



ORDER

SUPERINTENDENCES OF COMPANIES

Subjects

Canacol Energy Colombia S.A.S,
CNE Oil & Gas S.A.S.,
Cantana Energy Branch Colombia, and
Cneog Colombia Branch Colombia

Subject

Resolves appeal on Recognition of Foreign Proceedings

File

40197

I. Background

1. By Order 2025-01-851648 of December 17, 2025 (hereinafter, the “Recognition Order”), the Court recognized in Colombia, as the main foreign proceeding, the insolvency proceeding initiated by Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S., Cantana Energy Sucursal Colombia, and Cneog Colombia Sucursal Colombia before the Court of King’s Bench of Alberta of the Judicial Centre of Calgary, Canada as requested in briefs 2025-01-817952 of November 27, 2025, 2025-01-841337 and 2025-01-841342 of December 10, 2025.
2. By brief 2025-01-867682 dated December 23, 2025, Halliburton Latin America SRL Sucursal Colombia (hereinafter, the “First Appellant”) filed an appeal for reconsideration against the Order of Recognition, with the aim of revoking it. In support of this, the First Appellant indicated that, in the present case, the legal requirements for determining the Center of Main Interests (hereinafter COMI) are not met, nor is there sufficient justification to support the decision contained in the Recognition Order, in accordance with Law 1116 of 2006.
3. In the event that this Office denies the claims for revocation of the Recognition Order, Halliburton Latin America SRL Sucursal Colombia requested, in the alternative:
 - 3.1. Recognize the foreign proceedings as non-principal proceedings under the terms of Section 87.2 of Law 1116 of 2006, with effects limited to the assets administered in Colombia.

- 3.2. Order an individualized analysis of each company and/or branch present in Colombia, particularly in relation to the determination of the COMI, the nature of the operations, the location of the assets, and the relationship with local creditors.
- 3.3. Modify the automatic measures provided for in Section 105 of Law 1116 of 2006 so that such measures are restricted to what is strictly necessary for the conservative purpose of the cross-border insolvency process; sufficient protection is guaranteed to creditors domiciled in Colombia and their compatibility with any local proceedings is ensured, in particular with the insolvency proceedings of the branch.
- 3.4. Adjust the extension of provisional measures so that the persistence of the requirements of necessity, urgency, and proportionality is specifically verified in order to limit them when the conditions are not met.
- 3.5. Order the opening of insolvency proceedings in Colombia under the rules of coordination and compatibility provided for in the cross-border insolvency regime when applicable, in accordance with the provisions of Section 105 of Law 1116 of 2006.
- 3.6. Revoke the decision to process the recognition as a single proceeding and, instead, adopt the coordination measures provided for in Sections 110 and 115 in order to guarantee the respect and financial autonomy of each debtor and the right of defense of each creditor.
- 3.7. Adopt the necessary measures to ensure the effective protection of creditors, respect for economic public order, and the correct application of the cross-border insolvency regime.
4. Similarly, in the enforcement proceedings, in brief 2025-01-867692 of December 14, 2025, Macquarie Bank LTD (the "Second Appellant") requested: (i) To set aside Order 2025-01-851648 of December 17, 2025, and instead deny recognition of the proceedings brought by the Canacol Group before the Court of Alberta under the CCAA, and (ii) to impose appropriate sanctions and consequences in relation to the foreign representative's omission of information referred to in the brief.
5. In support of the above claim, he requested that sufficient opportunity be granted for the Second Appellant and the other creditors of the Canacol Group to debate the characterization of the COMI for the purposes of considering the proceedings before the Alberta court to be recognized as non-principal.
6. In support of the second claim above, it requested that the Order of Recognition be replaced, with the aim of recognizing only the proceedings before the Court of Alberta as non-main foreign proceedings in accordance with Sections 103 and 106 of Law 1116 of 2006, considering that the COMI of the Canacol Group is in Colombia and there are main proceedings underway in the national territory.
7. By means of transfer 2025-01-868814 of December 26, 2025, this Office notified the parties of the above appeals for a period of three (3) business days, from December 29 to 31, 2025.

8. By briefs 2025-01-874401, 2025-01-874935, 2026-01-000133, 2026-01-000122, and 2026-01-000120, the representative of the foreign proceeding, the grantors of the DIP Financing, the Second Appellant, and Canacol Canada, Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S., Cantana Energy Sucursal Colombia, and CNEOG Colombia Sucursal Colombia, respectively, responded to the appeals filed.

