



MONEY LAUNDERING AND TERRORISM FINANCING RISK MANAGEMENT AND SELF-CONTROL SYSTEM MANUAL (SAGRLAFT for its acronym in Spanish)

AVAYA COMMUNICATION DE COLOMBIA S.A.

Second version, January 2017

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INTRODUCTION

This document has been designed with the purpose of adopting measures and establishing control mechanisms, aimed at preventing AVAYA COMMUNICATION DE COLOMBIA S.A. (hereinafter referred to as AVAYA) from being used as an instrument for the concealment, handling, investment and use –in any way– of money or other property from criminal activities, or to give the appearance of legality thereof or the transactions and funds linked to such activities. In this process, the relevant risks faced by the company must be identified in the pursuit of the objective of not being used, directly or through its transactions, as a tool for money laundering and/or resource channeling towards terrorist activities.

1. OBJECTIVE AND SCOPE OF MANUAL

1.1 OBJECTIVE

The main objective of this manual is to define policies, guidelines and controls, with which risks can be minimized to avoid the introduction of resources from money laundering or its use for the financing of terrorism through the various AVAYA activities.

1.2 SCOPE

Money laundering is related to the legal risk, the deterioration of the goodwill and the loss of reliability in the handling of transactions by a real sector company, such as AVAYA. The prevention system is aimed at generating joint actions that prevent the legalization of these capitals and prevent impunity of the crimes that generate them.

This document outlines and guides the policies, instructions and parameters that are to be taken into account for the interaction with the comprehensive money laundering and terrorism financing prevention and control system, with a scope for all company employees and contains the procedures to be followed in those events in which, according to internal controls, transactions that may be considered as suspicious are detected.



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This manual applies to all missional and administrative support processes in which ML/TF risk factors arise and the counterparties that involve a ML/TF risk factor and based on which the following guidelines are determined: shareholders, partners, employees, customers (potential and real), suppliers, contractors and treasury transactions, among others.

2. MONEY LAUNDERING OVERVIEW

Money laundering consists of the process of concealing money of illegal origin and the subsequent acts of simulation with respect to its origin to make them appear as legitimate. It is a criminal conduct that is not exhausted in a single act but requires multiple stages aimed towards the same purpose "to give the appearance of legality to goods that originally come from illegal activities," which are described below:

OBTAINING OR COLLECTING MONEY: It is the physical receipt of large amounts of cash in the development and as a result of illicit activities.

ACCUMULATION OR PLACEMENT: It consists of the entry of illegal funds into the economic and financial system, putting them into circulation through financial institutions, casinos, money exchange shops and other domestic and international businesses in order to conceal their origin. It takes advantage of the existence of countries with low levels of demand regarding the requirements for the identification, registration of clients and determination of their transactions.

STRATIFICATION OR MIXTURE WITH FUNDS OF LEGAL ORIGIN: It consists of the conduct of successive economic and financial transactions aimed at eliminating its trace or making its location more complex, in such a way that it is difficult to detect the illicit origin of the money in the mixture with money of legal origin.

INTEGRATION OR INVESTMENT: It implies that liquid cash is converted into movable or immovable property or into front companies. Mechanisms, such as the transfer of laundered funds to legal organizations or companies, with no apparent links to organized crime, are used. This laundering process serves three substantial purposes: forming a complicated trail of papers and transactions,



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making the origin and ownership of the money ambiguous and blending illegal money with legitimate financial transactions.

2.1 CUSTOMER KNOWLEDGE POLICY

The strict policy of knowing our clients well is an important and effective tool to prevent, hinder and detect the systems used by organized crime for money laundering. A sound policy allows us to comply with legal standards and promote correct business practices, protecting the reputation and credibility of AVAYA, minimizing the risk of using its transactions to sell goods and services in illicit activities.

AVAYA must ensure among, others, but not limited to, the knowledge of the identity, activity, origin of their resources and place of residence of its clients, before establishing commercial relations through consultations in the national and international lists that AVAYA considers as restrictive, issued, by the United Nations, OFAC, the Comptroller General's Office, etc., among other agencies.

“Initially, it should be pointed out that in the case of the Money Laundering and Terrorism Financing Risk Management System, the mechanism of Customer Knowledge is the basis on which all other mechanisms and instruments for the prevention and control of money laundering are structured and deployed, as well as to detect and report transactions that purport to give an appearance of legality to transactions linked to ML/TF.

Thus, an adequate, accurate, timely, sufficient and diligent application of the client's knowledge mechanisms allows the full identification or individualization of the natural person or legal entity intended to be linked to entities under surveillance, as well as to establish the veracity and consistency of the information provided, identify the economic activity of its clients, as well as the framework of its regular transactions, the characteristics of the transactions in which they are currently involved and the profile that corresponds to them in order to notice the market segment to which they belong and the possible transactions which they can perform within the universe that describes them and under the product or service provided by the entity under surveillance.

The main objective of the foregoing is to identify in a timely manner any transaction that does not conform to the respective profile, which is not consistent with its activity, with the normality of its transactions, with the usual characteristics of its transactions or with the information provided for its contracting, the situation that would entail activating all the procedures and controls to normalize the operation or to prepare the appropriate reports.

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The customer contracting process must lead the entity under surveillance to the process of making the decision to enter into commercial and contractual relations with the subjects of law in a timely manner and sufficiently informed and supported and in order to have all the elements of judgment necessary to opt to provide its services in an optimal manner and with all the information required so that the money laundering and terrorism financing risk management system works satisfactorily and in compliance with regulations in this regard.”¹

2.2 APPLICABLE LEGISLATION

In terms of money laundering and terrorism financing, Colombian applicable legislation is:

- Law 222 of 1995
- Law 526 of 1999, amended by Law 1121 of 2006 of FIAU
- Colombian Criminal Code, Article 323 added as per Article 8 of Law 747 of 2002 and Article 14 of Law 890 of 2004.
- Decree 4350 of 2006
- Decree 1497 of 2002
- Decree 1023 of 2012
- Decree 1068 of 2015
- Resolution 285 of 2007 issued by FIAU
- Resolution 114 of 2007 issued by FIAU
- Resolution 101 of 2013 issued by FIAU
- External Circular Letter 170 of 2002 issued by Colombian tax authority (DIAN)
- External Circular Letter 100-004 of 2009 issued by the Superintendence of Companies
- External Circular Letter 100-000005 of 2014 issued by the Superintendence of Companies
- External Circular Letter 100-000006 of 2016 issued by the Superintendence of Companies

¹ Taken from Concept 2014111116-001 of January 7, 2015 issued by the Financial Superintendence

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- CONPES document 3793 of 2013

3. GLOSSARY

- **Risk Acceptance:** An informed decision to accept the consequences and likelihood of a particular risk.
- **Administrators:** The legal representative, the liquidator, the factor, the members of boards of directors or steering councils and those who, in accordance with the bylaws, exercise or hold those functions are administrators.
- **Risk Analysis:** Systematic use of available information to determine how often specified events can occur and the magnitude of their consequences.
- **Risk Appetite:** The risk level that the entity tolerates.
- **Associates:** The so-called partners or shareholders, i.e., those people who hold the ownership of shares, interest or shares of a company.
- **Self-control:** It is the will of the entrepreneur and the administrators to detect, control and manage efficiently and effectively the risks to which their company is exposed.
- **Final or Actual Beneficiary:** As provided for in Financial Action Task Force (FATF) recommendations, it refers to the natural person(s) who ultimately own(s) or control(s) a Counterparty or a natural person on whose behalf a transaction or a deal is conducted. It also includes the person exerting the final effective control over a legal entity or another legal structure or who is the holder of 25% or more of its capital, provided that it has Corporate nature.
- **Sharing the risk:** Sharing the weight of the loss or profit of the benefit of the gain arising from a particular risk with another party.
- **Consequence:** The result of an event expressed qualitatively or quantitatively, whether or not it is a loss, prejudice, disadvantage or gain. There could be a range of possible products associated with an event.
- **Counterparty:** Refers to any natural person or legal entity with whom the Company has commercial, business, contractual or legal relations of any

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kind. Shareholders, partners and employees of the Company and customers and goods suppliers or service providers, among others, are counterparties.

