

**General Terms and Conditions
of Directors' and Officers' Liability Insurance
for the Executive Bodies of Legal Entities - AVB-O**

HV 40/11

Notice:

This insurance policy is based on the claims-made principle. This means that insurance cover shall extend to claims for damages that are asserted against the Insured Persons during the term of this policy and a subsequent contractually agreed extended reporting period.

Costs (see §3 items 7-8 and 10-11) shall be counted towards the limit of indemnity.

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f) liquidators of the Policyholder/a subsidiary included in the scope of cover, insofar as their activities are not based on an external service agreement and/or insofar as the company is not being liquidated in insolvency proceedings,

g) compliance officers or special officers provided for by the legislator or by industrial standards for ensuring compliance, e.g. as data protection, money laundering, health and safety or safety officers, this shall also include the customs officer,

h) spouses, registered partners, heirs and executors of insured persons named under § 1 item 1.1 a) – e), insofar as any claims asserted against them are based on a breach of duty committed by the persons named under § 1 item 1.1 a) – e) in the exercise of the insured activity.

In addition, it is important to clarify that Insurance cover shall not extend to members of the legal, tax, management consulting and auditing professions, insofar as they carry out advisory, controlling or forensic tasks.

1.2 Subsidiaries and second-tier subsidiaries
The insurance cover shall also include the Policyholder's subsidiaries/second-tier subsidiaries insofar as they have their registered office in the EU. Subsidiaries/second-tier subsidiaries, within the meaning of this policy, are companies in which the policyholder directly or indirectly holds more than 50% of the voting rights or demonstrably controls them.

The regulations set out in this policy in respect of subsidiaries shall also apply mutatis mutandis for second-tier subsidiaries.

a) The following applies to newly added subsidiaries:

aa) Insurer's right of objection

If the total assets of a new subsidiary company exceed 20% of the consolidated total assets of the Policyholder, the Insurer must be notified of the acquisition or formation within six months of the acquisition or formation having been completed. Insurance cover shall also extend to subsidiaries if the Insurer does not raise any objections within a further four-week period.

bb) Period of insurance cover

If cover extends to new subsidiaries, such cover only includes breaches of duty which were committed after the acquisition.

§ 1 Subject-matter of the insurance

1. Insured persons, subsidiaries, ODL

1.1 Insured persons

Insurance cover shall extend to the activities of natural persons as former, current and future members of

a) the Board of Management or management team of the Policyholder
and/or

b) the Supervisory Board/Board of Directors or Advisory Board of the Policyholder.

Cover shall also extend to include

c) representatives of the insured persons specified under § 1 item 1.1 a) - b),

d) de facto members of the committees specified under § 1 items 1.1 a) - b)

as insured persons.

Such persons also include the following:

e) the executive staff of the Policyholder/a subsidiary included in the scope of cover, insofar as they can be held liable within the meaning of the case law of the German Federal Labor Court (*Bundesarbeitsgericht*) (the term "executive staff" shall be used to refer to employees of the Policyholder/a subsidiary included in the scope of cover who have comprehensive authority to act on behalf of and represent this company and who perform duties which are recognized as executive staff duties. Irrespective of the above, employees who have been granted signing authority (*Prokura*) within the meaning of § 49. 1 and 49.2 of the German Commercial Code (HGB) shall always be considered executive staff); general representatives of the Policyholder/a subsidiary included in the scope of cover,

cc) Optional retroactive cover

In respect of new subsidiaries, the Policyholder can also opt to obtain insurance cover for breaches of duty committed by the insured persons at the subsidiary before the acquisition was completed; § 3 item 2.2 shall apply accordingly.

b) Agreement of a separate extended reporting period for former subsidiaries with a separate limit of indemnity

In respect of a former subsidiary that no longer meets the requirements set out in § 1 item 1.2.1, the Policyholder has the right, within two months of the subsidiary leaving the group, to request that the Insurer provide a separate limit of indemnity - subject to an additional premium. This agreement shall apply to breaches of duty committed before the subsidiary left the group, § 3 item 2.3 shall apply accordingly.

The limit of indemnity in this respect shall correspond to 20% of the limit of indemnity under the policy, but no more than EUR 2,000,000 for the subsidiary leaving the group. In the event that several subsidiaries leave the group, the limit of indemnity for these subsidiaries shall be limited by the limit of indemnity in the policy.

The Insurer can refuse to agree on a separate extended reporting period for subsidiaries leaving the Policyholder's group if it has good reason to do so.

1.3 Sister companies

Furthermore, the insurance cover shall also include the Policyholder's sister companies insofar as they have their registered office in the EU. Sister companies, within the meaning of this policy, are companies that have the same majority shareholder as the Policyholder or are demonstrably controlled by this majority shareholder.

The regulations set out in this policy in respect of subsidiaries shall also apply mutatis mutandis for sister companies.

1.4 Outside Directorship Liability (ODL)

Insurance cover shall also extend to the activities of the insured persons of the Policyholder as former, current and future members of the management/supervisory body of third companies/NPOs (non-profit organizations, i.e. enterprises that do not aim to make a profit) that have their registered office in the EU, provided that these directorships are carried out in the interest of the Policyholder.