II. Considerations of the Office

9. In accordance with the foregoing, the Office will uphold the appealed decision in its entirety for the reasons set forth below.
10. Section 318 of the C.G.P. establishes that an appeal for reconsideration may be filed against the orders issued by the judge so that, after assessing the reasons for non-compliance, the decisions may be amended or revoked by the same authority that issued them.
11. In order to examine the various requests and grounds for disagreement set out in the background, the Office will proceed to examine them in the following order: (i) Determination of the COMI and recognition of a foreign proceeding as the main proceeding (ii) Considerations of the Office in relation to the determination that Canada is the COMI of the Canacol Group and that the proceeding being processed is the main foreign proceeding (iii) Extension of provisional measures and decree of automatic measures, on the occasion of the recognition of the foreign proceeding (iv) Opening of insolvency proceedings in Colombia for companies with assets in the national territory (v) Guarantee and protection of economic public order and (vi) Transparency of the recognition process and violation of due process.
 - (i) **Determination by COMI and recognition of a foreign proceeding as the main proceeding**

Arguments of the appeal for reconsideration filed by the First Appellant

12. The First Appellant challenged the recognition of the proceedings before the Court of King's Bench of Alberta, Calgary Justice Centre, Canada, as the main foreign proceedings, as well as the determination that the Center of Main Interests (COMI) of the Canacol Group is located in that country. Consequently, he requested that the recognition be revoked or, alternatively, reclassified as non-main foreign proceedings.
13. He also argued that the legal and jurisprudential standards for such recognition were not met, inasmuch as the Order of Recognition failed to provide an individualized analysis of the Colombian branches, limiting itself to extrapolating the COMI of the foreign parent company to all the debtors, without verifying whether, in each case, the effective center of administration and development of their economic activities was actually located in the foreign State.
14. Likewise, it stressed that the Recognition Order did not examine or assess objective factors essential for determining the COMI, such as:

06.01.2026

- 14.1. The place where the main operational activity of each company or branch is conducted;
 - 14.2. The location of productive and strategic assets;
 - 14.3. The direct and predominant relationship with local creditors, including labor, contractual, and tax creditors;
 - 14.4. The day-to-day administration of agreements essential to the operation; and
 - 14.5. The effective headquarters where operational and commercial decisions are made, as distinct from the group's strategic or corporate decisions.
15. The foregoing leads to the conclusion that, in insolvency matters, decisions that have substantial effects on creditors and on economic public order shall be preceded by a substantive, reasoned, and sufficiently motivated analysis, ruling out automatic or merely formal approaches.

Arguments of the appeal for reconsideration proposed by the Second Appellant

16. The Second Appellant indicated that the COMI analysis cannot be based exclusively on the administrative headquarters, the registered office of the parent company, or its listing on a stock exchange, as it shall consider the economic, operational, and functional reality of the group as a whole, assessing objective factors such as:
- 16.1. Where the main activities are actually conducted;
 - 16.2. The location of essential assets;
 - 16.3. The number and location of employees;
 - 16.4. Relevant operating agreements;
 - 16.5. Creditors linked to each company in the conglomerate.
17. The appellant asserted that, in this specific case, COMI is located in Colombia and not in Canada, for the following reasons:
- 17.1. **Assets and operations:** The location of the main assets and business operations of the Canacol Group is in Colombia, according to Canacol Energy's Annual Report of March 20, 2025.
 - 17.2. **Legal presumption:** Section 10 of Decree 1056 of 1953, amended by Decree 2106 of 2019, establishes that foreign companies engaged in oil activities in Colombia shall be considered Colombian for national and international purposes with respect to related agreements and assets.
 - 17.3. **Domicile of companies:** The companies Canacol Energy Colombia S.A.S., CNE Energy S.A.S., and CNE Oil & Gas S.A.S., as well as the branches of foreign companies Cantana Energy and CNEOG Colombia, are domiciled in Colombia and have granted guarantees on assets located in Colombia.
 - 17.4. **Employees:** Of the 381 employees of the Canacol Group, 352 (more than 90%) are in Colombia, linked to national companies and branches domiciled in the country.

18. The foregoing leads to the conclusion that the Canacol Group's assets, operations, agreements, and personnel are concentrated in Colombia, while in Canada there is only a holding company with limited corporate functions. Therefore, the recognition of the Canadian proceeding as the main proceeding is unfounded and should be revoked or, failing that, reclassified as a non-main foreign proceeding.

Arguments in the reply proposed by KPMG INC, foreign representative.