- **Risk Control:** It is the part of risk management that involves the implementation of policies, standards and procedures to eliminate or minimize adverse risks.
- **ML/TF Risk Control:** It comprises the implementation of existing policies, processes, practices or other actions that act to minimize the ML/TF risk in the transactions, deals or contracts carried out by company.
- **Risk Criteria:** Terms of reference whereby the importance of the risk is assessed.
- **Company:** Refers to a commercial company, a sole proprietorship company or a branch of a foreign company.
- **Risks Assessment:** It is the overall risk analysis and assessment process. The process used to determine risk management priorities by comparing the risk level to predetermined standards, target risk levels or other criteria.
- **Control Assessment:** A systematic review of processes to ensure that controls are still effective and adequate.
- **Event:** An incident or situation that occurs in a particular place during a particular time interval.
- **Risk Avoidance:** An informed decision of not to being involved in a risk situation.
- **ML/TF Risk Factors:** ML/TF risk-generating agents.
- **Terrorism Financing (TF):** It is the collection or provision of funds with the knowledge that they shall be used, in whole or in part, to commit acts of terrorism or to contribute to the commission of terrorist acts. it corresponds to the conduct envisaged in Article 345 of the Criminal Code, amended by Article 16 of Law 1121 of 2006.
- **Risk Financing:** Methods applied to fund the treatment of risks and the financial consequences thereof.



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- **Frequency:** An occurrence coefficient measure of an event, expressed as the number of occurrences of that event in a given time.
- **Sources of Risk:** They are the ML/TF risk-generating agents in the organization which must be taken into account to identify the situations that can generate it in its operations, business or contracts carried out.
- **Financial Action Task Force (FATF):** An intergovernmental organization set up in 1989 intended to develop and promote policies and measures to combat money laundering and terrorism financing. It issued the 40 recommendations for money laundering control and financing of terrorist activities.
- **Risk Identification:** The process of determining what can happen, why and how.
- **Stakeholders:** Those people and organizations that may affect, be affected, or perceive themselves to be affected by a decision or activity.
- **ML/TF:** An abbreviation used that stands for money laundering and terrorism financing.
- **Money Laundering (ML):** A process whereby goods of a criminal origin are integrated into the legal economic system with the appearance of having been legally obtained. It corresponds to the conducts provided for in Article 323 of the Criminal Code, added as per Article 8 of Law 747 of 2002 and amended by Article 16 of Law 1121 of 2006.
- **United Nations Lists:** Lists of people and entities associated with terrorist organizations issued by the United Nations Security Council. These lists are binding for Colombia under international law.
- **OFAC Lists (also called Clinton List):** Lists issued by the Office of Foreign Assets Control (OFAC) of the United States Department of Treasury. They contain names of Significant Designated Narcotics Traffickers (SDNT List), Significant Foreign Narcotics Traffickers (SFNT List), Significant Designated Global Terrorists (SDGT List), leaders of criminal or terrorist organizations or which represent one or all of the aforementioned risks.



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- **Restrictive Lists:** Those lists against which the organization shall abstain or seek to end legal or other relations with the natural persons or legal entities that appear therein. United Nations lists, OFAC lists and other lists that, by their very nature, create a high risk that cannot be mitigated by the adoption of controls have this characteristic.
- **Monitoring or Follow-up:** Check, supervise, critically observe, or record the progress of an activity, action or system in a systematic way to identify changes.
- **Compliance Officer:** Refers to the employee of the Obligated Company who is in charge of promoting and developing the specific ML/TF Risk prevention, updating and mitigation procedures and whose profile is described in this Manual.
- **Intended Transactions:** They are set up when there is knowledge of the intent of a natural person or legal entity to perform a suspicious transaction, but it is not perfected because the person trying to perform it desists or because the established or defined controls did not allow it to be carried out. These transactions have to be reported solely and exclusively to FIAU.
- **Unusual Transactions:** Refers to that transaction whose amount or characteristics are not related to the regular or normal economic activity of the Company or that, due to its number, amount or characteristics, does not fall into the normal guidelines or business practices of a sector, industry or class of the Counterparty.
- **Suspicious Transactions:** Refers to that unusual transaction that, in addition, according to the uses and customs of the activity in question, has not been able to be reasonably justified.
- **Politically Exposed People (PEPs):** National or foreign people who, because of their position, manage public resources or hold some degree of public power. It refers to individuals who perform outstanding public functions or that, because of their position, hold, handle or manage public resources. This definition also includes individuals who have performed outstanding public functions or who, because of their position, have managed or administered public resources. However, the capacity of the PEP shall only be maintained for a period of 2 years after the date on which



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the respective individual has ceased to perform the outstanding public functions or has ceased to administer or manage public resources. By way of example, PEPs are politicians, government officials, judicial and military officials in cases where the abovementioned people hold or have held high-ranking positions. Furthermore, senior executives of state-owned companies, senior officials from political parties and heads of state are considered as PEPs.

- **Policy:** Guidelines, guides or aspects that support ML/TF risk prevention and control in the organization.
- **Likelihood of Occurrence:** Refers to the likelihood that potential sources of risk actually materialize. It is used as a qualitative description of likelihood or frequency.
- **Risk Management Process:** It is the systematic application of policies, procedures and management practices to the tasks of establishing the context, identifying, analyzing, assessing, treating, monitoring and communicating risks.
- **Risk Reduction:** Selective application of appropriate management techniques and principles to reduce the likelihood of occurrence, or its consequences, or both.
- **Products:** Refers to the goods and services that the Company produces, markets, transforms, offers or acquires from a third party.
- **Suspicious Transaction Report (STR):** A suspicious transaction report that the company submits to the Financial Information and Analysis Unit (FIAU).
- **Risk Retention:** Intentionally or unintentionally retain responsibility for losses, or the financial burden of losses or their consequences within the organization.
- **Risk:** Likelihood of occurrence of something that shall have an impact on the objectives. It is measured in terms of consequences and likelihood.
- **Contagion Risk:** Possibility of loss that an entity may suffer, directly or indirectly, from an action or experience of an associate. The related or

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associate includes natural persons or legal entities who have the possibility of exerting influence on the entity.