The limit of indemnity within the meaning of § 3 items 5 and 6 for the activities described under § 1 item 1.4 sub-section 1, namely both for each individual directorship and for all directorships taken together, shall total EUR 2,000,000 within the limit of indemnity (sub-limit), but no more than the limit of indemnity agreed in the insurance certificate.

2. Subject matter of the insurance, insured event

2.1 Subject matter of the insurance

The Insurer shall provide cover in the event that insured persons are held liable, based on statutory liability provisions, for purely financial losses due to a breach of duty committed when performing their insured activities.

The insurance cover also extends explicitly to the operating activities of the insured persons.

No insurance cover is provided in the event that claims are asserted against insured persons in their capacity as shareholders for liabilities of the company.

Notwithstanding the other policy provisions, insurance cover is only provided insofar and for as long as there are no economic, trading or financial sanctions/embargos of the European Union or the Federal Republic of Germany to the contrary that are directly applicable to the Parties.

No cover is provided for claims to performance or surrogate performance pursuant to § 281 in conjunction with § 280 of the German Civil Code (BGB)

2.2 Insured event

The term "insured event" refers to the assertion of a claim to compensation against the insured persons during the term of this policy (claims-made principle). A claim to compensation is deemed to have been asserted if a claim is asserted against an insured person or if a third-party states that it has a claim.

2.3 Notice of circumstance

The insured persons have the opportunity, during the term of the policy and no later than 90 days after the expiry of the policy, to inform the Insurer of specific circumstances that make the assertion of a claim against the insured persons appear likely.

In the event that a claim is then actually asserted at a later date on the basis of circumstances of which the Insurer has been notified, the claim assertion date shall be taken to be the point in time at which the circumstances were notified.

Circumstances may not, however, be notified within 90 days of the policy expiry date if the insurance policy has been terminated due to payment default.

3. Company reimbursement

If the Policyholder is obliged to indemnify insured persons in the event that they are held liable by third parties, i.e. not by the Policyholder or a subsidiary, in the scope described under § 1 item 2 (company reimbursement), the claim to and scope of cover under this policy shall be transferred from the insured person to the Policyholder based on the extent to which the Policyholder fulfils its obligation to indemnify. The transfer of insurance cover is conditional upon the obligation to indemnify being legally permissible with respect to its nature and scope.

4. Purely financial losses, consequential losses

4.1 Purely financial losses are those losses which are neither bodily injury (death, bodily injury or impairment of human health) nor physical loss or damage (damage to, spoilage, destruction or loss of property), nor result from such losses, caused by the Policyholder, a subsidiary or Insured Persons.

4.2 The insurance cover relates to claims which

a) follow bodily injury or physical loss or damage, where the breach of duty committed by the insured persons was not the cause of this bodily injury or physical loss or damage but was exclusively the cause of the associated purely financial losses;

b) follow bodily injury or physical loss or damage incurred by third parties, where this does not relate to the indemnification of the latter but to the loss or damage sustained by the Policyholder or an insured subsidiary, e.g. loss of profits.

§ 2 Inception of cover

1. Provisional cover

1.1 Inception

The provisional cover shall become effective as of the agreed point in time when a corresponding declaration is made by the Insurer.

1.2 Content

The provisional cover is based on the contractual basis of the final insurance policy. The Policyholder shall receive the terms and conditions of insurance, and the information for policyholders, that apply to the provisional cover and the final policy together with the insurance certificate or at an earlier point in time on request.

2. Principal policy

2.1 Inception when the insurance certificate is activated

The insurance cover shall commence, subject to any agreement to the contrary, when the insurance certificate is activated by way of payment of the premium and any public duties.

2.2 Inception upon subsequent premium payment

If the first premium is not requested until after the point in time stipulated as the inception of cover, but is then paid without delay, cover shall nevertheless commence at the agreed point in time.

§ 3 Scope of cover

1. Defense and indemnification

Insurance cover encompasses the defense of unfounded claims to compensation, as well as the indemnification of insured persons or, in the case of § 1 item 3, the Policyholder, from legitimate claims to compensation.

1.1 Claims to compensation are deemed to be legitimate whenever the insured persons, or in the case set out in § 1 item 3, the Policyholder, is/are obliged to provide compensation by law, based on a res judicata judgment, acknowledgement or settlement and the Insurer is bound by this.

1.2 The Insurer is only bound by acknowledgments or settlements made or concluded by the insured persons or, in the case of § 1 item 3, by the Policyholder, without the approval of the Insurer, if the liability claim would have arisen even without the acknowledgment or settlement.

1.3 The Insurer shall be deemed authorized to make any statements it considers appropriate in order to settle or defend against the liability claim on behalf of the insured persons or, in the case of § 1 item 3, the Policyholder.

1.4 Offsetting against insured persons' own stake
In the absence of any agreements to the contrary, cover also extends to the portion of the claim to compensation which is equivalent to the proportion of any stake held by the insured person who has committed a breach of duty in the policyholder or a subsidiary. This shall not apply to those insured persons who own 100% of the shares in the policyholder or a subsidiary that is included in the scope of cover.