19. The Foreign Representative argued that the COMI of the Canacol Group is in Canada, and therefore the recognition of the proceedings before the Court of King's Bench of Alberta as the main foreign proceedings is fully in accordance with Law 1116 of 2006, the UNCITRAL Model Law, and applicable case law. The arguments in the reply are as follows:

- 19.1. The Canacol Group is a group of companies whose parent company is incorporated in Calgary, Canada, under the laws of that country.
- 19.2. The administrative headquarters, treasury, financial reporting, and corporate governance are located in Calgary, which shows that the strategic and fiscal management of the group is exercised from Canada.
- 19.3. The parent company was listed on the Toronto Stock Exchange (TSX) at the time of the application for recognition, which reinforces its connection to the Canadian financial system.
- 19.4. Canada is where strategic decisions are made and the global operation of the business group is coordinated.
- 19.5. The fact that recognition as the main foreign proceedings may not be favorable to the particular interests of Halliburton or Macquarie does not imply that the Order lacks sufficient motivation or regulatory support.
- 19.6. The contested Order cites clear and verifiable reasons justifying the determination of COMI in Canada, in line with international criteria.
- 19.7. It is valid to determine COMI jointly for a business group, and it is not true that the cross-border insolvency regime requires the center of core business to be determined individually.
- 19.8. No creditor of the group, including Halliburton and Macquarie, challenged the determination of the COMI before the Alberta Court or the New York Court, where the Canadian proceedings were also recognized as the main proceedings.
- 19.9. The nationality of foreign companies or branches of foreign companies does not define the COMI, as this is only one of the 14 criteria set out in the UNCITRAL Guide to Legislating and Interpreting the Cross-Border Insolvency Model Law.

20. The foregoing leads to the conclusion that the COMI of the Canacol Group is in Canada, which justifies the recognition of the Canadian proceedings as the main foreign proceedings, and therefore the contested order should not be revoked.

Arguments in the reply proposed by Nine Left Capital LP, the “DIP Financing Creditors”

21. The Financing Creditors argued that the COMI of the Canacol Group is in Canada, and therefore the recognition of the proceedings before the Court of King's Bench of Alberta as the main foreign proceedings is correct and in accordance with Law 1116 of 2006 and the UNCITRAL Model Law. Their arguments are as follows:

- 21.1. Canacol Energy is a multinational group whose parent company is domiciled in Canada and listed on the Toronto Stock Exchange (TSX).
- 21.2. The group has operations and subsidiaries in multiple districts, including Canada, the United States, and Colombia.
- 21.3. Its main creditors are also located outside Colombia, including the appellants Halliburton and Macquarie, which reinforces the international nature of the group.
- 21.4. The objections of Halliburton and Macquarie have no legal basis and are motivated by individual interests aimed at delaying the recognition process in order to gain an advantage over the other creditors.
- 21.5. None of the appellants challenged Canadian authority before the Southern District Court of New York, nor did they allege that the COMI was in Colombia.
- 21.6. In the case of Macquarie, it actively participated in hearings in Canada and the United States without raising objections about the COMI, which highlights the inconsistency of its current position.
- 21.7. Recognition of the foreign proceedings as principal does not imply the automatic imposition of measures on assets located in Colombia, nor the direct modification of the priority of claims.
- 21.8. Any measure with effects in Colombian territory is subject to prior control by the Superintendency of Companies, in accordance with Law 1116 and as indicated in paragraphs 31 and 32 of the contested order, so the allegations of alleged effects on public order are unfounded.
- 21.9. Most of Macquarie's arguments revolve around the resolution of debtor-in-possession financing (DIP financing), an issue on which the Court has not yet ruled, noting that this is a matter separate from the recognition of the foreign proceeding as the main one and therefore cannot be used to undermine the legality of the contested order.
- 21.10. The processing of a Business Recovery Process, hereinafter “PRE,” dealt with in Law 2437 of 2024, is not conclusive evidence that the COMI is in Colombia. The PRE is an institutional mediation in which there are no decisions by a judicial or administrative authority that can be recognized by a foreign entity.

22. The foregoing leads to the conclusion that the COMI of the Canacol Group is in Canada, which justifies the recognition of the Canadian proceedings as the main foreign proceedings, and therefore the contested order should not be revoked.

