REGULATION FOR VALIDATION AND VERIFICATION SERVICES
This regulation is part of the contractual requirements underwritten by the Organization and ICONTEC and which rule the Validation and Verification services.

In this regulation any requirements that are applicable according to the Validation, Verification and/or Certification scheme are included, both for the Organization and for ICONTEC.

The particular requirements of any specific scheme that are applicable, both for the Organization and ICONTEC, are included in the annexes related at the end of this regulation.

1. **OBJECTIVE AND SCOPE**

To establish the conditions that are applicable for the services of the Validation and Verification Technical Unit, taking into account the service stages. The services included in this Regulation are presented below:

- Validation and Verification of Clean Development Mechanism Projects – CDM, under UNFCCC accreditation
- Validation and Verification of GHG mitigation Projects certified by ISO 14065 standard
- Validation and Verification of Projects for the Voluntary Market – VCS
- Verification of GHG inventories
- Verification of Product Carbon Footprint
- Verification of Water Footprint
- Verification of Neutral Carbon
- Verification of GRI Sustainability Reports

The specific requirements of the GHG programs in which ICONTEC takes part are an essential part of this Regulation.

2. **DEFINITIONS**

For the purposes of this regulation, the definitions established in the CDM Glossary of terms are implemented. Cases in which a definition exists in the ISO/IEC 17029 standard, priority will be given to the one presented in this document:
2.1 Accreditation: Attestation of a third party with regard to a Validation or Verification authority that manifest the formal demonstration of its competence for carrying out specific tasks of Validation or Verification.

2.2 Audit: General term used to refer to validation, verification or both, or any other service mentioned in this document.

2.3 Witnessed audit: Part of the assessment conducted by an accreditation authority to a Validation and Verification Organization (VVO), which consists of observing and evaluating the competence of the auditing team and the application of the VVO procedures, in order to give effect to the accreditation requirements.

2.4 Appeal: Customer’s request for the service of conformity assessment for ICONTEC to reconsider the decision made with reference to the replacement request, by an independent instance (adapted from ISO/IEC 17000).

2.5 Lead auditor: Person qualified to conduct validation, verification or both. Responsible for the service in terms of communication with the customer, identification of findings and service reporting.

2.6 Statement: Information stated by the customer that is target of a conformity assessment by means of validation and/or verification under agreed standards.

2.7 Program owner: Person or Organization responsible for developing and maintaining a specific validation and/or verification program. The program owner can be the same validation/verification authority, a government authority, a trade association, a group of validation/verification authorities, an external program owner, or others.

2.8 Auditing team: It is used, generally, to refer to a validation and/or verification team, which may consist of a lead auditor and one or more technical experts according to the internal requirements, the validation and/or verification requirements and/or the customer’s requirements.

2.9 Reviewing team: Proficient and independent person or people that review the validation and/or verification statement submitted by an auditing team. It can be formed by a reviewer who is a technical expert, a reviewer and a technical expert or several reviewers and technical experts, depending on the program’s standards.

2.10 Technical expert: Qualified person who offers specific technical, methodological and sectoral knowledge in an audit either for the validation/verification team or for the reviewing team.

2.11 Observer: Person who joins the auditing team but doesn’t audit neither the activity nor the project nor the program.

2.12 Organization: Person or group of people that have their own functions with responsibilities, authorities and relationships to achieve their objectives.

Note: The organization concept includes, but it’s not limited to an individual merchant, company, corporation, brand, enterprise, authority, partnership, charity organization, or institution, or part or
combination of them, either public or private.

2.13 Validation and/or Verification program: Rules, procedures and management to carry out validation and verification activities in a specific sector. A program can also be a scheme.

2.14 Report: Formal acceptance from the specific GHG program of a validated Project activity. Note: The report is a previous requirement for verification, certification and issuance of CERs related to AP o PoA.

2.15 Documental review: Corroboration in order to verify that the project documentation meets the appropriate auditing requirements.

2.16 Replacement: Customer’s request for the service of conformity assessment for the same ICONTEC authority to reconsider the decision that the auditing team came to, with reference to the performed assessment.

2.17 Corrective action request: Identification and notification of a validation/verification standard non-fulfilment where:

For Validation

- The customer presents mistakes that may affect the ability to achieve the result of a statement, a future activity, an intended utilization or application.
- The standards of validation have not been fulfilled.
- There’s a risk that the implementation of the customer’s statement may not be monitored, measured, reported and verified in the future.