2. Temporal scope of insurance cover

2.1 Retroactive cover

The insurance cover shall also extend to claims to compensation resulting from breaches of duty that were committed before the inception of this insurance policy and were asserted against the insured persons during the term of this policy.

2.2 Known breaches of duty

In respect of claims to compensation that arose before the inception of the insurance policy and/or before any amendment to the content /scope of the policy, this shall, however, only apply insofar as the breaches of duty giving rise to the claims to compensation were not known to the insured persons when the policy was taken out or before the content /scope of the policy was amended.

A breach of duty is deemed to be known if it has been objectively recognized as wrongful, if only as a possibility, by the insured persons, or if it has been described to them as wrongful, even if only in a limited sense, even if claims to compensation have been neither asserted nor threatened and are not anticipated.

2.3 Extended reporting period

a) Unlimited extended reporting period

The insurance cover shall also extend to claims to compensation that arose before the expiry of the insurance policy and were asserted after its expiry (unlimited extended reporting period). This is subject to the proviso that the agreed policy term is at least three years.

b) Five-year extended reporting period

If the agreed policy term is not at least three years, an extended reporting period of five years shall apply.

c) Non-forfeitability

The insurance cover pursuant to § 3 items 2.3 a) and b) shall, however, end at the latest when the Policyholder or a subsidiary included in the scope of cover obtains other insurance cover.

This shall not, however, apply in the case set out in § 3 item 2.3 a) for the first six years after the expiry of the insurance policy (non-forfeitability), or, in the case set out in § 3 item 2.3 b) for the first three years after the expiry of the insurance policy.

§ 3 item 4 remains unaffected.

d) Other provisions on the extended reporting period

The extended reporting period shall cease to apply if the insurance policy has been terminated due to default in payment.

In respect of the application of the limit of indemnity under the policy (§ 3 items 5 and 6), the extended reporting period applies as part of the last insurance year.

2.4 Negligent omission

If a loss occurs as a result of a negligent omission, in the case of doubt, the breach of duty shall be deemed to have been committed on the day the omitted act ought to have been carried out in order to avert the occurrence of the loss.

2.5 Continuity

In the event that the insurance cover provided under this policy is limited with respect to the scope of cover pursuant to the terms and conditions, and with respect to the limit of indemnity, the scope of cover that applies to breaches of duty committed prior to the limitation shall be the scope of cover that applies at that point in time.

3. Territorial scope of the insurance cover

Insurance cover shall be provided worldwide, with the exception of claims asserted in the United States of America or in Canada or in accordance with the law that applies there.

Similarly, no insurance cover exists for claims asserted in other common law countries outside of the EU, in particular in Jamaica, Australia, New Zealand, Hong Kong, Singapore, Malaysia, South Africa and India or in accordance with the law that applies there.

4. Subsidiarity

If the asserted claim is also covered by a policy that has been taken out at an earlier time by the Policyholder or a subsidiary that is included in the scope of cover, the other insurance policy shall take precedence (subsidiarity).

5. Maximum amount of insurance benefits

5.1 The limit of indemnity represents the maximum amount which the Insurer is obliged to pay in respect of each and every insured event, subject to the limit of indemnity only being paid once

5.2 in the event of there being more than one liability claim or more than one claimant in connection with a breach of duty committed by one or more insured persons;

5.3 in the event of there being more than one liability claim or more than one claimant in connection with more than one breach of duty committed by one or more insured persons, provided that these breaches of duty are attributable to the same circumstance and are temporally, and legally or financially connected.

6. Annual limit of indemnity

6.1 The limit of indemnity shall be the maximum amount the Insurer will pay per reported loss event. Costs in accordance with § 3 items 7-8/10-11 shall be included in this amount. The Insurer's own costs shall not erode the limit of indemnity. The insurer's annual limit of indemnity for all loss events reported by all insured persons during an insurance year as a whole shall be once the limit of indemnity; this shall not, however, apply to the provision governing sub-limits pursuant to § 1 item 1.4 sub-section 2, § 3 item 10.2, § 3 item 11.2 and § 3 item 12.2. It is possible to agree on an annual limit that is twice the limit of indemnity.

6.1 If the limit of indemnity - this shall also apply to an annual limit that is twice the limit of indemnity if agreed - is used up in full by payments made within an insurance year, the Insurer shall, as a one-off measure, make an amount available to cover the costs corresponding to no more than 50% of the single limit of indemnity.

7. Costs

7.1 Litigation costs

Costs for liability action that is brought against the insured persons - or in the case of § 1 item 3, against the Policyholder - which relates to a liability claim that is covered by the policy will be borne by the Insurer, subject to § 3 item 6. The same shall apply, subject to § 3 item 6, if negative declaratory action or an intervention is being brought as a result of such a claim, with the consent of the Insurer, by the insured persons or in the case of § 1 item 3, the Policyholder.

Insofar as no agreement has been reached with the Insurer in the relevant individual case, the lawyers' fees will be borne in accordance with the German Lawyers' Remuneration Act (RVG).