- (ii) **Considerations of the Office in relation to the determination that Canada is the COMI of the Canacol Group and that the proceedings being conducted there are the main foreign proceedings.**
23. The Office will confirm the Order of Recognition. In reaching this determination, the Office recalls that it considered each and every one of the elements listed in Order 2016-01-323440 of June 10, 2016, which recognized as the main proceedings the insolvency proceedings initiated by Pacific Exploration and Production Corp. Meta Petroleum Corp, Petromineales Corp, and Pacific Stratus Energy Colombia Corp, before the Superior Court of Justice of Ontario, Canada, as the main proceedings.
24. In this regard, the Office recalls that, at that time, the following guiding criteria were defined for determining the COMI: (i) location of the debtor's books and records; (ii) place from which the cash management systems are administered; (iii) location of the debtor's main assets and operations; (iv) location of the debtor's main bank; (v) location of employees; (vi) place where the debtor's commercial policy is determined; (vii) place of origin of the law applicable to the debtor's main agreements; (viii) place from which purchasing and sales policies, human resources, accounts payable, and computer systems are dictated; (ix) place from which supply agreements are organized; (x) place where the debtor's reorganization is conducted; (xi) place of origin of the law applicable to most disputes; (xii) the place where the debtor is subject to supervision or regulation; (xiii) the place of origin of the law applicable to the preparation and auditing of accounts or the place from which accounts are prepared and audited; and (xiv) the place where financing is authorized or organized.
25. This list, which is illustrative and not exhaustive, reflects that the location of productive assets, employees, and guarantees on property located in Colombia are only some of the criteria provided for, without being exclusive or determinative; because, in accordance with Law 1116 of 2006, particularly in Chapter III, the main foreign proceeding is the one that is conducted in the State where the debtor habitually manages its interests in a manner recognizable to third parties, regardless of the number of States in which it has assets and creditors.
26. In the case of the Canacol Group, although there are a limited number of assets and personnel in Colombia, other more significant factors indicate that the COMI is in Canada, such as:
- 26.1. **Corporate governance and strategic decisions:** financial decisions, commercial policy, and global coordination of the business group are made in Canada, where the CEO, CFO, and other senior executives are domiciled and where the governing bodies of the business group meet.
- 26.2. **International financial links:** the parent company has (or had at the time of the commencement of insolvency proceedings) its shares listed on the Toronto Stock Exchange (TSX), and financing operations through the issuance of fixed-income securities were structured and authorized from Canada.
- 26.3. **International recognition:** On December 11, 2025, the Bankruptcy Court for the Southern District of New York recognized as the main proceeding the one initiated

in accordance with the Canadian Companies' Creditors Arrangement Act (CCAA) before the Court of King's Bench of Alberta at the Calgary Judicial Centre, Canada, as evidenced by the documents attached to the email dated December 29, 2025, with filing number 2025-01-872507 of the same date.

The aforementioned documents show that this judicial authority favorably considered the request to recognize the Canadian insolvency proceedings as the main proceedings, in the following terms:

“The Canadian proceedings are recognized as the foreign main proceedings in relation to each debtor, in accordance with Section 1517 of the Bankruptcy Code, and the debtors and the foreign representative are entitled to the protections of Sections 1520 and 1521 of the Bankruptcy Code (including Sections 1521(a) (1) - (6) of the Bankruptcy Code), including, among others, the application of the protection offered by the automatic stay under Section 362 of the Bankruptcy Code to debtors and the property of debtors within the territorial jurisdiction of the United States.”

It is important to note that the United States of America has adopted the UNCITRAL Model Law on Cross-Border Insolvency, as has Colombia through its incorporation into Chapter III of Law 1116 of 2006.

- 26.4. **Absence of insolvency proceedings in Colombia:** without prejudice to the provisions of paragraph 105 of Law 1116 of 2006 and without changing the legal nature attributed to the Business Recovery Procedure by Law 2437 of 2024, there are no insolvency proceedings in Colombia. This is evidenced by the certification of termination due to withdrawal of the PRE issued by the mediator appointed by the Arbitration and Conciliation Center of the Bogotá Chamber of Commerce, which was attached to the email dated December 26, 2025, and assigned filing number 2025-01 -870990 on December 29, 2025.

In that document, the mediator stated that, in an official letter received by that Center on December 17, 2025, Canacol Energy Colombia SAS, identified with NIT (Tax Identification Number); 830095563-3, CNE Oil & Gas SAS, identified with NIT: 900713658-0, CNEOG Colombia, Colombia Branch, identified with NIT: 900276770-2, and Cantana Energy Colombia Branch, identified with NIT: 900449100-1, withdrew from the Business Recovery Procedure initiated on November 18, 2025.

27. These elements, analyzed together, lead to the conclusion that the center of effective management and global coordination (COMI) of the Canacol Group is indeed located in Canada, and neither the appellants' arguments nor the documentary evidence provided with the appeals are sufficient to cause the Court to revoke the decision adopted in the contested order.

28. Consequently, the decision issued indicating that the COMI of the Canacol Group is located in Canada will be upheld, which justifies the recognition of the Canadian proceedings as the main foreign proceedings, in accordance with Law 1116 of 2006 and other related regulations.