For Verification

- The customer presents mistakes when applying presumptions, data or calculations to demonstrate the results achievement of a statement, a future activity, an intended utilization or application.
- The standards of verification have not been fulfilled.
- Non fulfillment or modification of a monitoring plan, a measure or lack of information in a report.
- Subject matters identified as Future Action during validation o during prior verification have not been solved by the customer.

2.18 Clarification Request: Identification and notification of information deficit or lack of clarity in the information to determine if a validation/verification standard has been met.

2.19 Future Action Request: Identification and notification of issues related to the implementation of the statement, the future activity, the intended utilization or application that doesn't lie within the validation/verification standards agreed and which require review in a subsequent audit stage.

2.20 Validation: Process to evaluate the taxes reasonability, limitations and methods that support a statement
of environmental information about the future activities result. It is the confirmation of a statement, through the contribution of objective evidence, that the requirements for an intended specific future application or utilization have been fulfilled.

2.21 Verification: Systematic, independent and documented process to evaluate a statement based on historical data and information in order to determine if the statement is materially correct and fulfills the specified or agreed verification standards. It is the confirmation of a statement, through the contribution of objective evidence, that the specified requirements have been fulfilled.

3. DESCRIPTION / ACTIVITIES

3.1 Obligations of the Organization

3.1.1 The Organization must meet the requirements of the validation and verification scheme, for which it requests and/or is holder and all those specifics related to such scheme and the ones established in this regulation.

3.1.2 The contracting organization must provide precisely and in a reliable way the needed information requested by ICONTEC, in the request form related to: the scope regarding the type of activity or project program; location and address of the permanent places where activities are carried out; designated national authority or any other needed information in the form to request a validation and/or verification service.

3.1.3 Based on this information and, if necessary, ICONTEC will be able to request an extension or clarification thereof in order to decide about the service times and create a service proposal.

3.1.4 A legally licensed representative must sign the contract to indicate the approval in the proposal and the conditions of the service provision described in this regulation.

Note: For CDM projects, a legal representative must be part of one project participant.

3.1.5 Provide the documented information required by the lead auditor and/or the auditing team, necessary for the validation and/or verification and the auditing plan in the period required before each audit, and additionally to show legitimate evidence that demonstrate the fulfillment of the requirements demanded by the frames of the Validation and/or Verification program.

Note: In no case and under no circumstances, ICONTEC is forced to approve or verify the authenticity of any documentation submitted by the Organization. In accordance with its corporate character and by virtue of good will, ICONTEC receive documents from the Organization for the only purpose of comparing them with the regulatory document provisions, which is the basis to issue the certification.
3.1.6 The Organization must allow the auditing team the access to every process or areas, the documented information and, the staff responsible for the service for which requests or possess the validation and/or verification and, designate a responsible for the coordination of activities with ICONTEC.

3.1.7 The Organization must notify the auditing team about the risks to which they are exposed, based on the characteristics of the activities, processes and/or services of the Organization, as well as the procedures that the auditing team must fulfill in their facilities. The above, in order to prevent damage to the members of the auditing team or people or teams of the Organization.

3.1.8 The Organization must allow the participation of the evaluation teams from accreditation entities, as observers, in the witnessed audits that these Organizations select as part of their accreditation activities.

3.1.9 The Organization must allow every people of the auditing team and observers designated by ICONTEC to participate in audits according to the concepts established in Section 2 in this Regulation. 

Note: During the auditing process, the members of the evaluation team of the accreditation authority won’t carry out activities such as: interventions related to the auditing process, non-compliance reports, decisions related to auditing reports and reports of auditing results to the Organization.

3.1.10 The Organization must allow the participation of auditors and technical experts from ICONTEC that are in a qualification process.

3.1.11 The Organization must allow the realization of activities to keep the competence of the ICONTEC auditors. These activities may include: monitoring or testing during the audits on-site.

3.1.12 The Organization must pay, within the stated terms, the invoices that ICONTEC submits for the services of validation/verification and other corresponding. ICONTEC may refrain from issuing final documents to the Organization, in case the customer isn’t up to date with payments due. ICONTEC reserves the right to raise the costs during the contract validity period, taking into account that the amount initially stated is based on the current rate in the auditing day, at the signing of the contract. Any increase in the amount of the validation and/or verification will be notified to the Organization.

a) The increase in the value stated in the invoices can be caused in the following cases: a.) Changes in the agreements negotiated initially in the service contract.

b) If there’s any difference in the information presented initially to ICONTEC regarding to the auditing time and the terms of service.

c) Due to repetition of any part of the audit, or the whole audit, or the service activities, because of any failure in any applicable requirement.
d) Due to execution of complementary verifications or as a result of the surveillance activities that ICONTEC performs on the validation and/or verification services.

e) Due to the realization of activities caused by changes that affect the scope of the validation and/or verification, which must be notified necessarily by the Organization.