7.2 Fees for defense counsel

If, in criminal proceedings in connection with a breach of duty which can give rise to a liability claim under this policy, the Insurer wishes to appoint or approves the appointment of a defense counsel for the insured person, the Insurer shall bear the defense costs within the framework of the German Lawyers' Remuneration Act (RVG), and, where appropriate, such higher costs for the defense as agreed, unless cover for these can be claimed under another insurance policy.

7.3 Insurer's duty to pay costs in the event that the amount of the claim to compensation exceeds the limit of indemnity

If the asserted claim to compensation exceeds the limit of indemnity, the Insurer shall nevertheless pay the fees and flat rates applicable to the value class for the particular claim. This applies both to the defense of unfounded claims to compensation and to the indemnification of justified claims to compensation. § 3 item 6 shall remain unaffected.

8. Defense and cost cover for exclusions

The Insurer shall provide defense and cost cover also in regard of those liability claims which are excluded from the scope of cover pursuant to § 4 items 1 and 2. In the case of liability claims pursuant to § 4 item 1, the Insurer will be retrospectively released from its obligation to indemnify if the conditions set out in § 4 item 1 are found to have been met, in a res judicata decision, either by way of own admission or by judgment of a criminal or civil court.

9. Limited benefits if a liability claim cannot be resolved or to make insurance benefits available

If the settlement of a liability claim through acknowledgement, satisfaction or settlement, as demanded by the Insurer, fails due to the conduct of the insured persons, or in the case set out in § 1 item 3, of the Policyholder, or if the Insurer makes its contractually agreed share available to satisfy the claim of the injured party, the Insurer is subsequently not obliged to bear the extra costs incurred in relation to the principal cause of action, interest or expenses.

10. Costs involved in reducing damage to reputation

10.1 The insurance cover also extends to the costs required to reduce damage to an insured person's reputation as a result of an insured event that is included in the scope of cover, provided that the Policyholder or a subsidiary that is included in the scope of cover does not indemnify the insured person for these costs.

The costs include the fees and expenses that are required and deemed appropriate in light of the circumstances for a public relations consultant who can be appointed by the insured person, subject to the Insurer's prior consent, to reduce the damage to the insured person's image caused by an insured event that is included in the scope of cover which is substantiated in media reports or other publicly accessible sources of information.

10.2 The limit of indemnity within the meaning of § 3 item 6.1 for the insurance cover described under § 3 item 10.1 corresponds to 1% of the limit of indemnity, but at least EUR 25,000 and no more than EUR 100,000, within the limit of indemnity (sub-limit). § 3 item 6.2 is not applicable.

11. Preventative legal costs

11.1 The insurance cover also includes the right of the insured person to appoint a lawyer to defend their interests, even before an insured event has occurred as in the cases outlined below - subject to prior consultation with the Insurer regarding the choice of lawyer:

- a) Assertion of a claim for damages, a suit for performance or a restrictive injunction against the Policyholder or subsidiaries included in the scope of cover, with at least EUR 250,000 in dispute;
- b) Refusal to exonerate an insured person or application to postpone the exoneration;
- c) Premature termination of the executive body or employment relationship of an insured person due to a breach of duty; this also applies to the concrete prospect of premature termination;
- d) Either not providing or reducing the benefits agreed in the employment contract of an insured person for reasons other than insolvency of the insured company;
- e) Recorded decision of the executive committee, the Annual General Meeting or the shareholders' meeting which deems, in the view of the executive committee, the Annual General Meeting or the shareholders' meeting, liability-relevant conduct possible for factual or legal reasons;
- f) The announcement or threat of a claim for damages made in writing against an insured person, in particular also the commissioning of a claims admissions process in accordance with §148 of the German Stock Corporation Act or a corresponding process in accordance with foreign law;
- g) Proposal to appoint special auditors in accordance with §142.1 of the German Stock Corporation Act or similar legal provisions;
- h) Submission of an application in court by shareholders to appoint a different representative to the one specified in the articles of association;
- i) Recognizing a limitation in the regularity of the management process within the framework of the statutory cooperative audit;
- j) Initiating a civil law proceeding on revocation or omission due to a breach of duty;
- k) Filing an action for annulment against an insured company;
- l) Issuing a warning;
- m) Resolution or written request from shareholders or stockholders to an insured company, wanting to assert a claim against the insured person;
- n) Submitting a statutory third-party notice against an insured person;
- o) Commissioning the issue of an application for conciliation according to §204.1 no. 4 BGB in respect of claims against an insured person;
- p) Initiation of investigations by an authority - this shall not include investigation authorities in connection with criminal/administrative offence proceedings - relating to the activities of an executive body and connected with a breach of duty.

This is subject to the proviso that a claim for compensation that is included in the scope of cover is likely to be asserted against insured persons.

Insofar as no agreement has been reached with the Insurer in the relevant individual case, the lawyers' fees will be borne in accordance with the German Lawyers' Remuneration Act (RVG).

11.2 The limit of indemnity within the meaning of § 3 item 6.1 for the insurance cover described under § 3 item 11.1 corresponds to no more than 15 times the net annual premium for the insurance policy within the limit of indemnity (sub-limit); the net annual premium at the time these insurance benefits are claimed shall be taken as a basis for calculating the limit of indemnity.

