby it shall allow ODINSA S.A. to perform audits at any time, directly or through third parties, in order to verify the Vendor's compliance with the Law and business obligations. Among other aspects, ODINSA S.A. may verify the Vendor's compliance with: - Labor laws, including those related to social security, industrial safety and occupational health; the health, pension and professional risk regime. - Tax, customs and exchange laws. - Environmental protection laws. - Good sustainability practices. - Intellectual

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

property and copyright laws. - Information security policies and rules that develop it that are applicable on the occasion of this contract. - Personal data protection regulations.

Auditor reviews authorized by ODINSA S.A. may be carried out at the Vendor's offices and/or at the site where the object of the contract is being carried out, during business hours. The Vendor may assign an employee to accompany the audit, who shall cooperate to the best of his ability to perform the work entrusted. In the event that a visit is not required, ODINSA S.A. may request the information required for its evaluation in writing.


9.1.1 Labor Matters:

The Vendors that enter into contracts or any legal transactions with the Company and for this purpose employ personnel, shall observe the provisions established in the Vendors Code of Conduct, in the Business Code of Conduct, as well as in the Good Governance Code of ODINSA S.A., and the other rules in labor, Industrial Safety and Occupational Health matters provided by the Law, as well as any other guidelines or policies established by the Company in relation to labor, Industrial Safety and Occupational Health matters. In this sense, it is the Vendor's obligation:

- From the moment the Labor Contract is signed, to comply with its employees' affiliation to the comprehensive social security system, and similarly to verify that the companies it subcontracts comply with said obligations.
- The Contracting Party may at any time require from the Vendor proof of affiliation and payment of contributions of its employees to the Comprehensive Social Security System. Failure to submit such proof shall constitute grounds for termination of the contract by the Contracting Party. The Vendor shall comply with the provisions of the OSH Contractors Handbook, established by ODINSA S.A.

9.1.2 Environmental Matters:

Vendors must comply with the applicable environmental law, as well as with all environmental matters under the Sustainability Policy, the Environmental Policy and the Vendors Code of Conduct (under construction), established by ODINSA S.A. They must comply with the requirements established in the environmental license, the Environmental Management Plan

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

and/or the Environmental Protocols of the facility or project where they provide their services, as well as any other guidelines or policies established by the Company in terms of environmental and sustainability matters.


Thus, the Vendor must:

- Comply with the regulations applicable to the protection of the environment.
- Process and ensure that the applicable environmental permits or authorizations are in force.
- Monitor the environmental matters and impacts generated in the development of its activities.
- Inform the Contract Manager immediately of any unforeseen environmental situation or environmental contingency, so that it can be adequately handled.
- When as a consequence of the performance of its work it causes pollution or environmental damage, the vendor shall be operationally, legally and financially liable for the damages caused.
- The Contracting Area shall ensure that Vendors are aware of the requirements or commitments of the environmental license, the Environmental Management Plan and/or the Environmental Protocols of the facility or project, such as: (i) Environmental Policy and other voluntary commitments; (ii) Legal requirements; (iii) Environmental Impacts associated with the operation or project; (iv) Environmental Management Programs and operational controls; and (v) Emergency environmental response. Any doubts that may arise from the Vendors and the Inspectors regarding environmental matters should be consulted with the person in charge of Environmental Management.

9.2 Contract Oversight

It consists of the Contracting Area's oversight of the correct execution by the Vendor of the obligations undertaken by virtue of the execution of the Contract, in the following aspects:

- Complete and correct execution of the Object of the Contract.
- Invoicing amount in accordance with the terms of the Contract.
- Monitoring the financial aspects of the Contract, such as: payments, advance payments and accounts payable.
- Monitoring the term of the contracts.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

- When the nature or complexity of the Contract so warrants, the Contracting Area may recommend the hiring of an external auditing firm to perform this task, which shall comply with the same negotiation procedure set forth in this Handbook, in accordance with the contract amount.
- Verification of compliance with labor standards.
- Verification of the payment of social benefits payable by the Vendor.
- Verify, if necessary, the adequate resolution of conflicts with the Vendor. For this purpose, the company's Legal Department shall provide assistance.

9.3 Amendments to the Contract

The Contract Administrator will be responsible for the amendments, extensions, or renewals of the contracts under its responsibility, with the support of the Legal Area.