- **Inherent risk:** A risk level typical of the activity, without taking into account the effect of the controls.
- **ML/TF Risk:** Refers to the possibility of loss or damage that may be suffered by a Company due to its propensity to be used directly or through its transactions as a tool for money laundering and/or channeling of resources towards the execution of terrorist activities, or when it is intended to conceal assets from such activities. The contingencies inherent to ML/TF are materialized through such risks as legal, reputational, operational or contagion, to which the Company is exposed, with the consequent negative economic effect that this may represent for its financial stability when it is used for such activities.
- **Legal Risk:** Possibility of loss incurred by an entity when it is sanctioned or obligated to indemnify damages as a result of non-compliance with rules or regulations and contractual obligations. The legal risk also arises as a result of failures in contracts and transactions resulting from malicious acts, negligence or involuntary acts that affect the formalization or execution of contracts or transactions.
- **Operational Risk:** Possibility of incurring in losses due to deficiencies, failures or inadequacies in the human resource, processes, technology, infrastructure or the occurrence of external events. This definition includes legal and reputational risks associated with such factors.
- **Reputational Risk:** Likelihood of loss incurred by an entity due to discredit, bad image, negative publicity, whether true or not, regarding the institution and its business practices that causes loss of clients, decrease of income or legal proceedings.
- **Residual or Net Risk:** It is the level resulting from the risk after applying the controls.
- **ML/TF-Related Risks:** ML/TF-related Risks: Risks through which the ML/TF risk materializes, namely reputational, legal, operational and contagion, among others.



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- **SAGRLAFT:** Money Laundering and Terrorism Financing Risk Management and Self-Control System.
- **Warning Signs:** Facts, situations, events, amounts, quantitative and qualitative indicators, financial reasons and other information that the entity determines as relevant, from which the possible existence of a fact or situation beyond what the company determines as normal can be inferred either timely or prospectively.
- **Risk Transfer:** Change liability or burden for losses to a third party through legislation, contract, insurance or other means.
- **Risk Treatment:** Selection and implementation process of measures to modify the risk.
- **Financial Information and Analysis Unit (FIAU):** Special administrative unit attached to the Ministry of Finance and Public Credit which aims to prevent and detect possible money laundering and terrorism financing operations in different sectors of the economy.
- **Risk Appraisal:** Total risk identification, analysis and assessment process.

4. PRINCIPLES OF THE ML/TF RISK PREVENTION SYSTEM

4.1 COLLABORATION WITH AUTHORITIES

AVAYA is bound to cooperate with administrative authorities when required by reporting any relevant information on transactions that, due their amount or characteristics, show incompatibility and contradictions with the economic activity of the client or supplier, according to prior knowledge and taking into account the application of the criteria established in this manual.

No AVAYA employee can inform clients or suppliers/providers who have performed or attempted to perform suspicious transactions which have been reported to the Financial Information and Analysis Unit (FIAU) about them or transactions. All employees must maintain confidentiality regarding this type of information.



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4.2 ETHICS IN RELATION TO COMMERCIAL GOALS

All AVAYA employees undertake to put compliance with ethical principles at the forefront of achieving business goals. In order to comply with the principles defined by AVAYA, the following compliance mechanisms were established for ML/TF risk prevention policies:

A. Internal Actions

- Money Laundering and Terrorist Financing Prevention and Control System Manual.
- Communication to all employees for compliance and correct application.
- Establish a monitoring and control system for compliance with the ML/TF Risk Prevention and Control System by Internal or External Audit and the Statutory Auditor.

B. All Staff's Commitment

Each and every AVAYA employee is responsible for preventing AVAYA from being used for ML/TF and other situations arising from illegal activities and is obliged to report suspicious situations when they have knowledge of them.

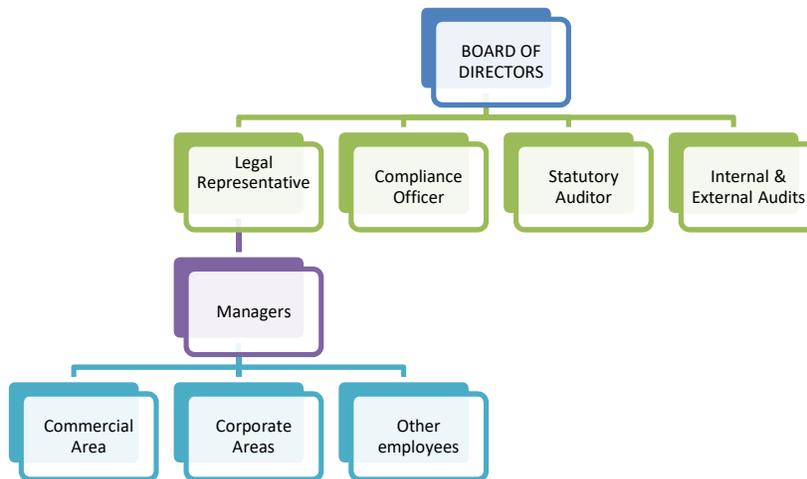
5. PEOPLE RESPONSIBLE FOR ML/TF RISK MANAGEMENT

The following bodies, AVAYA employees, communication channels and instances are responsible for applying and monitoring the Money Laundering and Terrorism Financing Risk Management and Self-Control System and conducting its assessment and supervision to determine failures or weaknesses in their policies and control procedures and take appropriate measures to correct and improve the process in a timely manner.

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5.1 BOARD OF DIRECTORS

Regarding ML/TF prevention and control, the Board of Directors shall be responsible for:

- Defining and approving the policy and structure of mechanisms and instruments that are part of the company's ML/TF risk management system.
- Designating the Compliance Officer in charge of managing and verifying compliance with the ML/TF prevention and control policies defined by AVAYA.

5.2 LEGAL REPRESENTATIVE

Regarding ML/TF prevention and control, the legal representative shall be in charge of:

- Striving for the correct application of ML/TF prevention and control policies defined by AVAYA.
- Submitting to the Board of Directors and the Shareholders' Meeting a report on the activities carried out by the company in relation to ML/TF prevention on a yearly basis.

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5.3 COMPLIANCE OFFICER

Compliance Officer's Requirements

The Compliance Officer is a high-level employee in the organization who is supported by a team of human and technical staff and manages and supervises issues related to ML/TF prevention and control.

The basic requirements to hold the position of Compliance Officer or whoever acts on his/her behalf:

- To be appointed by the Board of Directors,
- To be a company employee holding a high-ranking position in the organization that allows him to have a decision-making capacity. A company employee who is a member of a control body may be appointed to perform this function, provided that there is no conflict of interest between the duties he or she performs as a company employee and those inherent to the Compliance Officer,
- Neither functions assigned to the Compliance Officer nor those related to the identification of Suspicious Transactions may be contracted with third parties.
- To accredit knowledge about the company's operation and regarding risk management,
- The appointment of the Compliance Officer does not exempt the organization or other employees and contractors from the obligation to immediately report attempted, unusual and suspicious transactions to the Compliance Officer, prior analysis thereof and attaching a justification by the latter to submit it to competent authorities and to the Financial Information and Analysis Unit (FIAU) of the Ministry of Finance and Public Credit.