§ 3 item 6.2 is not applicable.

12. Insurance cover in connection with instances of discrimination

12.1 The insurance cover shall extend to claims asserted in connection with instances of discrimination or a breach of a provision aimed at protecting against discrimination, in particular in accordance with the German General Act on Equal Treatment (*Allgemeines Gleichbehandlungsgesetz*).

The insurance cover shall also include the Policyholder/subsidiaries that are included in the scope of cover.

Insurance cover is offered irrespective of whether the damage is bodily injury, physical loss or damage or purely financial loss.

12.2 The limit of indemnity within the meaning of §3 item 6.1 for the insurance cover set out in § 3 item 12.1 shall total EUR 50,000 within the limit of indemnity (sub-limit); § 3 item 6.2 shall not apply.

§ 4 Exclusions

Subject to the provision set out in § 3 item 8, cover shall not apply to liability claims

1. resulting from willfully caused loss or intentional deviation from legislation, regulations, decisions, power of attorney or instructions or other intentional breaches of duty.

The exclusion pursuant to § 4 item 1.1 shall not apply if the intentional wrongful act relates solely to a breach of legislation set at the level of the Policyholder/a subsidiary included in the scope of cover in the form of statutes, rules of procedure, shareholder resolutions or instructions issued by the shareholders, and the insured person was acting on the basis of adequate information at the time of the breach of duty and in the interests of the Policyholder/a subsidiary included in the scope of cover.

The insured persons shall not be held liable for acts and omissions committed by other officers without their knowledge.

Explicit reference is made to the provision set out in § 3 item 8;

2. arising out of contract penalties, fines and damages of a punitive nature (e.g. punitive or exemplary damages);

3.1 asserted in the United States of America or in Canada or in accordance with the law that applies there;

3.2 asserted in other common law countries outside of the EU, in particular in Jamaica, Australia, New Zealand, Hong Kong, Singapore, Malaysia, South Africa and India or in accordance with the law that applies there;

3.3 asserted in Great Britain, Ireland or Malta or in accordance with the law of these countries by the Policyholder or a subsidiary that is included in the scope of cover;

3.4 asserted in Great Britain, Ireland or Malta or in accordance with the law of these countries and related to claims arising out of employees' employment relationships or the reasons for or termination of such relationships (so-called Employment Practices Liability (EPL) claims).

§ 5 Disclosures and declarations of intent

1. All notifications and declarations intended for the Insurer are to be submitted in writing in written or electronic form, even if neither the law or the insurance policy stipulates the use of such form, and addressed to Allianz Versicherungs-AG, 10900 Berlin.

2. The disclosure obligations set out in this policy, particularly those pursuant to §§ 5 a) and 5 b), also apply mutatis mutandis to the insured persons.

3. In derogation of § 47.1 of the German Insurance Contract Act (VVG), only the knowledge and conduct of the following insured persons shall be attributed to the Policyholder:

- 3.1 Chairman of the Board of Management/management team,
- 3.2 CFO/managing director responsible for finance,
- 3.3 Head of the legal, tax and insurance department.

§ 5 a Pre-contractual duties of disclosure of the Policyholder, legal consequences of breach of the duty of disclosure

1. Pre-contractual duties of disclosure of the Policyholder

1.1 Completeness and accuracy of information concerning material facts

Prior to submission of its policy declaration, the Policyholder is obliged to notify the Insurer of all material facts of which it has knowledge that were requested in written or electronic form by the Insurer and have a bearing on the decision by the Insurer as to whether or not to conclude the policy with the agreed scope and content (e.g. § 5 b item 3). The Policyholder's obligation to notify also applies if the Insurer makes a request for answers to questions, within the meaning of sentence 1, after submission of the policy declaration but before the countersigning of the policy.

1.2 Material facts

A material fact is a circumstance that would influence the Insurer in accepting the policy either at all or with the agreed content.

1.3 Attribution of the representative's knowledge

If a representative of the Policyholder takes the policy out and is aware of a material fact, the Policyholder itself shall be treated as if it had been aware of said material fact or concealed it with intent to deceive.

2. Legal consequences of a breach of the duty of disclosure

2.1 Rights of the Insurer

The consequences of breaching this duty to notify are set out in §§ 19 through 22 VVG. Subject to the conditions set out therein, the Insurer is entitled to withdraw from the policy, may be released from its duty to indemnify, can terminate the policy, contest the policy due to fraudulent misrepresentation or amend the policy.

In the event that the Insurer is entitled to contest the policy based on fraudulent misrepresentation or to withdraw from it, the Insurer shall waive these rights. The waiver shall not, however, apply in respect of those Insured Persons who

- a) have given the Insurer reason to exercise these rights or
- b) were aware of the action that would entitle the Insurer to exercise these rights.