(iii) Extension of provisional measures and decree of automatic measures, on the occasion of the recognition of the foreign proceedings

29. However, with regard to the questions concerning the necessity and proportionality of the effects arising from the recognition order pursuant to Section 105 of Law 1116 of 2006, as well as the decision to extend the measures requested in the application for recognition, the Court finds it appropriate to uphold the decree for the reasons explained below.
30. The appealed ruling stated that, given the recognition of the foreign proceedings as principal, the two effects established in Section 105 of Law 1116 of 2006 would be declared, namely: i) The impossibility of initiating enforcement proceedings against the debtor, as well as the suspension of those already in progress ii) and the limitation on the right to transfer or encumber the debtor's assets, as well as to dispose of those assets in any way, except in the case of an act or transaction that corresponds to the ordinary course of business of the company or a transaction expressly authorized by the Office.
31. However, the First Appellant indicated that the application of the measures provided for in Section 105 of Law 1116 of 2006 is not automatic and unlimited. Instead, he asserted that the application of the aforementioned measures shall be ordered in coordination with the provisions of Sections 106 and 107 of Law 1116 of 2006, that is, with the aim of effectively protecting creditors and third parties.
32. In line with the above, it stated as reason for disagreement the absence of a differentiated analysis between the different classes of creditors, as well as the impact of these measures on local creditors, agreements subject to regulation, and the rights of third parties outside the process, in such a way that it exceeds the conservative purpose of the cross-border insolvency regime.
33. In this regard, the Office shall indicate that paragraphs 1 and 2 of Section 105 of Law 1116 of 2006 correspond to two legal effects that necessarily arise from the recognition of a foreign proceeding as the main one. These effects apply automatically and immediately given the mandatory nature in which the aforementioned provision was established and because their application does not presuppose a particular analysis by the national judge nor does it require a special request and/or justification on the part of the insolvent debtor.
34. On the contrary, the prohibition on admitting and continuing collection proceedings against a debtor undergoing cross-border insolvency proceedings, as well as the limitation on the rights to freely dispose of their assets under the terms of Section 105 of Law 1116 of 2006, only requires the recognition of a foreign proceeding as the main proceeding, which, strictly speaking, is the case here.
35. Thus, a differentiated consideration of the application of the effects established in Section 105 of Law 1116 of 2006 and/or a particular analysis of each of the debtor's consolidated legal situations with respect to its creditors, as requested by the First Appellant, would not only lead to the disregard of a rule that has an express mandate, but would also imply the exercise of a discretion that the law did not grant to the local judge.

36. Notwithstanding the foregoing, it is necessary to specify that the purpose of the effects established in paragraphs 1 and 2 of Section 105 of Law 1116 of 2006 is better understood in relation to the decision to recognize the foreign insolvency proceedings as primary and, thereby, achieve a fair and orderly process. On the other hand, it shall be noted that the purpose of the aforementioned effects is, in the same sense, consistent with the principles of equality and universality¹ that not only govern national insolvency proceedings but also apply, in a generalized manner, to bankruptcy mechanisms.
37. However, in view of the extension of the provisional measures decreed in Order 2025-01-844296 of December 11, 2025, based on the request of the foreign representative², the Court granted the request, considering that such measures were necessary to protect the Debtors' assets, ensure operational continuity, and avoid paralysis resulting from a lack of liquidity, in accordance with the criteria of necessity, effectiveness, and proportionality set forth in Section 590 of the General Code of Procedure and Section 102 of Law 1116 of 2006.
38. In this regard, the First Appellant indicated that the decision to extend the previously decreed provisional measures contravenes the provisions of Sections 102 and 106 of Law 1116 of 2006, given that, in the recognition order, no new analysis was made to justify their maintenance, especially regarding i) the persistence of the urgency that led to the adoption of the measure, ii) the continuing need to protect the assets, and iii) the weighing of the rights and interests of creditors and affected third parties.
39. For its part, the Second Appellant indicated that measures adopted in a foreign non-main proceeding that are contrary to the rules of a Colombian main proceeding or that affect assets located in Colombia are not subject to recognition.
40. In view of the foregoing, the Court will confirm the extension of the provisional measures, as their validity is necessary under the terms of Section 106 of the same Law.
41. The foregoing, noting that since the recognition of a foreign proceeding, whether principal or non-principal, Section 106 of Law 1116 of 2006³ establishes that, if necessary to protect the debtor's assets or the interests of creditors, the competent Colombian authority may, at the request of the foreign representative, grant any appropriate measure, including paragraph 4 of the aforementioned provision, which allows for the extension of the measures decreed as of the request for recognition.
42. From the foregoing, it should be noted that the only criterion established in Section 106 of Law 1116 of 2006 for determining the extension of the measures requested as of the request for recognition is the need to protect the debtor's assets, unlike the provisions of Section 102 of the same Law, which, in turn, requires the presentation of the urgency and

¹ Article 4. Principles of the Insolvency Regime. The insolvency regime is guided by the following principles: 1. Universality: All of the debtor's assets and all of its creditors are bound by the insolvency proceedings from the moment they are initiated. 2. Equality: Equal treatment of all creditors participating in the insolvency proceedings, without prejudice to the application of the rules on the priority of claims and preferences.

² Brief 2025-01-817952 of November 27, 2025.