With respect to ML/TF prevention and control, the Compliance Officer must perform the following functions:

- Ensure the effective, efficient and timely functioning of the ML/TF risk control and prevention system,

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- To promote the adoption of system corrections and updates,
- To coordinate the development of internal training programs,
- To assess the reports submitted by the internal audit or whoever performs similar functions or acts on its behalf and the reports submitted by the statutory auditor and adopt the appropriate measures against deficiencies reported.
- To certify compliance with the provisions of this manual and the standards before the Superintendence of Companies as required by this supervisory entity,
- Ensure adequate archiving of supporting documents and other information related to ML/TF Risk management and prevention,
- Design the segmentation, identification, measurement and ML/TF risk control methodologies that shall form part of the system,
- Submit the Suspicious Transactions report to FIAU, as well as any other report required either internally or externally,
- Seek sources of information that allow them to stay updated on different or new events that may affect the company due to the materialization of ML/TF risks,
- Submit half-yearly reports to the Legal Representative and the Board of Directors or whenever they deem it appropriate, in which they must refer to at least the following aspects:
 - ✓ Management results,
 - ✓ The individual and consolidated evolution of the risk factors and controls adopted, as well as of associated risks,
 - ✓ The effectiveness of the control mechanisms and instruments established by the company and the measures taken to correct system failures,
 - ✓ The results of corrective actions ordered by the Board of Directors,
 - ✓ Documents and pronouncements issued by control entities and FIAU,

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- ✓ Compliance in relation to submission of reports to the different authorities,
- ✓ The adoption of identified corrective actions for the system,
- ✓ The development of internal training programs with regard to the system,
- ✓ Proposals for the updating of this manual and the plan for its disclosure to company employees,
- ✓ The design of quantitative and qualitative methodologies, models and indicators of recognized technical value for the timely detection of unusual transactions,
- ✓ Assessment result of reports submitted by the internal and/or external audit and by the Statutory Auditor, as well as the adoption of appropriate measures in view of informed improvement opportunities,
- ✓ Propose and submit for approval the objective criteria to determine suspicious transactions, as well as those to determine which of the transactions carried out by counterparties shall be subject to consolidation, monitoring and their unusual nature,
- ✓ Reports to the General Management on possible faults that compromise the responsibility of employees and contractors for the adoption of measures provided for in the law.

5.4 STATUTORY AUDIT

Regarding ML/TF prevention, the Statutory Audit is responsible for:

- Establishing appropriate controls to detect breaches of ML/TF prevention and control policies.
- Examining the functions of the company's managers in relation to ML/TF prevention and control.

5.5 INTERNAL OR EXTERNAL AUDIT



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The Auditor is responsible for:

- Monitoring that the policies and procedures adopted by AVAYA for ML/TF prevention are met and carried out as established.
- Reporting to the administration on deviations in the application of established ML/TF policies, as well as when conflicts of interest arise between AVAYA internal members or between them and AVAYA external members.
- Informing management on possible ML/TF alerts when they are aware of them.

5.6 COMMERCIAL AREA

The employees of the Commercial Area fill out the records and forms that must be submitted, such as:

- Registration of potential customers in the system, ensuring that the information entered is consistent, in order to identify them and know their activities.
- Verify that the client attaches the required documents during the business processes of each line of business: products and/or services.
- Report any fact or abnormality that occurs within the business relationship with the client, which may eventually be considered as an unusual or suspicious transaction or when warning signs arise.

5.7 CORPORATE AREAS

- Registration of providers/suppliers in the system, ensuring that the information entered is consistent, in order to identify them and know their activities.
- Verify that the provider attaches the required documents during missional and support processes.
- Registration of employee information and annual updating.

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- Report any fact or abnormality that occurs within the business relationship with the provider, which may eventually be considered as an unusual or suspicious transaction or when warning signs arise.

5.8 MANAGERS

- Communicate and implement established ML/TF policies and procedures in their respective areas of work.
- Verify that clients are registered in the system.
- Ensure the updating of customer data in the different moments of contact with the customer.
- Require that the customer information recorded in the system be consistent and complete.
- Immediately report to the Compliance Officer or to whomsoever acts on his/her behalf of any fact or abnormality that occurs within the business relationship with the client, which may be eventually considered as an unusual or suspicious transaction or when warning signs arise, and record the internal unusual and suspicious transactions report
- Ensure full and adequate verification of the information provided by the counterparties.
- Train new employees under their care in ML/TF policies defined by AVAYA.
- Conduct an ML/TF induction training in accordance with the policies established by the Compliance Officer.
- Provide the new employees in their area with the money laundering prevention and control system manual and the code of conduct when they are hired.

5.9 OTHER EMPLOYEES

It is the duty of each of the company employees to:

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- Apply the established mechanisms and procedures and report to the higher instances on any ML/TF risk signals of which they are aware.
- Immediately report to the Compliance Officer or whoever acts on his/her behalf, any fact or abnormality that occurs within the relationship with customers, suppliers/providers, employees, etc. which may be considered as an unusual or suspicious transaction or when warning signs arise in the internal unusual and suspicious transaction report.
- Ensure full and adequate verification of the information provided by the counterparties.

6. DEVELOPMENT OF THE ML/TF RISK PREVENTION SYSTEM

The procedures for the execution of the different ML/TF prevention and control mechanisms of the company are clearly established in SAGRLAFT.

The system includes, among others:

- Description of the guidelines, policies and procedures for the knowledge of clients and confirmation of the information, indicating the levels or positions responsible for their execution.
- Functions, responsibilities and powers of Managers and other company employees in charge of compliance with legal and internal standards on money laundering prevention and control.
- The criteria and procedures required to prevent and resolve conflicts of interest that may arise in the development of its object, and especially in the detection and analysis of unusual transactions and the determination and reporting of suspicious transactions.
- Compliance Officer's level of hierarchy, functions and responsibility.
- Policies, guidelines and procedures for the preservation of documents and other evidence of the processes carried out for M/L and T/F prevention.
- The process to be followed to deal with information requirements by competent authorities.

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- Methodologies, criteria and warning signals to analyze and assess information that allows the detection of unusual and suspicious transactions aimed at money laundering and the detection of conducts related to terrorist activities and their possible financing, as well as the procedure for reporting them.
- Development of the other elements so that the company can protect itself against money laundering.
- Procedures for imposing penalties for non-compliance with the application of the controls required to prevent the company from being used by organized crime for money laundering and terrorism financing.

6.1 STAGES OF THE ML/TF RISK PREVENTION SYSTEM

In order to unify the risk management methodology within AVAYA, the "INSTRUCTION FOR USE OF THE RISK MATRIX" (ANNEX 1) was prepared. It contains the stages of the money laundering and terrorism financing risk management and prevention system (SAGRLAFT). They refer to the systematic and interrelated steps whereby AVAYA manages ML/TF risk by aligning to the general risk model:

6.1.1 Risk Identification

The development of this stage should allow the identification of ML/TF risk factors inherent to the development of activities for the different company areas. For the identification of ML/TF risk factors, the form established to this end shall be used, which shall include at least the following essential knowledge concepts:

- Definition of risk
- Risk factors: customers or users and processes
- Causes
- Consequences
- Likelihood and impact.

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The form shall be completed by the Compliance Officer, together with those responsible for processes that may be affected by the risk.

6.1.2 Risk Measurement and Assessment

Upon developing the first identification stage, the likelihood of occurrence of the inherent ML/TF risk is measured against each risk factor, as well as the impact in case of materialization through associated risks.

For risk management, measurement and assessment and the likelihood and impact equivalences defined in the risk map as detailed in the INSTRUCTION FOR USE OF THE RISK MATRIX" (ANNEX 1) shall be used.

6.1.3 Risk Control

At this stage, ML/TF risk controls are defined. They are to be consistent with the risk mitigation action plan resulting from the analysis of each of the factors.

As a result of this stage, the control should be translated into the decrease of the likelihood of occurrence and of the impact, in case it arises.