3.1.13 The Organization must not reproduce partially or totally documents provided by ICONTEC, neither allow third parties different from the appropriate authorities and in accordance with regulations of validation and verification, the access to these documents.

3.1.14 When a Future Action Request (FAR), Clarification Request (CL) or Corrective Action Request (CAR) is found during the Audit, the Organization must submit a new set of documents that resolve the causes of the failure, which will be sent to the lead auditor from ICONTEC within thirty (30) calendar days from the audit closure meeting. In case the lead auditor requests adjustments in the documents presented by the Organization, these will be reviewed and submitted again within the following thirty (30) calendar days.

In case the Organization doesn’t fulfill the establish deadlines, ICONTEC can increase the Audit costs, presenting an increasing time proposal to the Organization requesting the completion of the documents review and approval.

3.1.15 When a Future Action Request (FAR), Clarification Request (CL) or Corrective Action Request (CAR) is found during the technical review stage, and the Organization is requested to resolve the causes of non-fulfillment, the Organization will submit a new set of documents that resolve the causes of the failure, which will be sent to the lead auditor from ICONTEC within thirty (30) calendar days from the non-fulfillment notification. The lead auditor will review the documents of the Organization and ICONTEC’s to submit them to the technical review approval.

3.1.16 The final approval of the action plans for the findings takes place no later than sixty (60) calendar days from the Audit closure meeting or thirty (30) calendar days from the notification of the failure during the technical review. In case the deadlines described above are not complied, ICONTEC will proceed to send the service documents to the review and decision stage with a negative decision, as the case may be.

3.1.17 The Organization must notify ICONTEC once the auditing team presents the commercial proposal, if any impediment or disability related to the auditing team is known. ICONTEC will deal with objections raised against members of the auditing team, in case one or more of them has a conflict of interest.

3.1.18 The Organization, and not ICONTEC, will be responsible for compliance with the requirements of Validation and/or Verification. A positive result of an auditing process does not exempt the Organization neither the activities of the project or program from its responsibility of fulfilling the
current legal or regulatory requirements. The validation and/or verification is not a guarantee of legal or regulatory requirements, or contractual requirements applicable to products or services provided by the Organization.

All communications referred to in these regulations should be addressed to the Validation and Verification Manager or to the customer service line: cliente@icontec.org

3.2 **Obligations of ICONTEC**

3.2.1 **ICONTEC** must handle as strictly confidential all the information and documents provided by the Organization in relation to developed activities for the services and use them exclusively for purposes related the service. In case the appropriate authority requests this information, **ICONTEC** will send it and will notify the Organization in writing and when it is applicable to the project owner.

When this request originates from a third party, different than an appropriate authority, the Organization will be asked in advance for a written authorization to provide this information.

3.2.2 **ICONTEC** must evaluate evidence that supports its decision on audit services.

3.2.3 **ICONTEC** must submit the reports of the audits performed, in accordance to the completion date of each service, in accordance to its results and communicate the decision made to the Organization representative, in relation to the validation and/or verification services.

3.2.4 In order to verify the implementation of the requirements demanded by the methodologies, protocols and respective procedures of Validation and Verification, without exempting the Organization from its responsibility to meet these requirements and commitments **ICONTEC** will be responsible only in the presence of the Organization or a third party as long as the law or the programs requirements determine mandatory responsibility in case of damages caused purposefully or due to negligence. Additional claims are excluded.

3.2.5 **ICONTEC** must send the final report to the Organization no later than twenty (20) working days after the lead auditor has approved the action plan, in order to resolve the non-compliances, complete the service and approve successfully the audit process.

3.2.6 If non-compliances detected during the technical review stage require intervention of the
Organization, **ICONTEC** must send the report no later than ten (10) working days after the lead auditor has approved the action plan to resolve the non-fulfillments, complete the service and approve successfully the audit process.

3.2.7 **ICONTEC** must answer when validation and verification programs are a reason for concern in relation to audit services. The response will be elaborated in relation to the audited services. The response will be prepared in concert with the Contracting entity.

3.2.8 **ICONTEC** must take action to prevent and preserve the good name of the Validation and Verification services and Organizations in charge of Validation and Verification programs.