³ Article 106. MEASURES GRANTED UPON RECOGNITION OF A FOREIGN PROCEEDING. Upon recognition of a foreign proceeding, whether principal or non-principal, if **necessary to protect the debtor's assets or the interests of the creditors**, the competent Colombian authority may, at the request of the representative, grant appropriate injunction, including the following: (emphasis added)

the criteria established in the Code of Civil Procedure, now reproduced in Section 590 of the General Code of Procedure.

43. This is because the measures decreed on the basis of Section 102 of Law 1116 of 2006 are (i) temporary in nature, given that these measures cease to have effect once the decision on the application for recognition is issued, and (ii) preventive in nature, typical of the regime of precautionary measures in civil proceedings, insofar as they seek advance protection prior to the decision on the merits of the recognition.
44. Thus, the Office notes that the order to extend the measures decreed in Order 2025-01-844296 of December 11, 2025, was necessary to protect the debtor's assets or the interests of the creditors.
45. Not only because these measures will guarantee the continuity of the companies to comply with the eventual recovery agreement, but also because, in application of the principle of reciprocity established in paragraph 6 of Section 4 of Law 1116 of 2006, such measures have already been decreed in the proceedings brought by the debtors before the Court of the King of Alberta of the Calgary Judicial Center, Canada.
46. However, regarding the objection raised by the Second Appellant, it is reiterated that the foreign proceedings will not be recognized as non-principal and, in this regard, the decision to secure measures affecting assets that, under the law of the Republic of Colombia, are to be administered within the framework of the non-principal foreign proceedings, is not appropriate.
47. Notwithstanding the foregoing, it should be noted that considerations relating to the recognition of the DIP and the encumbrances that the debtors intend to grant in connection therewith will be analyzed at the appropriate time.

(iv) Commencement of insolvency proceedings in Colombia for companies with assets in the national territory

48. The last paragraph of Section 12 and the paragraph of Section 105 of Law 1116 of 2006 establish that the recognition of the foreign insolvency proceedings of the parent company or controlling company of a branch established in Colombia will give rise to the commencement of reorganization proceedings for the branch, in accordance with Colombian insolvency rules.
49. On this particular point, it should be noted that recognition of the main foreign proceedings does not imply *per se* the automatic opening of local insolvency proceedings. In this regard, the opening of reorganization proceedings in Colombia is only possible if the conditions established in the Law for their admission are met.
50. However, it is necessary to highlight the case law issued by the insolvency judge on the matter, specifically with regard to the commencement of insolvency proceedings when the companies are part of a business group in respect of which the foreign proceedings were commenced.

51. Thus, in the Qbex Electronics Corporation Inc. proceedings, in Order 2013-01-068550 of March 12, 2013, it was concluded that opening local proceedings was not in the debtor's best interests, given that in certain business groups, a comprehensive and coordinated solution would allow for greater efficiency, speed, and cost reduction, avoiding the fragmentation of the proceedings across multiple jurisdictions. The aforementioned ruling stated that:

"In cross-border matters involving the insolvency of groups of companies, the judge or court of one State does not deal with the same debtor as the judge or court of the other State, unless they have a common debtor with assets in both States, in which case it does fall within the scope of the Cross-Border Insolvency Regime.

The link between parallel insolvency proceedings in the case of groups of companies is not a common debtor, but rather the fact that all the debtors are companies belonging to the same group.

It may be, and is the case for many groups of companies, that the best outcome is to provide the member companies of the group with a global solution to their insolvency, and it is desirable for the competent authority to recognize the existence of the group of companies and the need for cross-border cooperation in resolving the group's situation.

(...)

The foregoing is understood on the basis that in certain circumstances, and depending on the particular business performance of the group of companies, separate proceedings may not be efficient and the optimal result may be sought by treating the insolvency of the group as a whole in a coordinated manner, seeking to promote speed, efficiency, and cost reduction, for the benefit of both debtors and creditors.

The need to develop procedural coordination measures between different districts can be successfully reduced if it can be established that the center of the main interests of the members of the insolvent group of companies is located in a single district. Provided that the insolvency courts or those competent to hear the insolvency proceedings of the members of the group of companies are able to conduct coordinated proceedings for those members of the group in that specific district.

52. Subsequently, in the proceedings brought by Global Geophysical Services Inc., as recorded in Order 2016-01-075101 of February 23, 2016, the ruling in Order 2014-01-253977 of May 19, 2014, was reiterated, noting that the company Servicios Geofísicos Globales Sucursal Colombia (which is part of the Business Group) did not meet the criteria for cessation of payments set forth in Law 1116 of 2006.