6.1.4 Risk Monitoring

Monitoring consists of the effective follow-up to risk profiles and, in general, to SAGRLAFT, with the following purposes:

- Make comparisons on the evolution of the inherent risk against the residual risk of each risk factor and associated risks.
- Prepare reports on the effectiveness of the controls implemented and on the evolution of risks in the company's own context, thus ensuring understanding and timely functioning of such controls.

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- Facilitate the detection and correction of deficiencies at SAGRLAFT stages.
- Establish descriptive and prospective indicators that show potential sources of ML/TF risk.

All these stages are included in ANNEX 2: Risk Matrix.

7. ML/TF PREVENTION POLICIES AND GUIDELINES

7.1 SAGRLAFT SYSTEM POLICIES

These are the general guidelines that should be adopted at each stage of the money laundering and terrorism financing risk prevention and management system (SAGRLAFT) to enable its efficient, effective and timely functioning. These policies should be translated into rules of conduct, philosophy of behavior within AVAYA and procedures to guide its actions.

Thus, the system requires the adoption of some basic conceptual axes that allow it to be applied efficiently and within the possibilities that AVAYA can offer and, harmonizing functions, activities and results that somehow allow achieving the proposed objective.

To this end, AVAYA adopts the following policies for the development of the SAGRLAFT system:

- All employees must ensure compliance with standards to prevent and control conducts related to the concealment or legalization of illegal monies and, thus, avoid risks in the operation of the organization.
- The existing procedures and those implemented are mandatory for all employees and managers of the organization, especially for those who intervene directly in transactions with customers or suppliers/providers.
- The principles established in the Code of Conduct shall be an integral part of the ML/TF risk control and prevention system.



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- All employees of the organization shall report immediately to the Compliance Officer, i.e., as soon as they are aware of the facts or circumstances that they deem to be in violation of the contents of this manual.
- The information of the counterparties shall be recorded in the system to meet the demands of internal information and control bodies.
- The risk generated by the operation with financial resources requires a management or contingency plan, which must include system operation and its periodic assessment.

Paragraph 1.- The manual for ML/TF prevention and control must be known by the managers, the steering committee and people involved in activities that are more sensitive to unusual or suspicious transactions.

Paragraph 2.- Any modification to the mechanisms adopted in the ML/TF prevention and control procedure manual –and the manual itself– should remain at the disposal of the Superintendence of Companies, which may request a copy thereof when deemed relevant.

Paragraph 3.- Failure to comply with this manual shall enforce the procedures provided for in the sanctioning area, without prejudice to the responsibilities before the appropriate control and judicial bodies.

7.2 GUIDELINES FOR ML/TF PREVENTION IN RELATION TO THE COUNTERPARTIES

AVAYA shall apply the following guidelines for ML/TF prevention:

7.2.1 Guidelines for Acceptance of Counterparties

No business or other relationship shall be established with natural persons or legal entities when there are elements that lead to doubts based on the legality of the operations or legality of the resources, for which the following criteria shall be taken into account:

- No business or other relationship shall be established with natural persons or legal entities included on lists considered



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restrictive by AVAYA, nor shall any business or other relationship be established with companies when any of the following people who are part of them appear on the abovementioned lists:

- ✓ Legal representatives
 - ✓ Members of the Board of Directors
 - ✓ Shareholders, partners or associates who hold 5% or more of the capital stock, contribution or interest.
- To the extent that it is legally possible, in the termination of the corresponding legal acts, natural persons or legal entities included on restrictive lists shall not be maintained as counterparties or when their legal representatives, members of the Board of Directors or shareholders, partners or associates holding 5% or more of the share capital, contribution or interest are included in the aforementioned lists.
- In relation to counterparties of treasury operations, commercial or business relationships are only established with Colombian or foreign financial entities that are duly supervised by the corresponding control body, have a recognized track record and have implemented ML/TF prevention and control mechanisms.

7.2.2 Guidelines for the Acceptance of Counterparties with a "High" ML/TF Risk Level

AVAYA has defined that counterparties reflecting a high ML/TF risk level, thus:

- Counterparties included in control lists adopted by AVAYA.
- Counterparties whose operations have been reported as unusual transactions and which AVAYA has defined as high risk. (See section 9.1.2)

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- Counterparties conducting activities classified as high ML/TF risk according to Colombian law and international ML/TF prevention standards, namely: Corporations, foundations or non-profit organizations. B. Politically Exposed Persons (PEPs). C. Entities engaged in high-risk economic activities:
 - Companies or persons marketing products controlled by the National Narcotics Bureau. • Hotels and travel agencies. • Professionals and money exchange houses. • Pawn shops. • Casinos and gambling businesses. • Motor vehicle, boat and aircraft dealers/leasing companies • Trading companies under the multilevel or pyramidal sales scheme. • Weapon, explosive or ammunition dealers. • Construction companies. • Real estate agents or dealers. • Sports entities. • Gas stations. • Antique, jewelry, metal, precious stone, coin, art object and postage stamp dealers. • Moneylenders. • Haulage sector. • Money or securities transportation companies. • Companies located in free trade zones. • Companies engaged in the transfer or sending of funds or remittances. • Border money exchange operators.
- The ML/TF high risk rating only applies to counterparties, i.e., suppliers/providers, customers and partners.

7.2.3 Guidelines for the Knowledge of Counterparties

Company policies for the knowledge of counterparties allow their full and reliable identification, as well as verification of the information provided by them. For the purposes of ML/TF prevention, the controls defined in this manual shall be taken into account.

Whenever a possible negotiation or commercial agreement is initiated, or the information is updated, updated versions of the lists considered by AVAYA as restrictive should be consulted.

a. Customer Knowledge

AVAYA clients are those natural persons or legal entities with which a relationship of a legal and contractual nature is



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established and maintained for the sale of a product and/or rendering of a service typical of their activities.

The information on clients that is not updated –or that once it is updated cannot be confirmed– constitutes a risk signal for AVAYA.

In its commercial policies, AVAYA establishes that the updating of customer data is to be carried out at least annually, supplying all supporting documentation required according to the product or service in question.

Inactive company customers are those who have not performed any transactions after the expiration of their warranty period and who should not be asked to update information. For these customers, the information update must be made as soon as they request the carrying out of new transactions, thus ceasing their inactive status.

b. Market Knowledge

AVAYA must have the appropriate market knowledge of the products and services it offers in order to clearly establish the usual characteristics of the transactions made and compare them with the transactions of whoever participates in that market.

The target market shall be adjusted to the extent that the products offered by the company are modified, as well as the debugging of customer profiles.

Upon gathering the information on clients and their transactions, the commercial profiles that allow segmenting the market are established according to the nature of the customer, the products and/or services acquired –or with the corporate purpose that has to be managed– in order to detect unusual transactions.