2.2 Policyholder's right of termination upon policy amendment

If, in the course of a policy amendment pursuant to § 5b item 2.1, the premium is increased by more than 10% or the Insurer excludes cover for a fact which was not disclosed, the Policyholder is entitled to terminate the policy subject to § 19 VI VVG

§ 5 b Policyholder's duties of disclosure during the policy term

1. Provisional cover

If the Policyholder concludes the principal policy or the further policy on provisional cover with another insurer, it must inform the current insurer accordingly without delay.

2. Aggravation of risk

2.1 Non-requested duty of disclosure of the Policyholder

If circumstances which are relevant to the provision of insurance cover (§ 5 a item 1.2) arise after the submission of the policy declaration, the Policyholder is obliged to immediately inform the Insurer of this aggravation of risk as soon as it becomes known to it.

2.2 Duty of notification at the Insurer's request

At the Insurer's request, which may also be in the form of a note on the premium invoice, the Policyholder is obliged to notify the Insurer

of any changes in the insured risk compared to the information provided for the purpose of premium calculation. This information must be provided within one month after receipt of the request. Upon the Insurer's request, this information must be substantiated by business records or other receipts.

3. Release from the duty to indemnify as a result of false information and deceitful concealment

Incorrect information on the risk circumstances pursuant to 5 b items 2.1 and 2.2 or the fraudulent concealment of other risk circumstances can give the Insurer the right to refuse the insurance cover subject to the conditions set out in § 26 of the German Insurance Contract Act (VVG)).

In cases where the Insurer would be entitled to deny insurance cover pursuant to § 5 b item 3. 1, it shall waive this right. The waiver shall not, however, apply in respect of those insured persons who

- a) have given the Insurer reason to exercise this right or
- b) were aware of the action that would entitle the Insurer to exercise this right.

4. Change of address and name

If the Policyholder has failed to notify the Insurer of a change of address, it shall suffice for any declaration of intent addressed to the Policyholder to be sent by registered mail to the last address known to the Insurer. The declaration is considered received three days after posting the letter. The same applies accordingly in the case of a name change by the Policyholder.

5. Other insurance

If the Policyholder also insures the risk elsewhere (extended cover etc.) the Insurer is to be notified without delay, enclosing a copy of the insurance certificate.

§ 6 Obligations in the event of a loss, payment by the Insurer

1. Obligations in the event of a loss

1.1 Claims notification

a) If a claim to compensation is asserted against an insured person, it must notify the Insurer in written or electronic form without delay.

If investigation proceedings are initiated or a penalty order or summary judgment is issued, the Insurer must also be informed without delay. The insured person, or in the case set out in §1 item 3, the Policyholder, must lodge any objection to a summary judgment in due time and without waiting for instructions from the Insurer.

If claims are asserted before a court of law, if assistance with legal costs is requested or if a third-party notice is served by the courts, this must be also reported without delay. The same applies in the event of an arrest, a temporary injunction or proceedings for securing evidence.

b) Time limits are deemed met when the notification is sent.

1.2 Cooperation of insured persons (Policyholder) in defending against claims

a) The insured persons or, in the case set out in § 1 item 3, the Policyholder shall be obliged, to the extent that this can be reasonably demanded of them, to ensure, following the Insurer's instructions, that a loss is averted or minimized to the greatest extent possible, and to do everything in their power to clarify the circumstances of the loss occurrence.

b) They shall support the Insurer with the defense against the claim, as well as with the assessment and settlement of the loss, provide it with detailed and truthful loss reports, inform it of all circumstances relating to the loss event, and submit all documents that the Insurer deems relevant for the assessment of the loss event.

c) Correspondence resulting from the loss event is to be carried out by insured persons, or in the case of §1 item 3, the Policyholder, at their own expense and exclusively in German; this applies in particular to any subsidiary companies included in the scope of cover. Other costs incurred, along with the costs incurred for an authorized representative appointed by the insured persons, or in the case of §1 item 3, the Policyholder, to represent them out of court shall not be reimbursed.

If court proceedings are initiated, the insured persons – or in the case of § 1 item 3, the Policyholder – shall have the right to appoint an attorney of their choice, according to prior consultation with the Insurer.

d) The Policyholder or insured persons are not required to serve a court order on the Insurer notifying it of a case, and the costs of such an order will not be reimbursed by the Insurer.

2. Payments made by the Insurer

2.1 Time

If the obligation to indemnify insured persons or, in the case of § 1 item 3, the Policyholder has been determined for the Insurer with binding effect (§ 3 item 1.1), the latter is obliged to indemnify the insured persons or, in the case of § 1 item 3, the Policyholder, within two weeks of the third-party claim.

2.2 Fulfillment

The benefits provided by the Insurer are payable in euros. The Insurer's obligation is deemed to have been fulfilled as of the time the amount in euros has been remitted to a domestic bank. If the insurer's indemnification is made in relation to a subsidiary included in the scope of cover, payment shall be made to the Policyholder via the latter's accounts held with a domestic bank.

§ 7 Release from duty to indemnify, reduction of indemnity and continuation of duty to indemnify in case of a breach of obligation according to § 6

1. Release from duty to indemnify

If an obligation vis-à-vis the Insurer is breached, the Insurer is released from its duty to indemnify if the obligation was intentionally breached.