### 3.3 Service stages

3.3.1 The language of the documentation generated for the service provision will be the official language of the specific validation and verification program.

3.3.2 In order to present and consider a new or modified suggested methodology, the current and applicable procedure will be implemented to the type of project, approved by the Program.

3.3.3 For validation, verification, deviations and/or modifications purposes of a registered Project Design Document (PDD), Program of Activities (PoA), Design Document or Monitoring Plan, the following activities are part of the service provision:

3.3.3.1 Presentation of the service proposal and appointing the audit team.

Once the Organization sends the necessary information to submit a commercial proposal, **ICONTEC** will submit an approved proposal in accordance to the validation and verification program standards and the designated auditing team. Such team must fulfill the standards of qualification and impartiality standards defined for the service provision.

3.3.3.2 Remittance of the Project Activity (PA) or Program of Activities (PoA) documentation and publication of PDD/MR for consultation of global stakeholders in Validation and Verification of CDM Projects and GHG mitigation Projects.

According to the service proposal sent by **ICONTEC** and accepted by the Organization, the...
Organization will send a set of documents to the Organization, which will send ICONTEC a set of documents.

ICONTEC will upload the required documents for consultation of global interested parties when the GHG program requires this activity.

According to the rules of the GHG Program, ICONTEC must wait the mandatory time before starting any auditing activity.

Note: For purposes of accreditation with United Nations (UNFCCC) validation requires 30 days for NON AFOLU projects (agriculture, forestry and other land uses) and 45 days for AFOLU projects; however, ICONTEC can proceed with the auditing activities. The verification requires publishing the monitoring report 21 days before starting the on-site visit. Once the consultation of global interested parties is completed, ICONTEC will initiate the following service activity.

3.3.3.3 Preliminary review and definition of an auditing plan

The auditing team, using the documentation given by the Organization, will initiate the review according to the service to be delivered and the service proposal. The auditing team will review the documents set and, if necessary, request more documents or clarifications of the documents received.

Based on the documentation submitted by the Organization and the specific standards of the program, a documented auditing plan is developed, which includes the activities, resources, sampling scheme and designated auditing team.

The auditing plan is communicated to the Organization and reviewed, if necessary, during the auditing process.

The auditing team, and according to the validation and verification program standards, will define if the audit needs an on-site visit or could be carried out remotely.

3.3.3.4 Remote or on-site audit

Once the auditing team defines the auditing plan and if it is necessary to visit the activity or not, the auditing team implements the auditing plan, mainly through interviews with the project owner and other relevant stakeholders, in order to evaluate if the Project Activity (PA) or Program of Activities
(PoA) complies with the rules and regulations of the GHG program. The remote or on-site audit also includes additional documentation provided by the Organization. The auditing team will normally need to identify other Sources that can provide basic information for the audit, as well as verify the PA or PoA documents against external sources if necessary.

3.3.3.5 Preliminary Audit Report for Validation and Verification Services for CDM Projects and GHG Mitigation Projects

The draft audit report includes a general discussion of the details captured through the interviews and clearly states the conclusions regarding each of the general topics required for a successful audit. The auditing team reports the non-fulfillments (CAR, CR or FAR) detected, which are reviewed with the project owner to obtain recognition that the finding is accurate and that the Contracting entity understands them.

3.3.3.6 Audit findings resolution

After the Organization recognizes the non-fulfillments indicated in the audit, these will be resolved in a timely manner. Once action plans have been received, the lead auditor will verify if these are appropriate and will write conclusions in the audit report.

3.3.3.7 Audit final report

The audit report reflects the responses to the findings, discussions and modifications of the validation and verification service documents. The audit report will submit the final conclusions regarding if the service meets the relevant validation and verification requirements for the type of service provided. For Validation and Verification services of CDM Projects and GHG mitigation Projects, the Audit report must show the results of the conversations between the auditing team and the owner of the PA or PoA and any adjustment made to the PA or PoA after the PDD or PoA-DD draft was made publicly available for the parties, stakeholders and NGO to consult.

3.3.3.8 Technical review and final decision stage
Once the audit final report is completed, it is submitted to the technical review team assigned for the final audits. This technical inspector is responsible for issuing the final decision about the audit and for reviewing if the auditing process fulfills the requirements of the specific validation and verification program. If the technical inspector makes some observations, the lead auditor will process them with the Organization.

For Validation and Verification services of CDM Projects and GHG mitigation Projects, once the technical review team presents the final opinion, the Technical Director submits a final decision after the review and confirmation of the procedure fulfillment on the part of the Validation and Verification Manager.