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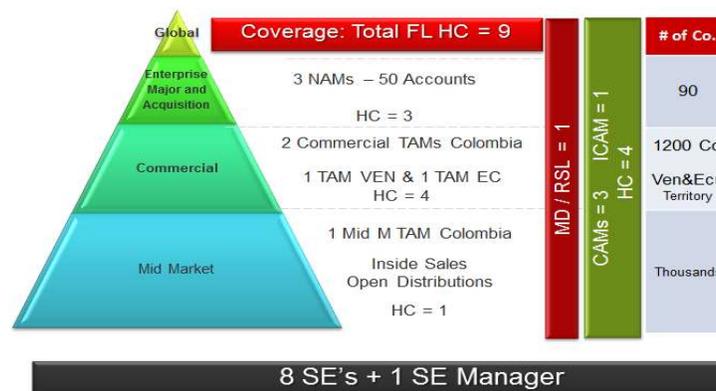
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The following parameters, among others, are taken into account to perform a market segmentation:

- Volume of transactions
- Frequency of transactions
- Type of activity
- Operating areas

GLOBAL SEGMENTATION OF AVAYA CUSTOMERS APPLIED TO THE REGION, INCLUDING COLOMBIA



- a. At the top of the pyramid are the global accounts that have a global presence and a presence in our country. In Colombia, there are approximately 50 companies assigned to 3 account managers.
- b. Main business group. All those companies that are based on a group of employees greater than 5,000. Approximately 1,200 companies that are divided into two: Bogota and the rest of Colombia. There are two people assigned, one for each segment.
- c. Group of companies called commercial. Those are companies based on a group of employees greater than



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1,000 and less than 5,000. There is a person assigned to this segment.

- d. Mid-Market. All companies based on a group of employees under 1,000.

According to the segmentation performed and the parameters to know the target market of the company, there are situations that would lead to the detection of unusual customer transactions in the following cases:

- Increase in transaction volumes with no justified cause.
- Unexpected, radical or continuous changes in the business activity.
- Constant modifications of the object or corporate name and of their representatives or managers.
- In the event of granting direct loans to customers with the company's own equity, the following shall be taken into account:
 - ✓ The customer shows a high decrease in financial liabilities
 - ✓ The customer has no record of financial debts when this is not consistent with the volume of the business or economic activity.
 - ✓ Understand why the customer has not resorted to the financial system for a loan.
- When once the required visit to the clients and/or suppliers/providers has been conducted in the course of their contracting process, it is determined that their volume of transactions does not correspond to the physical and administrative infrastructure they have or to the result of the segmentation carried out by AVAYA.



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c. Knowledge of Suppliers/Providers and Contractors

Through its purchasing policy, AVAYA establishes the guidelines under which contracts and purchases are oriented in order to ensure the timely provision of goods and services aligned to the main focuses of service and operational excellence, i.e., good prices, high quality, compliance with terms agreed, transparency in the contracting process, continuity in the supply chain, customer satisfaction and compliance with the due process.

7.2.4 Guidelines for Control of Counterparty Transactions and Detection of Unusual Transactions

In order to determine any "unusual transactions", a counterparty transaction control system shall be adopted based on the following aspects:

- Principle of *knowing your counterparty* described in subsection 7.2.3.
- Principle of *knowing the market* described in subsection 7.2.3.
- Unusual transaction detection instruments described in section 9.1.

The abovementioned principles and instruments shall be developed by applying the controls mentioned in this manual.

8. ML/TF PREVENTION CONTROLS

AVAYA establishes the control mechanisms described below to monitor compliance with the measures established for ML/TF prevention and reports to the appropriate authorities and the Board of Directors in a timely manner.

8.1 IDENTIFY THE COUNTERPARTIES

In addition to the information and documentation required for full identification of counterparties in order to prevent ML/TF, the following is required:



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- To include in all agreements with Avaya (with the exception of Customers that have signed Annex 3) a ML/TF clause for agreements above USD\$500.000.
- Certification of the application of ML/TF prevention standards for companies required to adopt ML/TF prevention systems.
- Certification of interest in the capital of shareholders, partners or associates who hold 5% or more of the capital stock, contribution or interest. This certification is only required in the case of legal entities in which, due to their nature, their shareholders, partners or associates are not included in the certificate of the Chamber of Commerce.
- For national counterparties in treasury transactions, they are required to certify that they have appropriate and sufficient prevention and control mechanisms to effectively know, prevent and mitigate the risks inherent in ML/TF.

8.2 VERIFY WHETHER OR NOT THE COUNTERPART IS WITHIN THE ACCEPTANCE GUIDELINES OF THE MONEY LAUNDERING (ML) AND TERRORISM FINANCING (TF) RISK PREVENTION AND CONTROL SYSTEM MANUAL

Before establishing a legal or contractual relationship, a review of the lists deemed restrictive by AVAYA with respect to the corresponding counterparties, either natural persons or legal entities, is to be conducted. In the case of legal entities, the control of restrictive lists always includes:

- The legal entity
- Legal representatives
- Members of the Board of Directors
- Shareholders, partners or associates who hold 5% or more of the capital stock, contribution or interest.

8.2.1 LISTS DEEMED RESTRICTIVE BY AVAYA:



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A review of lists is important to identify the level of risk posed for AVAYA, the commercial link with a member of any stakeholder and, consequently, its proper management.

To check the background or risks of AVAYA's counterparties, some public, national or international lists and databases may be consulted, namely:

➤ **United Nations List of Terrorists**

The United Nations Security Council has issued a consolidated list of terrorists. It may be consulted at:

<https://scsanctions.un.org/fop/fop?xml=htdocs/resources/xml/sp/consolidated.xml&xslt=htdocs/resources/xsl/sp/consolidated.xsl>

➤ **OFAC List (or Clinton List)**

The U.S. Department of the Treasury, through the Office of Foreign Assets Control (OFAC), publishes the list of designated drug traffickers and terrorists, as well as of people who have been blocked. It may be consulted at:

<http://www.treas.gov/offices/enforcement/ofac/sdn/>

➤ **FBI Wanted, Fugitive, and Terrorist List**

The U.S. Federal Bureau of Investigation (FBI) has lists of wanted, most wanted, fugitive, abducted and missing people and terrorists. This information may be consulted at:

<http://www.fbi.gov/wanted/topten>

➤ **Interpol Inquiry:**

The International Criminal Police Organization (INTERPOL) is the largest international police organization, with 190 member countries, making it the second largest international organization in the world, just behind the United Nations. It was created in 1923 under the name of International Criminal Police Commission. It took the common name of INTERPOL from its telegraphic address.



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INTERPOL's mission is police communication for a safer world and it thus supports and assists all organizations, authorities and services whose goal is to prevent or combat international crime. This information may be consulted at:

<https://www.interpol.int/notice/search/wanted>

➤ **Inquiry of Criminal Records**

The judicial branch of Colombia has a consultation per name or identification of records and court judgments. This information may be consulted at:

<http://procesos.ramajudicial.gov.co/jepms/bogotajepms/conectar.asp>

➤ **Consultation of People Responsible for Taxes**

The Office of the Comptroller General has a consultation of people responsible for taxes available at:

<http://www.contraloria.gov.co/web/guest/control-fiscal/responsabilidad-fiscal/certificado-de-antecedentes-fiscales>

➤ **Consultation of Disciplinary Records**

The Office of the Attorney General has a consultation of disciplinary, criminal, contractual, tax and loss-of-investiture record available at:

<https://www.procuraduria.gov.co/portal/antecedentes.html>

For the review of the lists, the responsible person shall take the data of the natural persons or legal entities to review the Certificate of the Chamber of Commerce and a list of partners with more than 5% of the share capital, contribution or interest. This certification is only required in the case of legal entities, in which, because of their nature, their shareholders, partners or associates are not included in the certificate of the Chamber of Commerce.

When the list control is applied and there are matches in any of the restrictive lists, the process is suspended and no hiring is carried



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out. This fact is notified immediately to the Compliance Officer or whoever acts on his/her behalf and jointly with the responsible area, a decision shall be made on whether or not to suspend the employment or contracting process.