9.4 Service Level Agreements (SLA)


The Contracting Area shall agree on Service Level Agreements (SLA) within the Service Provision contracts. Penalties or discounts shall be associated therewith in the event of noncompliance.

The SLAs may include, among others:

- Description or specification of the service and response times
- Description of activities not included
- Indicators to measure the quality of the service
- Schedule for the development of activities
- Types of reports to be submitted and their frequency
- Responsibilities of the parties

9.5 Insurance Policies

Insurance policies shall be requested in accordance with the nature of the Contract and for any negotiation or Contract exceeding one hundred (100) SMMLV; however, for those negotiations below one hundred (100) SMMLV, where the object to be developed requires the submission of insurance policies, the Contracting Area shall so request them from the Vendor.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

These shall be included in a clause within the Contract and shall be defined by the Risk area in agreement with the Contracting Area, indicating the corresponding coverage, value and term. The policies shall be submitted together with the proof of payment of the average premium.

The Vendor shall be obliged to take out the established policies, where the policyholder, insured and beneficiary shall be the Contracting Party, and the principal shall be the Vendor.

The policies shall be entered in the respective Dynamics AX module, where the approval or refusal of the Legal Area shall be stated.

The Contracting Area is responsible for the renewal of the policies or guarantees agreed to in the Contract.

The Contracting Area may refer to the corresponding coverage indicated in this Handbook. In addition, it will have the support of an insurance broker regarding the policies to be requested.

Contact details of the broker authorized by ODINSA S.A.:

AFISEC LTDA.

Address: Calle 93B No. 13 – 44 Floor 5

Contact: Carolina Barragan Sánchez

Mobile: 320 8932376


Landline:(+571) 6358640 EXT.112

Email: cbarragan@afisec.co

Office hours: Monday to Friday 8:00 am to 12.00 and 2:00 a 5:00 p.m.

The term and amount for each of the insurance policies indicated in this Handbook represent the minimum required, however, the Contracting Area, together with the broker and with the advice of the Risk Area, may increase the percentages and terms of the policies established, in accordance with the corresponding risk analysis performed.

Guarantee	Coverage	Term	Minimum Amount
Bid Bond	Damages arising from the refusal of the Bidder to sign the Contract.	From the moment the bid is submitted to the time the contract or business is awarded, plus 30 days	100% of the Bid amount
Compliance	Damages arising from the Bidder's breach of its contractual obligations	Equal to the term of the contract or business, plus 30 days	20% of the value of the contract
Proper management of advance payments	Damages arising from the appropriation or mismanagement of advance payments or goods	From the time the contract or business is formalized, until the date of completion	100% of the amount delivered as an advance payment

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

Salaries	Damages arising from the Vendor's failure to comply with labor obligations	Equal to the term of the contract or business, plus 3 years	10% of the value of the contract
Stability of the work	Damages arising from the deterioration or detriment to the contracted work in terms of the job and installation contracts attributable to the Vendor	From 2 to 5 years following the completion of the contract or business	20% of the value of the contract or business
Quality of the good or service	Damages arising from the poor quality of the good or service provided by the Vendor	Equal to the term of the contract or business, plus 1 year	30% of the value of the contract
Civil tort liability	Third-party damages arising from the Vendor's execution of the contract	Equal to the term of the contract or business, plus 30 days	10% of the value of the contract

9.6 Filing and Safekeeping


Once the Contract has been signed, the Contracting Area shall send it to the Center for Document Administration (CAD), indicating the identification number and the following documentation for safekeeping:

9.6.1 Precontractual Stage

- Letter of Invitation (if applicable).
- Due Diligence Supporting Documents
- Quotations/Proposals
- Vendor Selection CC-002
- Vendor Evaluation of Goods/Services

9.6.2 Contract Documents

- Start-up Certificate (if applicable)
- Signed contract
- Attachments
- Ryder
- Policy and Premium Payment
- Suspension Certificate (if applicable)

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

- Resumption Certificate (if applicable)
- Certificate of Delivery and Receipt (if applicable)
- Settlement Certificate (if applicable)

9.6.3 Execution Documents

Correspondence regarding the contract.

The Contracting area must digitalize and upload all contract documentation in Dynamics AX.

10 DELIVERY AND INVOICING

10.1 Delivery of Good or Service

The Contract Administrator must receive the goods or service, verifying that the quantities, references, price, among other aspects, are as agreed.


The receipt of the goods or service in Dynamics AX is a requirement for the subsequent approval for payment of the invoice.