A copy of the approved final report is sent to the Organization in accordance to the rules and regulation of the validation and verification program.

3339 Request for final decision to the GHG program in Validation and Verification services of CDM Projects and GHG mitigation Projects

After the successful completion of the Audit and according to the specific GHG program, the procedure of Project registration is carried out.
Most GHG programs undertake a review and approval and, if possible, they ask for additional information. When this situation occurs, ICONTEC and the Organization will process them and submit a new set of documents to the GHG program.

33310 Statement’s use conditions

- The requestor cannot make any advertising about the statement or its future awarding until its approval. The violation of this rule may cause the rejection of the Statement or its postponement.
- The requestor or Statement owner can make use of it as part of the commercial information or advertising without modifying or changing it and without affecting the ICONTEC image.
- When the Statement is reproduced it must appear entirely and must be totally legible.
- The statement cannot be used in a way that leads or may lead to misunderstanding its scope.

In case of any doubt related to the authorized content for advertising, the owner can consult beforehand with ICONTEC about its content.

3.4 Procedure for replacement and appeal (appeals and disputes)
3.4.1 Decisions made by ICONTEC with respect to the auditing services are susceptible to replacement, procedure that must be submitted by the Organization for ICONTEC. This procedure is carried out according to the established by ICONTEC. The replacement request must be submitted by the Organization, within fifteen (15) working days following the event that encouraged the replacement request. In case the Organization does not submit a replacement by written notice within this time, it will be understood that the Organization accepts the decisions without further legal or extralegal claims. ICONTEC will respond the request within a period not exceeding thirty (30) days after receiving the replacement notification. While ICONTEC resolves the replacement, deadlines to submit the action plan and resolving the findings are suspended and will continue once a decision is made with respect to the replacement.

3.4.2 Decisions made by ICONTEC with respect to the auditing services in the replacement procedure are susceptible to appeal in the presence of the appeals committee, of which procedure will be followed according to the procedure established by ICONTEC. This appeal must be submitted by the Organization within fifteen (15) days following the notification receipt of the decision that resolves the replacement. If after this deadline the Organization does not submit any appeal, it will be understood that the Organization accepts these decisions without further legal or extralegal claims. ICONTEC will respond the appeal within a period not exceeding thirty (30) days after receiving the appeal notification. While ICONTEC resolves the appeal, deadlines to submit the action plan and resolving the findings are suspended and will continue once a decision is made with respect to the appeal.

**Notes:**
- According to the Accreditation Standard, an appeal is a request made by a customer for a formal review of a decision taken by a Designated Operational Entity (DOE) with respect to its validations and/or verification/certification activities, equivalent to reversals in accordance to the ICONTEC procedure.
- According to the Accreditation Standard, a dispute consists of a disagreement between a DOE and its customer with respect to recommendations of such DOE and/or opinions/decisions taken in different stages in the course of its validation/certification functions, equivalent to an appeal according to the ICONTEC procedure.

3.5 **Complaints or claims for the ICONTEC certification services**

3.5.1 If, in the opinion of the Organization representatives, there are unsatisfactory aspects with the
Validation and Verification auditing services provided by ICONTEC, the Organization can submit an appropriate complaint or claim along with evidence that supports the dissatisfaction to the following email address: cliente@icontec.org.

3.5.2 ICONTEC will conduct an investigation of the complaint or claim in accordance with the procedures established for such cases and will formally respond to the Organization. If the investigation of the complaint or claim involves non-fulfillment of the requirements established by ICONTEC in its procedures, corresponding corrections and corrective actions will be established.

3.6 Statement of will

3.6.1 The Organization freely, voluntarily and spontaneously accepts that it has contracted the ICONTEC services without any kind of pressure, restriction, condition or affectation against its will and; additionally, have not received any remuneration, benefit, compensation, reward or preferential treatment in the services acquired from ICONTEC; for that reason, resigns unconditionally and irrevocably the right to sue ICONTEC for the rights recognition of any other compensation beyond the provisions of the contracted service, both in and out of a court. As such, any provision different from the herein described, even in internal documents of the Organization, is not opposable or demandable by ICONTEC, unless previous express written authorization is given.

3.6.2 The Organization will use the information provided by ICONTEC, including the auditing report, in accordance with the policies related to industrial and intellectual property established by ICONTEC, which includes the manner and way in which audits are carried out, and the appropriate information. In this context, it’s prohibited already and the Organization accepts that it will not copy or replicate the audits, conferences or documents that are ICONTEC’s property in any audiovisual or photostatic media. Clearly, any violation of this provision will redound in favor of ICONTEC and against the Organization in terms of legal actions and actions for statutory damages.