8.2.2 TREASURY TRANSACTIONS

The following activities shall be carried out to determine whether the counterparty in treasury operations is within the acceptance guidelines:

National Counterparties:

- Check whether the counterparty is a financial institution or a commercial financing company supervised by the Colombian Financial Superintendence.
- Require a certification signed by the Legal Representative for commercial financing companies that have sufficient powers to commit their entity, stating that they have appropriate and sufficient prevention and control mechanisms that allow them to know, prevent and mitigate the risks inherent to ML/TF in an effective manner. Only when such certification is satisfactorily submitted are relations established with the counterparty. This certification must be updated at least once a year.

International Counterparties:

- Check whether the counterparty is located in countries rated as non-cooperative according to the Financial Action Task Force (FATF).
- Check whether the counterparty is located in countries subject to OFAC sanctions, including States sponsoring terrorism.
- Check whether the counterparty is identified by FinCEN as having a particular money laundering concern either as an institution or as a jurisdiction.

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- Check whether the counterparty is located in Offshore Financial Centers (OFC) and whether or not it is within the exceptions that allow establishing commercial relations with it.
- Require a certification signed by the Legal Representative, who has sufficient powers to commit his/her entity, stating:
 - ✓ That it is a financial institution supervised by the competent control body in his/her country.
 - ✓ That it has appropriate and sufficient prevention and control mechanisms that allow him/her to know, prevent and mitigate risks inherent in ML/TF effectively.

Only when this certification is satisfactorily submitted are relations established with the counterparty. This certification must be updated at least once a year. This certification shall not be required for intermediaries of the currency exchange market in Colombia.

8.3 APPLY AN IMPROVED DUE DILIGENCE OF COUNTERPARTIES THAT POSE A HIGHER ML/TF RISK

Counterparties with a higher ML/TF risk rating are subject to the following measures:

- Conduct interviews with suppliers/providers and clients and/or visits to their offices or facilities.
- Request further documentation from the customer and supplier/provider.
- Approval of customers or suppliers/providers with higher ML/TF risk level by the management of each line of business.
- Likewise, such higher-level approval should be obtained to continue the business relation in case a supplier/provider or customer acquires such capacity.
- Special control is exercised to ensure the annual updating of information and documentation. In the event in which a customer or



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supplier/provider of this type fails to update the information, this fact is analyzed as a "warning signal".

8.4 ML/TF PREVENTION CONTROLS IN PAYMENT PROCESS

Third Party Payments:

Invoice endorsement:

- A control of restrictive lists is made against legitimate holders of invoices that have been endorsed by AVAYA's counterparty (seller of goods or service providers).
- If such holders are included on restrictive lists, an internal unusual transaction report is submitted to the Compliance Officer.
- The Compliance Officer follows the procedure established for the analysis and reporting of suspicious operations and the procedure contained in this manual.

Assignment of Economic Rights:

- A control of restrictive lists is carried out regarding assignees of credit or economic rights.
- In case an assignee of credit or economic rights is included in the restrictive lists, an internal unusual transaction report is submitted to the Compliance Officer.
- The Compliance Officer follows the procedure established for the analysis and reporting of suspicious transactions and the procedure contained in this manual.

Assignment of contractual position:

Before authorizing an assignment of a contractual position:

- A control of restrictive lists is carried out in relation to the respective assignee.



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- If the assignee is on such lists, the assignment is not authorized by AVAYA.
- Without prejudice to the foregoing, prior to payment, a control of restrictive lists is carried out in relation to said assignee of the contractual position.
- If assignee appears on the restrictive lists, an internal unusual transaction report is submitted to the Compliance Officer.
- The Compliance Officer follows the procedure established for the analysis and reporting of suspicious transactions and the procedure contained in this manual.

Payments received by AVAYA:

- Payments made by the counterparties to AVAYA must be made directly and with their own resources and not through third parties or third party resources.
- Third-party payments are only accepted prior express authorization by the responsible area, which may be given only in consideration of exceptional circumstances that make it impossible or make the direct payment very burdensome.
- Before granting such authorization, the area in charge of the counterparty performs a check of restrictive lists of the third party who shall make the payment.
- The respective authorization can only be granted if the verification of lists yields satisfactory results.
- In case AVAYA detects that payments are being made by unauthorized third parties, the unusual transaction must be internally reported to the Compliance Officer as this circumstance is considered a warning signal.
- The Compliance Officer follows the procedure established for the analysis and reporting of suspicious transactions and the procedure contained in this manual.



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9. ML/TF RISK PREVENTION AND CONTROL REPORTING

9.1 DETECTION AND REPORTING OF UNUSUAL OPERATIONS

In order to perform follow-up and control of operations of the counterparties and to detect any unusual transactions, the responsible parties should rely on the knowledge of the counterparties and the market (defined in subsection 7.2.3) and the warning signals.

They must be supported in the following prevention and control instruments so that the control mechanisms adopted by AVAYA work effectively:

9.1.1 Market Knowledge (Only Applicable to Customers and Suppliers/Providers)

Those responsible for controlling and monitoring counterparties must be aware of the particular characteristics of their economic activities and the market in which they operate.

9.1.2 Warning Signs

Warning signs are facts, situations, events, amounts or financial indicators that the national and international experience has identified as an element of judgment and from which the possible existence of an abnormal fact or situation can be concluded according to nature of their transactions.

The fact that the counterparty, its administrators or partners appear in some of the lists considered by AVAYA as restrictive is considered to be a warning sign that constitutes an unusual transaction.

The following behaviors, among others, determine some warning signs about transactions made with AVAYA and require a sufficient and adequate supervision:

- Insufficient or false information regarding customer knowledge.



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- Inconsistencies in the information of counterparties.
- Opening of orders with different names being the beneficiary just one.
- Opening of orders with fictitious identities.
- Customer refuses to update its information.
- The customer provides false information or documents.
- Prepayment of receivables when the client's cash flow has been known in advance to cancel the purchase.
- Customers who pay sums in excess of ten million pesos, either in cash or through cash deposits.
- When a customer places a purchase order for goods and/or services and subsequently requests that it be invoiced to another person other than that who made the deal initially.
- Clients who claim that they have no account in the banking system and/or no records therein.
- When a customer pays in cash successively (more than five events in the same month) the daily cap of COP\$10M.
- High sums of cash deposited by customers for their orders, which are then canceled by the client requesting a refund of their money, even accepting the discounts for penalty clause sanctions of the business.
- Providers/suppliers offering products at prices much lower than those of the market.
- Providers/suppliers offering conditions and deadlines that are too attractive in relation to market conditions.
- Providers/suppliers offering products whose origin is not clear.
- Employees who, when making the inquiries and confirmation of information, are related to people and entities linked to illegal or ML/TF activities.



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- Employees with a standard of living much higher than that which their salary could provide.
- In general, anything that departs from the parameters established by AVAYA regarding the target market that it has decided to work on and towards which it guides the work it performs constitutes a warning signal.

9.2 ANALYSIS AND REPORTING OF SUSPICIOUS OPERATIONS

9.2.1 Internal Reports

- Internal report on attempted, unusual or suspicious transactions. All AVAYA employees must submit to the Compliance Officer the report on those operations of customers and users that they deem attempted, unusual or suspicious as soon as they are detected, as set forth in this Manual, for both customers and suppliers/providers.

A good report must clearly indicate the name of the customer or supplier/provider, the date of its detection, the transaction performed with AVAYA and the reasons that determine the rating of the unusual transaction.