53. Through Order 2016-01-075101 of February 23, 2016, the jurisprudential rule was developed, clearly establishing that the opening of the reorganization process of the Colombian branches is subject to the verification of the cessation of payments. If there is no cessation of payments, there are no reorganizable liabilities. Furthermore, it would be a disproportionate burden on the branch's creditors to have their claims submitted to bankruptcy proceedings when there has been no default. In that ruling, it was noted that:

... “this judicial authority finds it relevant to specify that, in recognizing in this ruling the existence and effects of the main foreign proceeding being conducted by GLOBAL, and in being certain that the branch is not in default of payment because it is up to date with its administrative expenses and that the matured obligations have not been canceled because they are subject to the main foreign proceeding...”

54. At the hearing to recognize the foreign proceedings of Pacific Exploration and Production Corp. et al., recorded in Minutes 2016-01-347746, held on June 7 and 10, 2016, it was stated that the initiation of the reorganization process of the branches is only justified in the event of cessation of payments.
55. In this particular case, after reviewing the information in the file, there is no evidence of cessation of payments by the Colombian companies. Furthermore, it should be noted that the foreign proceedings are in the best interests of the group and its creditors, for a reason that the Colombian authority shall cooperate with the Canadian court and refrain from initiating separate proceedings that affect international coordination and efficiency in bankruptcy matters.
56. Consequently, no insolvency proceedings will be ordered in Colombia with respect to companies with assets in the national territory. Notwithstanding the foregoing, it should be noted that this Superintendence may initiate such proceedings if the objective criteria set forth in Section 9 of Law 1116 of 2006 are met, in the exercise of its powers of inspection, supervision, and control.
57. On the other hand, with regard to the statement performed by one of the appellants regarding the initiation of the Business Recovery Procedure (PRE) before the Bogotá Chamber of Commerce by companies with assets in Colombia, it should be noted that this procedure was initiated on the assumption of imminent inability to pay and that evidence was provided that on December 17, 2025, the Debtor withdrew from said procedure, as recorded in the brief filed on December 30, 2025.
58. In accordance with the provisions of brief 2026-01-000122, the withdrawal was due to the need to comply with the conditions of the DIP financing approved in the foreign proceedings under the *Companies' Creditors Arrangement Act (CCAA)*, which requires the consolidation of the global restructuring and the elimination of parallel proceedings that may affect the priority of payments and the agreed guarantees.
59. Without commenting on the DIP financing, as it is not the subject of this ruling, it should be noted that this action is in line with the principles of international cooperation and efficiency set forth in Sections 91, 103, 105, and 115 of Law 1116 of 2006, as well as in the UNCITRAL Legislative Guide on Cross-Border Insolvency, which recommends avoiding fragmentation of the process across multiple jurisdictions when this compromises the viability of the business group and the protection of creditors.
60. Consequently, this Office notes that there was no regulatory incompatibility with the recognition of the main foreign proceedings, given that the Business Recovery Procedure is an extrajudicial and temporary mechanism which, under the terms of Law 2437 of 2024, could be requested by the Colombian companies that form part of the Business Group.

However, it should be noted that the likely future initiation of extrajudicial negotiation mechanisms shall be reported in a timely manner to this authority, in order to ensure their compatibility with the foreign proceedings and the protection of economic public policy.

(v) Guarantee and protection of economic public policy

61. In accordance with the provisions of Section 91 of Law 1116 of 2006, in accordance with Section 6 of the UNCITRAL Model Law on Cross-Border Insolvency, recognition of a foreign proceeding may only be refused when it is manifestly contrary to Colombian public policy, a provision which, according to its literal wording and the repeated interpretation of comparative jurisprudence, shall be applied in a restrictive and exceptional manner.
62. In effect, the public policy exception does not constitute a mechanism for reexamining the merits of the foreign proceeding or for evaluating the appropriateness or equivalence of the regime applicable in the jurisdiction of origin, but rather an extreme limit intended to prevent the effectiveness of measures that seriously and clearly violate essential principles of the national legal system.
63. According to the Second Appellant, the request for recognition of the main foreign proceedings would have the hidden purpose of applying measures contrary to public policy in Colombia, in particular through the approval of DIP financing and the creation of a priority lien on assets located in the national territory, alleging that this disregards mandatory rules of the Colombian insolvency regime.
64. However, this Office notes that such assertions are not duly substantiated, insofar as the appellants do not explain in a concrete, specific, and sufficient manner how the measures subject to recognition would manifestly violate principles of economic public policy, nor how the determination of the principal nature of the foreign proceedings would be due to artificial handling of the forum, limiting themselves to pointing out an alleged regulatory incompatibility between the foreign regime and domestic law.
65. The mere fact that Colombian companies have entered into agreements in Colombia, or are subject to mandatory rules of national law, does not in itself imply a violation of public policy, nor does it automatically lead to the inadmissibility of the recognition of the foreign proceedings, in accordance with the restrictive standard provided for in Section 91 of Law 1116 of 2006, nor does it allow the conclusion, on that basis alone, that there has been reprehensible forum shopping.
66. Likewise, this Office notes that, in accordance with Sections 106 and 107 of Law 1116 of 2006, any measure recognized or granted in cross-border insolvency proceedings is subject to the control of the Colombian judge, who may make it subject to the conditions he or she deems appropriate, modify it, or render it ineffective, in order to safeguard the rights of creditors and other interested parties, which excludes any automatic impact on mandatory rules of domestic law, a criterion that has been reiterated by this Superintendence in previous decisions on the recognition of foreign proceedings, including the one issued in the case of Pacific Exploration and Production Corp. This circumstance is incompatible with the mere existence of a strategy aimed at evading authority or obtaining treatment that is legally prohibited under Colombian law.