3.7 Parameters against capital legitimation and terrorism financing

3.7.1 When accepting and contracting the services offered by ICONTEC, which are governed by this regulation, such services will be subjected to the provisions that look for the country’s benefit by countering the terrorism financing and the legitimation of capital. The simple acquisition of the services offered by ICONTEC involves that the acquiring party accepts immediately What this regulation disposes, so that lack of knowledge or any other reasons can’t be alleged in order refrain from meeting them.

3.7.2 Considering the above, ICONTEC owns the right to suspend or cancel the statements that have
issued at any moment, as long as it is aware that the Organization has been disciplined or has been associated to ongoing investigations carried out by legal or administrative authorities due to such penalties.

3.7.3 Provisions:

a) Explicitly and conspicuously, the Organization declares that its funds and resources are legal and legitimate, originating from operations executed in accordance with its business objective within the legal and regulatory framework of commercial and industrial activities it develops. Additionally, it declares that has verified the legality of the transfer and release of its properties or assets, determining that these have not belonged to people related to crimes such as capital legitimation and terrorism financing.

b) The Organization explicitly declares that it is not being investigated by the Unit of Information and Financial Analysis (UIAF) or that in case of having been subjected to this type of investigation, it concluded with satisfactory results and without any accusation of any crime. In case there’s an ongoing investigation, this must be notified plainly and before the provision of the service acquired from ICONTEC, submitting all relevant documentation and information, so that ICONTEC can evaluate it and can decide if the contract will be executed and the service will be provided to the customer, at its own discretion and free will.

c) The Organization accepts that, in case of sustaining direct or indirect commercial operations in countries considered tax shelters, it will explicitly inform ICONTEC in advance, declaring in a timely manner what these operations consist of. In this case, ICONTEC shall decide if the contract will be executed and the service will be provided to the customer, at its own discretion and free will.

d) The Organization explicitly authorizes ICONTEC to inform governmental and private entities in charge of investigating and fighting against capital legitimation and terrorism financing, about any fact or circumstances suspected of being related to capital legitimation and terrorism financing activities, without violating the right to confidentiality or compensation or payment of damages in favor of the Organization.

e) The Organization accepts that all commercial transactions entered into by ICONTEC Will have place by means of the financial system mechanisms while documenting each operation with contracts and receipts.

f) Abstention by the Organization with respect to any of the provisions contained in this chapter will mean not acquiring the services offered by ICONTEC and will be accepted as such.

g) The Organization states that it has verified the criminal records of all its employees and, therefore, certifies that it has not hired people who is or have been associated to legal or administrative investigations for having any relationship with capital legitimation and terrorism financing.
h) The Organization declares that it has distinct knowledge of the identity of its customers and in case of having any suspicious operation by one of them, it will immediately inform the UIAF and ICONTEC. Additionally, the Organization indicates that it will keep a record of the operations made with its customers.

i) The Organization declares that it has trained or will train its employees in the detection of transactions suspected to be associated with capital legitimation and terrorism financing. In the same way, the Customer indicates that will forbid its employees from notifying their clients about the report submitted to the competent authorities regarding suspicious transactions.

j) The Organization indicates, accepts and recognizes that it will protect ICONTEC against any investigation and operations related to capital legitimation and terrorism financing, so that, in case of ICONTEC has connections to one or more of such investigations due to facts that are partially the customer’s responsibility, the customer will assume the legal, judicial and technical costs and payments of the defense in which ICONTEC may incur in order to protect its interests. In case ICONTEC assumes its defense directly, it may redefine the corresponding values against the customer.

3.8 Sanctions, suspensions and cancelations

3.8.1 The following reasons may lead to sanctions from ICONTEC:

a) Violation of the condition indicated in this document.
b) Failure to answer the requirements asked by ICONTEC
c) Delay of more than (60) sixty days in the service payment.
d) Disrupting or changing the scope content of the Statement.
e) Submitting fake documentation in order to get the Statement.
f) Using the Statement for illegal actions.

3.8.2 The sanctions to be applied, depending on the severity of the infractions may be:

a) Written warning in which infringements are asked to cease in a determined period of time.
b) Cancellation of the Statement.

ICONTEC can request to carry out the dissemination and advertising it deems convenient referring to the sanction imposed.