To this end, the record of the Internal Report on Unusual and Suspicious Transactions established, which is in Annex 4 of this manual, shall be used.

- ✓ Internal report on cash transactions
- ✓ The AVAYA Treasury Chief shall report to the Compliance Officer, within the first five (5) calendar days of the month following that for which the report is issued, all transactions performed in the ordinary course of business that involve payments through the delivery or receipt of cash (bills or coins) for an amount equal to or greater than ten million Colombian pesos (COP\$10,000,000). If no transactions have been made, this should be included in the report.

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- ✓ Upon receiving the report, the Compliance Officer must report it to the Financial Information Analysis Unit (FIAU) within the first ten (10) calendar days of that same month. To this end, the Cash Transaction Form in ANNEX 5 of this Manual shall be used.

However, this report must be issued by the system according to the application that is used periodically or when, according to the need, it is necessary to analyze a certain period.

NOTE: The reports must be submitted only and exclusively in the record designed to this end.

➤ Compliance Officer's Report:

At least once every half year, the Compliance Officer shall report to the Legal Representative the most significant aspects of SAGRLAFT occurring during that period.

In the event that, during the respective month, the existence of attempted, unusual or suspicious transactions has not been determined, they must submit to the Compliance Officer a monthly report on the absence of suspicious transactions no later than on the fifth (5) business day of the month following the month to be reported.

9.2.2 External Reports:

➤ External Report on Attempted and Suspicious Transactions (SOR)

- ✓ In order to comply with the report on attempted and suspicious transactions to the FIAU, the Compliance Officer must be based on the individual reports that each and every one of the employees and the General Management have submitted to him/her with no exception whatsoever.
- ✓ Subsequently, he/she proceeds to its analysis and immediate and direct reporting, if deemed



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appropriate, to the FIAU according to the instructions given.

- ✓ Once the Compliance Officer receives and analyzes the reports of the responsible employees during the respective month, he/she must report this fact to the FIAU within the first ten (10) days of the month following the month to be reported at www.uiaf.gov.co through the following link:

<https://reportes.uiaf.gov.co/ReportesFSMCif64>

- ✓ For the purposes of the Suspicious Transaction Report (STR), it is not required that there be certainty that it is a criminal activity, nor should it identify the type of crime or that the resources he/she handles come from those activities. It is only required that the transaction be considered suspicious.

➤ Monthly Report on the Absence of Suspicious Transactions

If no reports on suspicious transactions have been generated during the respective month, the Compliance Officer must report it to FIAU in the report on absence of suspicious transactions within the first ten (10) calendar days following the respective month in accordance with the provisions of Resolution 017 of February 2, 2016 issued by FIAU at www.uiaf.gov.co through the following link:

<https://reportes.uiaf.gov.co/ReportesFSMCif64>

Failure to comply with these provisions shall result in the disciplinary sanctions set forth in the Bylaws.



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10. INTERNAL AND EXTERNAL DISCLOSURE PLAN OF THE ML/TF RISK MANAGEMENT SYSTEM

10.1 INTERNAL DISCLOSURE PLAN

AVAYA shall disclose ML/TF prevention guidelines and procedures to its employees. In addition, it shall conduct training for contractors and employees responsible for applying ML/TF prevention controls. Through training, the procedures, roles and responsibilities regarding the ML/TF prevention system of each of the areas responsible for counterparties or ML/TF risk factors are disclosed.

Training shall be assessed at each opportunity, leaving evidence of the results. Training shall be carried out when this manual is updated or when changes are made to the ML/TF prevention and control legislation.

10.2 EXTERNAL DISCLOSURE PLAN

AVAYA shall make external disclosures to external partners and other external stakeholders of ML/TF prevention guidelines and controls.

11. SANCTIONARY REGIME

Failure to comply with the regulations governing the prevention of money laundering and criminal offenses of this manual by company employees shall result in the internal sanctions set forth in Chapter 10 of the Code of Conduct "Working with Integrity" and the criminal and administrative sanctions that may derive from this breach, whether of an institutional and/or personal nature, as the case may be.

11.1 RESPONSIBILITY AND LEGAL SANCTIONS

11.1.1 Warning and Internal Sanctions

Failure to comply with any of the obligations or violation of any of the prohibitions provided for in the manual –in the opinion of the company– shall lead to the application of one or more of the following measures:

- Warning



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- Admonition
- Disciplinary suspension
- Termination of employment contract with just cause

When an AVAYA employee incurs in a breach or violation of any of the prohibitions set forth in this manual and in the code of conduct, the procedures established in the bylaws shall be carried out to impose appropriate sanctions or terminate the employment contract, if applicable.

11.1.2 Criminal Responsibility

The crime of money laundering is described as a series of behaviors that can be incurred with the effects indicated for them, thus:

“Article 323 of the Criminal Code, added as per Article 8 of Law 747 of 2002: Money Laundering. Any person who acquires, protects, invests, transports, transforms, custodies or administers goods that have their immediate or mediate origin in extortion, illicit enrichment, extortive abduction, rebellion, arms trafficking, crimes against the financial system and public administration or are linked to the proceeds of offenses which are a matter of conspiracy, relating to the trafficking of toxic drugs, narcotic drugs or psychotropic substances, or that he/she gives the goods from such activities a legal appearance or legalizes them, or conceals or covers up the true nature, origin, location, destination, movement or rights over such property, or performs any other act to conceal or cover up its illicit origin shall incur, for that single conduct, in imprisonment of six (6) to fifteen (15) years and a fine of five hundred (500) to fifty thousand (50,000) legal monthly minimum wages in force.

The same sentence shall apply when the conducts described in the preceding paragraph are made on goods whose extinction of domain has been declared. Money laundering shall be punishable even if the activities from which the goods originate, or acts penalized in the previous sections, were carried out, in whole or in part, abroad.

The penalties of deprivation of liberty provided for in this article shall be increased from one-third to one-half when foreign trade or exchange



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transactions are carried out or goods are introduced into the national territory.

An increase in prison sentences provided for in the preceding paragraph shall also apply when goods are smuggled into the national territory."

11.1.3 Conflicts of Interest

"CONFLICTS OF INTEREST" shall mean any situation where the personal interests of AVAYA employees may conflict with those of a counterparty. Some conflicts of interest are:

- Accept gifts, excessive entertainment or any other conduct of the clients leading to preferential treatments, discounts, exceptions to the rules and procedures established by AVAYA.
- Accept gifts, excessive entertainment or any other conduct of suppliers/providers and/or contractors of the company in order to favor them in the purchase of their goods or services.
- Offer his/her services or professional experience, or that of the company, to those with whom he/she has some relationship in competition with AVAYA.
- Use AVAYA services for himself/herself or his/her relatives without prior authorization by the General Management of the Company or by the Board of Directors, if necessary.
- Placing himself in situations where his/her personal interests conflict with his/her relations with AVAYA.
- Use AVAYA resources (human, physical, financial, studies, etc.) for his/her own benefit or that of third parties.
- Provide to third parties with information on AVAYA clients, taking advantage of the relationships of trust or friendship he/she has with them, including, but not limited to, client list, rates, financial statements.
- Use AVAYA information for his direct or indirect benefit.



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Any situation in which an employee has doubts on the resolution of a conflict of interest other than those described above that may arise in the course of his/her daily activities should be consulted with his/her immediate boss, who shall assess the situation and, if necessary, inform the General Management of the Company to solve it.