

BANCOLOMBIA SA
Form 6-K
June 22, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of June, 2010.

Commission File Number 001-32535

Bancolombia S.A.
(Translation of registrant's name into English)

Cra. 48 # 26-85
Medellín, Colombia
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.
Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(2):

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.
Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82- .

**BANCOLOMBIA S.A. ANNOUNCES A SETTLEMENT AGREEMENT THAT ENDS ALL DISAGREEMENTS
AND LEGAL PROCEEDINGS RELATING TO THE ACQUISITION OF THE FORMER BANCO DE
COLOMBIA**

Medellin, Colombia, June 21, 2010

Bancolombia S.A. (Bancolombia) announces that today it entered into a settlement agreement with the Gilinski family, pursuant to which the parties have agreed to end all disagreements relating to the acquisition by the former Banco Industrial Colombiano, now Bancolombia, of the majority shareholder of the former Banco de Colombia.

The settlement agreement represents an end to all civil and commercial actions among the parties and a voluntary dismissal of all actions relating to criminal proceedings.

Bancolombia expresses its satisfaction with the entry into this settlement agreement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BANCOLOMBIA S.A.
(Registrant)

Date: June 21, 2010

By: /s/ JAIME ALBERTO VELÁSQUEZ B.
Name: Jaime Alberto Velásquez B.
Title: Vice President of Finance