2. Reduction of benefits

In the event of a grossly negligent breach of an obligation, the Insurer is entitled to reduce its benefits in proportion to the severity of fault. If it is proven that the breach of the obligation was not due to gross negligence, the insurance cover shall remain intact.

3. Continuation of duty to indemnify

The Insurer shall still have a duty to indemnify where it is proven that the breach of obligation was not the cause of the occurrence or discovery of the insured event, nor of the establishment or scope of the Insurer's duty to indemnify. This does not apply if the breach of duty was fraudulent.

§ 8 Cover on behalf of a third party, assignment, pledge, rights of recourse

1. Insurance for third-party account

Subject to § 1 item 3, rights to insurance cover can only be asserted by the insured persons.

2. Assignment, pledge

The right to indemnification may not, except with the express consent of the Insurer, be assigned or pledged to others before final verification. Assignment to the injured third party is permitted.

3. Rights of recourse

3.1 Transfer of claims vis-à-vis third parties

Recourse claims of insured persons vis-à-vis third parties, or in the case set out in § 1 item 3 of the Policyholder, and similarly their rights to the reimbursement of costs, of amounts deposited and amounts paid on the basis of later reimbursement, along with the assignment of rights according to § 255 of the German Civil Code (BGB) shall be transferred to the Insurer, without further ado, in the amount of the payment made by the Insurer. The transfer cannot be enforced to the detriment of the insured persons or, in the case set out in § 1 item 3, the Policyholder. The Insurer is entitled to demand the issue of a certificate documenting the transfer of rights.

3.2 Duty to secure and cooperate

The insured person or, in the case set out in § 1 item 3, the Policyholder, must secure its claim pursuant to § 8 item 3.1 or a right that serves to secure such claims, observing the valid formal requirements and requirements governing deadlines, and must provide the necessary support in the assertion of the claim by the Insurer. The consequences of breaching this obligation are set out in § 86.2 of the German Insurance Contract Act (VVG).

§ 9 Policy term, termination, expiry

1. Term of the Agreement and ordinary termination

1.1 Provisional cover

a) The provisional cover ends, at the latest, at the point in time at which equivalent insurance cover under a principal policy taken out by the Policyholder or another policy on provisional cover commences.

b) If the final insurance policy should not come about because the Policyholder revokes its proposal pursuant to § 8 VVG or lodges an objection pursuant to § 5.1 and 5.2 VVG, the provisional cover shall terminate when the Insurer receives notice of the revocation or objection.

c) If the provisional cover is for a limited period, it automatically terminates on the expiry date. § 9 item 1.1 a) shall remain unaffected.

d) If the provisional cover does not have a time limit, each contractual party may terminate in written or electronic form without having to observe a time limit. Termination by the Insurer will not become effective until two weeks have passed following receipt of the termination notice. § 9 item 1.1 a) shall remain unaffected.

1.2 Principal policy

The policy is concluded for the period specified in the insurance certificate in the first instance. If this period is at least one year, failure to terminate the policy with legally binding effect shall result in the policy being extended for another year in each case. The notice of termination shall be legally binding if it is submitted in written or electronic form at least three months before the respective policy end date.

2. Termination in the event of a loss

2.1 Termination prerequisites

The policy may be terminated in written or electronic form after an insured event occurs if the Insurer has paid an indemnity for the insured event, if the liability claim is pending, or if the insured person or, in the case set out in § 1 item 3, the Policyholder's claim to insurance cover has been dismissed in a res judicata decision.

2.2 Notice of termination

The Insurer shall observe a one month notice period. The Policyholder may terminate the policy with immediate effect or with effect from the end of the current period of insurance.

2.3 Expiry of right to termination

The right to termination shall expire if it is not exercised at least one month after payment is made, the legal dispute is resolved by way of the withdrawal of the claim, acknowledgement or a settlement or the judgment has become res judicata.

3. Termination in due time

Notice of termination is only deemed to have been submitted in good time if it is received by the other Party by the stipulated deadline.

§ 10 Payment of premium (initial and subsequent premium) and legal consequences of non-payment, delay in debiting, premium adjustment, premium refund

1. Provisional cover

1.1 Premium

The Policyholder is obliged to pay a premium for the provisional cover if the principal policy with the insurer of the provisional cover should not come about. This premium corresponds to the period of the provisional cover in the amount of that portion of the premium which would have to have been paid for the principal policy.

1.2 Loss of insurance cover

Insurance protection granted in the form of provisional cover shall be discontinued retroactively if the Policyholder fails to pay the first premium for the final insurance policy in a timely manner.

1.3 Payment in due time

Payment is considered to have been made in good time if it is effected immediately upon receipt of the confirmation of cover and the payment request.

2. Payment of first premium of principal policy

2.1 Due date

The first or one-off premium is to be paid immediately after the policy has been taken out, but not prior to the agreed inception of cover. If it has been agreed that the annual premium is to be paid in installments, the first installment shall be deemed to be the first premium.

2.2 Insurer's right to withdraw from the policy upon non-payment

If the initial or single premium is not paid on time, the Insurer shall be entitled to withdraw from the policy as long as payment has not been effected. This does not apply if the Policyholder can prove that it is not responsible for the non-payment.