10.2 Invoicing

All invoices must include the Purchase Order Number and/or the Contract Number, if it is a Framework Contract.

The approval of the invoicing corresponding to Cross purchases, even though they are negotiated from SUMMA, will be given by the Contracting Area.

The Contracting Area must ensure that the invoices are filed during the month in which the service is rendered, or the goods are purchased.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

10.2.1 Electronic Invoices:

The Contracting Area shall inform the Vendor of ODINSA S.A. electronic invoicing portal e-mail address: proveedorodinsa@odinsa.com, to which it shall send the corresponding invoice, in accordance with the following requirements:

- XML format
- Graphical representation

If the Vendor submits the electronic invoice through a different portal, one that is not interoperable or is not registered in the ODINSA S.A. portal (Carvajal), the Vendor must send the notification to the following account: proveedorodinsa@odinsa.com, and the CAD will download the invoice and the supporting documents.

The Contracting Area (Cost Center Leader) must approve or reject the invoice within two (2) calendar days from the date of filing; according to legal guidelines, after this time and if it is not approved or rejected, the invoice will be understood as automatically approved.


The approval of the invoice in Dynamics AX must be given upon receipt of the goods or services purchased.

10.3 Payment Policy

Transactions agreed in foreign currency and to be paid in Colombian legal currency will be calculated according to the market exchange rate on the date on which they were contracted, unless the parties have agreed on a different date or reference rate. Payments agreed in foreign currency will only apply when entered into with a foreign vendor under the terms established in the applicable regulations.

Contracts or purchase requests entered into by ODINSA S.A. with residents in Colombia shall be paid in Colombian pesos, in accordance with the provisions of the Colombian legislation, where Colombian residents are prohibited from making payments for business operations in foreign currency, unless they correspond to expressly authorized exceptions.

Payment shall be made within thirty (30) calendar days from the date the invoice is filed. In those cases, in which payment is required to be made before this period, a request must be sent to the Planning and Treasury Management, supporting the requirement.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

Invoices must be submitted before the 24th of each month or the business day before this date if it is a weekend.

Advance payments to Vendors are not subject to payment date limitations i.e., once the Invoice has been filed, payment will be scheduled for the following week.

The following payments to Vendors will be made within fifteen (15) days and are exceptions to the above, such as: payment for restaurants, transportation, leases, letters of credit, donations, temporary personnel services.

Utilities, taxes, payroll, legal obligations, financial obligations, will not be subject to payment date limitations.

10.4 Advance Payments

Save for certain exceptions in accordance with the nature of the contract or Purchase Order, an advance payment of no more than 30% of the value of the negotiation or contract may be agreed upon, prior justification of the need for the advance payment recorded in the object of the Purchase Order.


For the disbursement of the advance payment, an Invoice must be filed. The person in charge of the receipt shall be responsible for amortizing the advance payments.

The disbursement of the advance payment must be authorized by the Cost Center Leader, Manager or Vice President, prior to the creation of the Purchase Request.

The person responsible for the control and amortization of the advance payment shall be assigned by the Contracting Area. In this case, the Vendor shall establish a policy for the proper management of the advance payment for an insured amount equivalent to 100% of the value of the advance payment.

11 ASSESSMENT OF THE GOOD OR SERVICE RENDERED

Upon the completion of the contractual term, the Contracting Area shall assess the performance of the Vendors in compliance with the established standards, which shall then be recorded in the Vendor Qualifications: Vendor Evaluation Form.

	PURCHASING AND PROCUREMENT	CODE: CC-007
	PROCUREMENT HANDBOOK	VERSIÓN: 2
		FECHA: 12/08/2021

This shall be included in the Contract module annexes, as well as in the respective Vendor's Module, in Dynamics AX.

PART III: MANDATORY NATURE AND TERM OF THE HANDBOOK

The present Contracting Handbook is of mandatory compliance. Non-compliance by action or omission will be considered a serious breach of the Employment Contract and will entail the consequences established in the contract, in the Internal Labor Regulations and in the applicable labor legislation.

CONTROL DE CAMBIOS

Número	Fecha	Descripción del cambio o modificación
1	01/07/2020	Creación del documento
2	12/08/2021	Inclusión de la categorización de proveedores (Dowjones)

Elaboró	REVISÓ Y APROBÓ
Nombre:	Nombre:
Cargo:	Cargo: