

ABCs

BUSINESS CLIMATE
IN BOGOTA-REGION

1. TYPES OF COMPANIES

The business landscape in Colombia is dynamic and competitive. The choice of the type of company to belong to is a fundamental decision that impacts the success and viability of a business.

| CAPITAL COMPANIES | PARTNERSHIP COMPANIES |
|--|---|
| <p>Corporation</p> <ul style="list-style-type: none"> • At least 5 individuals. • Liable only up to the extent of their contributions. • The contributed capital is represented in shares. | <p>General Partnership</p> <ul style="list-style-type: none"> • At least 2 individuals. • They have unlimited liability, up to the amount of their contributions. • The capital is determined by the contributions that each partner wishes to make. |
| <p>Limited Partnership by Shares</p> <ul style="list-style-type: none"> • 1 managing partner who also serves as the administrator. • A minimum of 5 limited partners. • Managing partners have unlimited liability; limited partners, up to the amount of their contributions. • The contributed capital is represented in shares. | <p>Limited Partnership by Shares</p> <ul style="list-style-type: none"> • 1 managing partner who also serves as the administrator. • 1 limited partner. • Managing partners have unlimited liability; limited partners, up to the amount of their contributions. • The capital corresponds to the contributions of each partner. |
| <p>Simplified Stock Company*</p> <ul style="list-style-type: none"> • At least 1 shareholder. • Limited liability up to the amount of the contributions. • The contributed capital is represented in shares. <p>It is necessary to specify the authorized, subscribed, and paid-up capital.</p> <ul style="list-style-type: none"> • Possibility to trade securities in the public market (National Development Plan 2023-2026). | <p>Limited Liability Company (LLC)</p> <ul style="list-style-type: none"> • The liability is limited to the amount of their contributions. • The capital is divided into quotas or equal parts and must be fully paid when the company is established. |

*It is currently the most used form due to: (i) flexibility and ease of processing - all can be done online; (ii) it does not require extensive notarial procedures for its establishment, amendment, dissolution, or liquidation, formality; (iii) it can be established with a single shareholder; (iv) it does not require a board of directors, and (v) it does not require an external audit or financial review.



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2. COMPANY CREATION

INCORPORATION OF A COMPANY

(i) The commercial company shall be formed by means of a public deed or private document, in which the following shall be stated*:

- The name and domicile of the parties acting as grantors.
- The class or type of company being established and its name.
- The registered office of the company and any branches established at the time of incorporation.
- The corporate purpose, i.e., a clear and complete statement of the main activities.
- The share capital.
- The way the company's business is to be managed, specifying the powers and authorities of the administrators.

(ii) Appointing a Legal Representative.

(iii) In the case of a Public Limited Company or a branch of a foreign company, the appointment of an auditor is required.

(iv) Issuance of a Single Tax Registry (RUT).

* Article 110 of the Code of Commerce.

PROCESS AND COSTS

(i) Registration in the Commercial Register

- RUES Form.
- Company Bylaws.
- Letters of Acceptance of Office.
- Responsibility Statement Format.

(ii) Registration with the Bogota Chamber of Commerce (virtual or in-person)

- The costs will depend on the type of company you intend to establish.
- Payment of registration tax: 0.7% on the subscribed capital value.
- Payment of registration fees: constitution, amount, forms, registration, and commercial books.



2023 RATES

The process to formalize a company with the CCB (Bogota Chamber of Commerce) includes the following fees:

(i) For Individuals and Legal Entities:

COP 42,000

Registration fees for capitals up to COP 267 million.

COP 127,000

Capitals exceeding COP 267 million.

COP 7,200

The RUES form.

(ii) For Establishments, Branches, or Agencies Located within the Jurisdiction of the Chamber of Commerce Corresponding to the Company's Main Domicile:

COP 53,000

Registration fees for capitals up to COP 3 million.

COP 115,000

Capitals up to COP 17 million

COP 172,000

Amounts exceeding COP 17 million.

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3. TRADEMARK REGISTRATION

What is it for?

- It provides exclusivity, as registering the trademark protects it from third parties taking advantage of it.
- It creates identity and helps differentiate the product or service from competitors.

How Long does it Last?

- It lasts for **10** years and can be renewed indefinitely.
- The exclusive right is acquired only through registration, and from that moment, you can demand that third parties do not use the trademark.

What is the Cost?

Between
COP 1,116,500
and **COP 1,357,000**
Trademark or commercial slogan registration
application for products or services, per class.

COP 804,500
With a discount for micro, small, and
medium-sized enterprises.

Procedure

- 1.** Perform a search for trademark records to verify that the brand you are interested in is not already registered.
- 2.** Trademark Registration Application before the Superintendency of Industry and Commerce:
- 3.** Submission of the application (pay the official fees established by the Superintendency of Industry and Commerce; complete the trademark registration application form; attach the documents required by the Superintendency of Industry and Commerce).
- 4.** Formal examination.
- 5.** Publication (at this stage, third parties can oppose).
- 6.** Substantive examination (the Superintendency of Industry and Commerce issues a resolution accepting or denying the registration application).

Find out
about the
discounts you
can access.



Data Processing Policy

For more information regarding Personal Data Protection, please refer to Law 1581 of 2013 and Circular 002 of 2015 issued by the Superintendency of Industry and Commerce.

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4. LABOR REGIME

TYPES OF CONTRACTS

► Fixed-Term

- The parties agree on a specific and limited duration.
- Maximum duration: **3 years.**
- It can be renewed when the parties wish to do so.

► Indefinite-Term

- It has an initial date but no end date.
- It includes a trial period of up to **2 months.**

► For a Specific Task or Project

- It is agreed upon to carry out a specific task.
- It ends when that task is completed.

► Service Provision

- There is no employment relationship or subordination.
- Its duration is determined by the contracted services agreement.
- It does not include a probationary period.
- It does not impose an obligation on the contractor to provide social benefits.

EMPLOYER'S OBLIGATIONS

- Monthly remuneration (salary).
- Necessary work tools for carrying out tasks.
- Payment of social security contributions (health, pension, and workplace hazards).
- Social benefits (service bonus*, severance pay, and severance pay interest).
- Paid time off (vacation and Sunday rest).
- Provision of dress and footwear**.
- Incapacity (common or work-related origin).
- Transportation aid.
- Surcharges for overtime.

* Does not apply to employees that earn more than ten (10) times the current MLMW (i.e., Integral Salary).

** Employees entitled to this benefit are those who earn up to the equivalent of two times the MLMW and that have been employed for at least three months.