67. On the other hand, the First Appellant maintains that the coexistence of the Business Recovery Procedure (PRES) in Colombia and the proceedings under the CCAA in Canada evidence a deliberate action aimed at obtaining undue benefits and deceiving the Colombian bankruptcy authority.

68. In the appellant's opinion, the location of the center of main interests (COMI) in Canada would be artificial and would be intended to cause this Office to adopt measures not provided for in Colombian law and contrary to public policy, an argument that is also part of the allegation of forum shopping.

69. In this regard, this Office notes that it has already performed the corresponding ruling on the request to initiate the Business Recovery Procedure, as well as on its withdrawal, without this having any impact on the analysis of the recognition of the foreign proceedings or constituting an improper use of the insolvency forum.

(vi) Transparency of the recognition process and violation of due process.

70. This Office notes that the recognition process of the foreign proceedings in accordance with the provisions of Order 2025-01-851648 of December 17, 2025, was conducted in compliance with the principles of publicity, adversarial proceedings, and due process, and based on the information in the file at the time the appealed decision was made.

71. The alleged failure of the monitor to report certain aspects of the foreign proceedings was not proven to be decisive for the decision adopted, nor was it demonstrated that it had prevented this Office from exercising the control provided for in Law 1116 of 2006 regarding the compatibility of the measures with Colombian public policy, nor does it allow for the inference of conduct aimed at misleading this authority or improperly selecting the forum. Notwithstanding the foregoing, it is noted that the Foreign Representative has sent this Office the corresponding communications demonstrating the progress of the proceedings before the Canadian and US courts, thereby complying with the provisions of Section 104 of Law 1116 of 2006.

72. Nor does the argument regarding the alleged violation of the Second Appellant's due process rights due to the classification of the foreign proceedings as principal proceedings hold water, given that the recognition process is not designed to reproduce the substantive debate before the foreign authority, but rather to verify compliance with the requirements established in domestic law, which rules out the possibility that the determination of the forum is the result of an abusive procedural strategy.

73. In this regard, the recognition of the foreign main proceeding does not imply disregard for the rights of secured creditors in Colombia, nor does it imply the non-application of the mandatory rules of Colombian law at the stage of coordination and enforcement of measures.

74. Therefore, this Office concludes that the recognition of the main foreign proceedings does not violate mandatory rules of Colombian law or disregard economic public policy, nor is there any evidence of *forum shopping* or a strategy aimed at evading national insolvency jurisdiction, since the recognition of the main foreign proceeding does not imply the automatic application of concepts foreign to the domestic regime, nor does it displace the

06.01.2026

judicial control that corresponds to this authority for the protection of creditors and the general interest, reason being that the arguments put forward by the appellants on this point are not likely to succeed.

75. Likewise, this Office reiterates that the procedure for recognizing the foreign proceedings as a single proceeding was validly adopted for reasons of procedural economy, as it is a single request involving several companies of the same business group, including its subsidiaries and branches in Colombia, a decision that does not disregard the legal individuality of the companies or limit the powers of this judicial operator to order, in accordance with Section 106 of Law 1116 of 2006, the separate continuation of proceedings that may be initiated under the Colombian insolvency regime, reason for which the questions raised on this aspect are also not likely to prosper.

In view of the foregoing, the Deputy Superintendent of Insolvency Proceedings (A),

RESOLVES

To dismiss the appeals filed with briefs 2025-01-867682 and 2025-01-867692, in accordance with the foregoing.

Notify and comply.

Verónica Ortega Álvarez

Deputy Superintendent of Insolvency Proceedings (A)

This is an accurate translation of the attached document. I am a certified translator and interpreter pursuant to License 539 of 2019, issued by Universidad Nacional de Colombia.



Carlos Eduardo Amaya Fernández

CC 72276171

Lic. 539 de 2019 – UNAL

CARLOS E. AMAYA F.
TRADUCTOR E INTERPRETE OFICIAL
INGLES - ESPAÑOL - INGLES
LICENCIA 539 DE 2019