2.3 Insurer's release from the duty to indemnify upon non-payment

If the premium has not been paid at the time the insured event occurs, the Insurer shall be released from its duty to indemnify the Policyholder. This does not apply if the Policyholder can prove that it is not responsible for the non-payment.

3. Payment of subsequent premium of principal policy

3.1 Due date

The regular subsequent premiums to be paid after the inception of cover (§ 2 item 2) are due on the dates specified in the insurance certificates, while other premiums, plus any public charges, must be paid upon notification to the Policyholder.

3.2 Payment deadline in case of non-payment

If a subsequent premium is not paid on time, the Insurer may send notification to the Policyholder in written or electronic form setting a payment period of at least two weeks, at the expense of the Policyholder. The document must list the overdue premium amounts, interest and costs individually and must draw attention to the legal consequences of the expiry of the period in accordance with § 10 items 3.3 and 3.4.

3.3 Insurer's release from the duty to indemnify upon non-payment

If the insured event occurs after this deadline has expired and if the Policyholder is in arrears with premium payments or costs at the time the insured event occurs, the Insurer shall be released from its duty to indemnify.

3.4 Insurer's right of termination upon non-payment

After the expiry of the deadline, the Insurer is entitled to terminate the policy without observing a notice period if the Policyholder is still in default on the amounts owed.

4. Arrears in the case of

debits

4.1 Prerequisites for being in

arrears

Where it is agreed that the Insurer is to debit the premiums due from an account and, for reasons attributable to the Policyholder, the amount cannot be debited on time or if the Policyholder objects to a justified debit from its account, it shall then be in default and the Insurer may also invoice the Policyholder for the resulting costs. The Insurer is entitled, but not obliged, to make further attempts to debit the account.

4.2 Arrears after request for payment

If debiting an amount is not possible for reasons not attributable to the Policyholder,

the Policyholder will not be deemed to be in arrears until it fails to respond to a request for payment in written or electronic form in a timely manner.

4.3 Insurer's right to request transfer

If it is not possible to collect a premium because the Policyholder prevents such collection or for other reasons, the Insurer may refuse to make further attempts to collect the amount and ask the Policyholder, in written or electronic form, to make payment by way of bank transfer.

5. Premium adjustment

The premium shall be adjusted accordingly at the time of the change based on the notification of the changes or other findings.

6. Premium refund

6.1 Pro rata temporis premium

a) If the insurance relationship ends before the expiry of the contractual period, or if it is retroactively annulled following the inception of cover or is null and void from the outset, the Insurer is only entitled to payment of the portion of the premium that corresponds to the period for which cover was provided.

b) This also applies in those cases in which the premium was paid several years in advance or if the insurance relationship is terminated as a result of termination following a loss event (§ 9 item 2).

c) If the insurance relationship is terminated on account of withdrawal or on account of contestation by the Insurer due to fraudulent misrepresentation (§ 5 a item 2.1), the Insurer shall be entitled to the premium up until such time as the declaration of withdrawal or contestation takes effect.

6.2 Fee

If the Insurer withdraws from the policy due to default on payment of the initial premium (§ 10 item 2.2), it is entitled to demand an appropriate fee.

§ 11 Limitation period, competent court, applicable law

1. Limitation period

The limitation period for claims arising from the insurance policy is based on the provisions set forth in the German Civil Code (*Bürgerliches Gesetzbuch* — BGB).

2. Competent court

2.1 Action brought against the Insurer

a) Action against the Insurer based on the insurance policy can be brought before the court with local jurisdiction for its registered office or the registered office of the branch responsible for managing the policy.

b) In respect of action brought against the Policyholder on the basis of the insurance policy or insurance brokerage, the German court in whose district the Policyholder has its place of residence at the time of the filing of the action, or failing that, its habitual place of residence, shall have local jurisdiction. If the Policyholder is a legal entity, the German court with jurisdiction over its registered office is competent.

2.2 Action brought against the Policyholder

a) In the case of action brought against the Insurer, the court with exclusive local jurisdiction shall be the court in the district of which the Policyholder has place of residence at the time of the filing of the action, or failing that, its habitual place of residence.

b) If the Policyholder is a legal entity, the court with jurisdiction over its registered office is competent.

2.3 Unknown place of residence or habitual place of residence of the Policyholder

If the Policyholder's place of residence or place of habitual residence in Germany is unknown when the action is brought, the court responsible for claims against the Insurer or the Policyholder arising from the insurance policy is the court with jurisdiction over the registered office of the Insurer or the branch office in charge of the insurance policy. This applies accordingly if the Policyholder is a legal entity and its registered office is unknown.

2.4 Place of residence or registered office of the Policyholder outside of the European Community, Iceland, Norway or Switzerland

If, at the time when the action is brought, the Policyholder does not have its place of residence or registered office in a member state of the European Community, Iceland, Norway or Switzerland, the court with exclusive jurisdiction shall be the court pursuant to item 2.3 sentence 1.

3. Applicable law

The rights and obligations under this insurance policy are governed solely by German law.

